

12 May 2025

## hummmgroup announces 3Q25 update

Humm Group Limited (ASX: HUM) ("**hummmgroup**" or "the Company") today resumed (May 2023), quarterly updates for the quarter ending 31 March 2025 ("3Q25").

- Assets under management<sup>1</sup> of \$5.3b, up 10%<sup>2</sup>:
  - Commercial assets under management<sup>1</sup> of \$3.2b (up 10%)
  - Consumer receivables of \$2.1b (up 10%).
- Improved market share on volume from continuing products up 0.8% to \$897.3m:
  - Commercial volume of \$330.9m (down 2.8%) amid slowing SME market
  - Consumer volume of \$566.4m (up 3%).
- Net Interest Margin ("NIM") maintained at 5.5%. Net Loss/Average Net Receivables ("ANR")<sup>3</sup> maintained at 1.8%.
- YTD cost to income ratio as of 31 March 2025 of 53.5%, 10% improvement on prior year.
- The final tranche of the Perpetual Note was repaid, freeing up \$6.7m of annualised cashflow.

**hummmgroup** delivered good quarterly growth in difficult conditions with volumes from continuing products up 0.8% to \$897.3m and assets under management<sup>1</sup> increasing 10% to \$5.3b. The company's key metrics continue to perform strongly with NIM maintained at 5.5%, Net Loss/ANR of 1.8% and Cost to income ratio of 53.5% YTD.

Strategic investment into core products, diversification, prudent cost management and tighter credit settings have ensured we have maintained an upward growth trajectory while navigating complex macroeconomic conditions.

The Consumer business has performed well with volumes increasing by 3% to \$566.4m and receivables by 10% to \$2.1b, with continued low Net Loss to ANR. Following the development of the Company's new hybrid loan platform we are accelerating the launch of our regulated hybrid loan product into the Australian market with the introduction of new BNPL regulations.

The Company has completed an extensive review of its Consumer IT platforms and operations over the past 12 months, led by Mr Demasi. In line with this review, we are progressing well against our IT platform modernisation efforts, including the shift from data centres to cloud hosted services and the implementation of a modern data platform which serves to increase the reliability and resiliency of our products. The mobilisation of a re-platforming project to modernise the credit card systems will soon commence, enabling new channel partner and customer value propositions to be rapidly brought to market in the future.

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1. Includes loans and receivables under Forward Flow arrangement of \$0.4b. Excludes other debtors, provision for impairment losses, contract liabilities and unamortised direct transaction costs
  2. All comparative results are based on 3Q24 to 3Q25 unless otherwise stated. Prior comparative period ("pcp") refers to 3Q24
  3. Net Credit Loss/ANR is presented on a 12-month rolling basis that takes into consideration seasonality

New Zealand Cards continue to gain strength in market, increasing volume by 2.3% to deliver \$198.0m during the quarter. Q Cards strong brand equity and deep market penetration have been key drivers of ongoing consumer demand. Our Irish business continues to outperform, with volume growth of 23%, NIM expansion of 220bps, while maintaining losses at 1.6% and delivering ROE in the high 20%. This business will support our growth in the UK, which is on track to breakeven in the month of June 2025.

To capitalise on the opportunity in Canada, we have made significant changes to the operating model to reduce losses which will deliver \$4m in annualised savings. This includes moving the majority of our support operations to Ireland, reducing FTE and we are reviewing merchant pricing. We will monitor closely the Canadian business over the next 12 months and assess its performance against our expected return metrics.

Commercial continues to perform strongly with growth in assets under management of 10%. While volume is slightly lower than the prior comparative period due to the recent election and economic factors, we continue to improve market share as we expand our product offering and geographical focus.

As anticipated and communicated at the AGM, Commercial losses have increased across the transport sectors in Victoria. We are not seeing a material increase in loss expectations, however, combined with lower growth we are seeing our expected trend towards 1.0% Net Loss to ANR normalising more quickly.

Management continues to focus on ongoing operating costs with decreases in marketing spend and focused FTE reductions. Management is carefully reviewing ongoing project spend and prioritisation. This includes one-off costs incurred during the reporting period, in responding to an ASIC enquiry, and an increase in OPEX and CAPEX attached to the acceleration of the **hum** loan product project to meet regulatory deadlines, a challenge experienced across the industry.

## Volumes (A\$m)

SEGMENT	3Q24	3Q25	3Q25 vs 3Q24 Change %	YTD Mar24	YTD Mar25	YTD Mar25 vs YTD Mar24 Change %
<b>Commercial Finance</b>	<b>340.6</b>	<b>330.9</b>	<b>(2.8%)</b>	<b>1,102.1</b>	<b>1,101.4</b>	<b>(0.1%)</b>
Point of Sale Payment Plans <sup>1</sup>	234.2	247.3	5.6%	695.8	792.2	13.9%
Australia Cards	122.0	121.1	(0.7%)	376.0	371.5	(1.2%)
New Zealand Cards	193.5	198.0	2.3%	625.5	645.7	3.2%
<b>Consumer Finance</b>	<b>549.7</b>	<b>566.4</b>	<b>3.0%</b>	<b>1,697.3</b>	<b>1,809.4</b>	<b>6.6%</b>
<b>Continuing Products</b>	<b>890.3</b>	<b>897.3</b>	<b>0.8%</b>	<b>2,799.4</b>	<b>2,910.8</b>	<b>4.0%</b>
Suspended Products <sup>2</sup>	7.8	0.0	-	58.7	0.0	-
<b>humgroup</b>	<b>898.1</b>	<b>897.3</b>	<b>(0.1%)</b>	<b>2,858.1</b>	<b>2,910.8</b>	<b>1.8%</b>

1. PosPP includes **hum** AU, **hum** Ireland and UK and **hum** Canada
2. In the prior period **hum** AU excludes suspended products ('Little Things', BPAY within **hum**<sup>®</sup> AU LT, bundll<sup>®</sup>, **hum**<sup>®</sup>pro and **hum**<sup>®</sup> NZ)

## OUTLOOK

Management continues to successfully expand the geographies and products in the Commercial business and increase market share. We continue to see good growth in **hummm** Au in the lead up to the regulatory implementation and we are seeing positive trends in NZ Cards.

Board and management will continue to monitor operating costs carefully and identify areas for further improvement. We anticipate further costs in relation to the ongoing ASIC enquires and spend to support the launch of **hummm** hybrid loan product including compliance with the new legislation

The first phase of our Canada review has been completed and we are positive on our strategic pathway ahead for the business.

We remain focused on our strategy and are pleased with the underlying performance of the business.

[Authorised for release by the **hummm**group Board of Directors]

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## ABOUT HUMMMGROUP

**hummm** Group Limited ACN 122 574 583 (ASX: HUM) ("Company", and with its other group and consolidated entities "**hummm**group" or "Group") is a diversified financial services company that provides instalment plans which enable businesses and consumers to make large purchases. **hummm**group operates in Australia, New Zealand, Ireland, Canada, and the United Kingdom. Its principal activities include the provision of Commercial Lending in Australia and New Zealand; Point of Sale Payment Plans; Australia Cards (**hummm**®90, Lombard and Once); and New Zealand Cards (including Farmers Finance Card, Farmers Mastercard®, Q Card, Q Mastercard® and Flight Centre Mastercard®).