

Media Release

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SocietyOne targets \$200 million in lending as 2016 shapes up to be break-through year

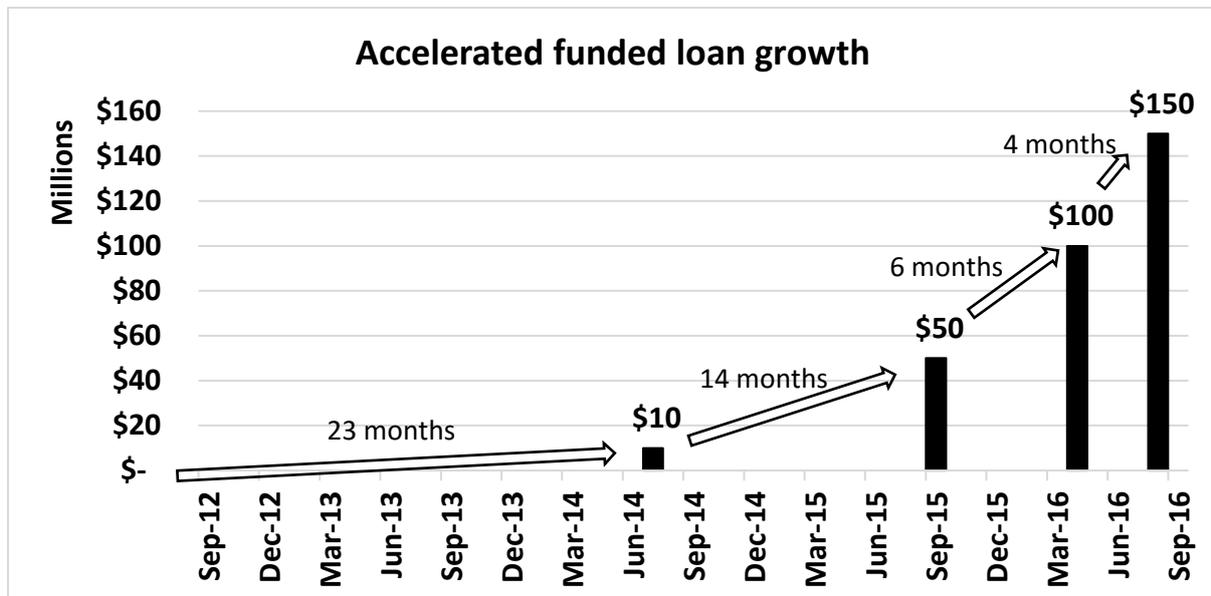
- \$150 million in lending achieved in early September
- Total loan book exceeds \$100 million
- Substantial increase in available funding to \$75 million
- National brand campaign drives borrower and investor interest
- New leaders appointed

2016 will be the year that puts SocietyOne on the map for both consumer borrowers and investor funders with Australia’s leading marketplace lending company set to break through \$200 million in lending, according to SocietyOne Chief Executive Jason Yetton.

Announcing the company’s latest financial update that saw SocietyOne reach the \$150 million milestone in the first week of September, Mr Yetton predicted that the market was now opening up and would no longer be the sole domain of the Big 4 banks and traditional lenders.

“We are experiencing real momentum in both demand for personal loans from consumer borrowers and the amount of money that our investor funders are now willing to advance to support those customers,” he said.

“Not surprisingly, it has taken us a while to get established but following some encouraging signs in growth last year, 2016 is turning out to be a break-through year where we have started to loosen the stranglehold of the Big 4 banks and traditional lenders on the \$20 billion personal loans market.”



SocietyOne's latest figures show:

- Additional \$50 million of lending advanced just four months after reaching the \$100 million mark - consecutive records for an Australian lending marketplace;
- Significant pick-up in the pace of lending based on the \$50 million mark achieved at the end of September 2015 to \$100 million in April and now \$150 million in September;
- Substantial increase in the amount of funding available for lending from \$20 million at 30 June 2016 to \$75 million at the end of September with new commitments;
- Returns on the company's portfolio of personal loans and secured agribusiness livestock product averaging 10 per cent annum;
- Number of borrower customer accounts grows by to 6,000;
- Default rates across the loan portfolio standing at 1.17% compared to a sector average of 2-3%.

