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ASX RELEASE

Resimac announces FY23 normalised NPAT of \$73.7m

Leading non-bank lender Resimac Group Ltd (ASX: RMC) ("the Group") today announced its results for the year ended 30 June 2023, reporting a normalised NPAT of \$73.7 million (excluding the impact of FV gains/losses on derivatives).

The Board declared a fully franked final dividend of 4.0 cents per ordinary share. The full year dividend is 8.0 cents, a payout ratio of 43.5% on a normalised basis (excluding the impact of FV gains/losses on derivatives), and a dividend yield of 8.74% based on the 30 June 2023 share price.

Scott McWilliam, Chief Executive Officer, said "I'm pleased to announce a strong FY23 profit of \$73.7 million, dominated by fierce competition – particularly by the major banks – and lower credit demand as a result of higher interest rates. We remain focused on our broker and customer-led growth strategy to be the non-bank lender of choice, whilst investing in technologies to optimise our operational efficiency and deliver better customer experiences."

With the RBA cash rate nearing or at its peak and a more positive property market outlook, Mr McWilliam expressed cautious optimism about the Group's outlook into FY24.

"We are expecting a less aggressive and more sustainable home loan pricing environment, supported by several banks recently removing or reducing their upfront cashback offers and increasing new business interest rates. These factors combined with increased system activity and fixed rate roll offs should result in Prime AUM growth opportunities increasing in FY24.

"We see plenty of growth potential in our asset finance business, which generated settlements of \$482 million in FY23. We recently implemented a new originations platform for asset finance that supports an enhanced digital experience for brokers and our people, and we're confident this will drive a material increase in settlements in the year ahead.

"Supporting our customers through rapidly changing financial conditions is an ongoing commitment, and despite the challenging year, I'm pleased to report arrears stabilised in the second half. Furthermore, our prudent approach to credit risk gives us confidence that our balance sheet is conservatively provisioned and contains low loss exposure.

"Our loan book is backed by a diversified and capital-efficient global funding program, which gives the Group a stable platform for growth. In FY23, we increased the number of warehouse facilities, and investor appetite remains strong for our RMBS issuances. Funding for the next reporting period is already off to a great start, with a \$750 million Prime RMBS deal priced recently at a lower cost of funds than previous issuance," added Mr McWilliam.

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**This release is authorised by the Resimac Group Company Secretary*

About Resimac Group:

Resimac Group Ltd (“Resimac Group”) is a leading non-bank lender and multi-channel distribution business. Its fully integrated business model comprises originating, servicing and funding prime, non-conforming residential mortgages and asset finance products in Australia and New Zealand. With over 300 people operating across Australia, New Zealand and the Philippines, Resimac Group has in excess of 55,000 customers with a portfolio of home loans on balance sheet of over \$13 billion, an asset finance portfolio over \$600 million, and total assets under management of over \$14 billion.

Resimac Group has issued over \$44 billion of mortgage-backed securities in domestic and global markets since 1987. It has access to a diversified funding platform with multiple warehouse lines provided by domestic and offshore banks for short term funding in addition to a global securitisation program to fund its assets longer term.