

7 February 2022

ASX / NZX RELEASE

HARMONEY NOW FUNDED BY THREE OF THE BIG FOUR BANKS WITH NEW A\$150M FACILITY

Key highlights:

- **New A\$150 million warehouse facility led by another of Australia's largest banks**
- **Harmony now has a diversified and cost-effective funding base to underpin continued accelerated growth, with 3 of the Big 4 banks in Australia and New Zealand, alongside several mezzanine lenders**
- **Supports continued high growth of Harmony's Australian loan book, up 83% over calendar year 2021**

Harmony Corp Limited (ASX/NZX: HMY; "Harmony" or "the Company") is pleased to announce that it has further diversified its warehouse debt facilities with the inclusion of another of the largest Australian banks.

As announced on 19 January 2022, Harmony is experiencing rapid new customer origination growth in its Australian business with 452% growth on pcp. Harmony's unique 100% consumer-direct platform originally developed in New Zealand is now proving its international capabilities in the larger Australian market.

This new A\$150 million facility provides further capacity for Harmony to continue accelerating its high growth in the Australian market. In addition, Harmony has also brought on another new mezzanine lender to support this facility.

Harmony is now funded by three of the Big 4 Banks in Australia and NZ alongside a number of mezzanine lenders providing a highly diversified and cost-effective funding base for continued growth. This new warehouse facility builds on Harmony's first asset-backed securitisation (ABS) deal announced in October 2021.

Over calendar year 2021, Harmony grew its Australian loan book by 83% and it is committed to continuing to grow in Australia and New Zealand, using its unique data driven consumer-direct business model. Harmony currently has \$274 million in unused warehouse capacity to support further rapid growth.

Commenting on the new funding, David Stevens, Harmony's CEO & Managing Director said:

"The quality of lenders in our funding program for our size business is second to none and reflects the strength of our team and superior Stellare® lending platform, and the huge data advantage we are able to utilise from our 100% consumer-direct business model. Evolving from a peer-to-peer lender to our own warehouses has materially lowered Harmony's cost of funds and allowed us to establish a scalable high margin business that generates sustainable growth. This diversification of funding continues to materially reduce our cost of funding and capital required to operate our

business. Having the commitment of now being funded by three of Australia's Big 4 banks provides external validation to the strength of our underwriting platform and business model."

This release was authorised by the Board of Harmony Corp Limited.

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ABOUT HARMONEY

Harmony is the only 100% consumer-direct personal lender operating across Australia and New Zealand. Harmony provides customers with unsecured personal loans that are fast, easy, competitively priced (using risk-adjusted interest rates) and accessed 100% online.

Harmony's purpose is to help people achieve their goals through financial products that are fair, friendly, and simple to use.

Harmony's proprietary digital lending platform, Stellare[®] is the power behind the platform. Stellare[®] can process, approve and fund most loan applications within 24 hours. Stellare[®] also replaces the traditional industry credit scorecard with Libra[™], our predictive behavioural analytics engine. Libra[™] uses machine learning to analyse our rich, direct consumer data to deliver automated credit decisioning and superior risk-based pricing.

BUSINESS FUNDAMENTALS

- Harmony provides risk based priced unsecured personal loans of up to \$70,000 to consumers across Australia and NZ
- Its 100% consumer-direct model and automated loan approval system is underpinned by Harmony's scalable Stellare[®] proprietary technology platform
- A large percentage of Harmony's originations come from meeting the evolving needs of existing or returning customers
- Harmony is comprised of a team of ~80 full-time employees predominantly based in NZ, half of whom comprise engineering, data science and product professionals
- Harmony is funded by a number of sources including three "Big-4" bank warehouse programs across Australia and New Zealand and, in addition, in October 2021 Harmony issued its first asset backed securitisation which was publicly rated by Moody's.

For further information visit <https://www.harmony.co.nz/> or <https://www.harmony.com.au/>