Interest from borrowers and investor funders continues to grow thanks to new initiatives such as the company's first national TV brand campaign which was broadcast on Channel 7 during the Rio Olympic Games and is now being aired on pay television.

"The positive response to the new brand campaign shows Australian borrowers are looking for a better deal for personal loans than the one they are getting from the Big 4 banks," said Mr Yetton.

"Our mission is to be the leading, most trusted, people powered lending marketplace in Australia. Our proposition is simple and compelling – if you are good with credit we want to reward you with a better lending rate.

"Comparison rates for unsecured personal loans of \$10,000 for three years for the big banks are 15% to more than 17% and many credit card lending rates are even higher. SocietyOne rewards customers for their good credit histories with lending rates from as low as 9.58%."

3-year unsecured fixed rate personal loan \$10,000	SocietyOne (AA grade borrower)	ANZ	CBA	NAB	Westpac
Comparison rate	9.58%	17.21%	17.44%	15.24%	17.18%

The comparison rates are true only for the examples given and may not include all fees and charges. Different credit grades, terms, fees or other loan amounts might result in a different comparison rate. Bank data sourced from bank websites, 16/9/16.

Mr Yetton said SocietyOne was also in a position to help even more customers through the launch of its personal loans marketplace on its ClearMatch platform that enables other lenders to participate in providing finance to borrowers.

"The early signs are very encouraging with more customers being provided with offers of finance and many of those choosing to achieve their financial dreams that way even if we are unable to help them do so for different reasons," he added.

"This is an exciting stage in our development as we scale up to reach our targets of helping 100,000 Australians and take a two-to-three per cent share of the \$100 billion consumer finance market over the next five years.

"We have also reached a significant step up in our available funding for lending with \$75 million now committed which is not only a record for us but also for the personal loans marketplace lending sector. This shows that our investor funders are seeing the opportunities that now lie ahead from the opening up of this new and expanding fixed income investment asset class."

With the company growing strongly, Mr Yetton also announced changes to SocietyOne's leadership team that sees the company's co-founder, Greg Symons, take on the role of Chief Operating Officer with responsibility for all day-to-day operational, credit, customer service and technology activities.



At the same time, fellow co-founder Matt Symons is to switch to a Non-Executive Director's role on the board of SocietyOne. His executive duties will be taken by Jonathan Chan, who has been appointed to the new role of Chief Product and Strategy Officer.

Jonathan, an experienced financial services and technology executive, has joined SocietyOne from Boston Consulting Group where, for the last five years he was a Principal in its Sydney and, most recently, Kuala Lumpur offices. Prior to that, he worked for Westpac in its strategy unit for nearly six years.

Other changes include:

- Stephen Cole, who was on secondment from the Westpac Group for the past 12 months, appointed Head of Credit and Business Analytics;
- Sarah Black appointed Head of People & Culture. Ms Black, who joined SocietyOne as HR Advisor in March, was previously an HR executive with Elsevier Australia.
- An external search is underway to appoint a Chief Investment Officer and Chief Marketing Officer.

"The changes I have announced today are a reflection of the great strides that SocietyOne has taken since we started operating just over four years ago under the leadership of Greg and Matt," said Mr Yetton.

"They pioneered marketplace lending in Australia with SocietyOne and the explosive growth in the sector is, in part, testimony to their vision and advocacy. Both have been absolutely central to what we have achieved since then and I'm delighted that they will continue to contribute to our ongoing success in the new roles that they will now take on."

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About SocietyOne

SocietyOne was founded in 2012 and is Australia's leading marketplace lending company, connecting borrowers and investors to loans based on risk-based pricing through its world-leading ClearMatch technology platform. SocietyOne was named in April 2016 as the 20th leading company in the top 50 innovative "game-changers" in Australia and New Zealand by H2 Ventures and Investec Bank Australia. The company also won the Best Digital Offering of the Year category in the 2016 AB+F Australian Retail Banking Awards and the 2016 Fintech Innovation in Lending award in the inaugural Australian Fintech Awards. For more information, go to www.societyone.com.au