

ASX Announcement & Media Release

FY17 Trading Highlights and FY18 Earnings Guidance

19 July 2017

HIGHLIGHTS

- **Continued growth in all key operating metrics during the year ended 30 June 2017, exceeding prospectus forecasts**
- **Rapid market share growth with loan receivables increasing by 226% over pcp to \$167.5m**
- **Preliminary Full Year (unaudited) FY17 NPAT of \$3.6 million, an increase of 157% over pcp, in line with revised guidance**
- **Basic EPS of 10.38 cents in FY17 compared to 6.03 cents pcp**
- **2H17 dividend expected to be 2.2 cents per share fully franked**
- **Sound credit quality maintained with total credit losses at 1.13% of net receivables**
- **\$112 million senior syndicated debt facility established with strong support from financiers**
- **FY18 earnings expected to be circa \$6.0 million, an increase of 67% over FY17 NPAT**

Axesstoday Limited (ASX: AXL) (“Axesstoday”) is a specialist provider of equipment funding solutions for small to medium sized enterprises (SMEs) in hospitality, transport and other sectors. The Group has experienced high growth since inception, in response to a need for a differentiated and compelling value proposition for merchants to offer equipment finance to their end customers. Axesstoday makes funding fairer, easier and faster for business owners.

30 June 2017 Financial Performance

Axesstoday confirms (unaudited) FY17 NPAT of \$3.6 million, an increase of 157% over the prior corresponding period. The strong earnings result is underpinned by the significant growth in the loan book to \$167.5 million as at 30 June 2017, an increase of 226% over prior corresponding period. Market conditions remain favourable in both the hospitality and transport segments.

Portfolio Performance

Key portfolio metrics have remained stable over the 12 months to 30 June 2017, with arrears (unimpaired past due 30 day receivables) at 1.1% of gross receivables as at 30 June 2017. Total credit losses in FY17 remained stable at 1.13% of net receivables (1.7% of average net receivables). The Company recognises a 2.5% impairment provision through the income statement and currently has approximately \$2.0 million of credit loss provisions available to be applied against future impairment losses.

Establishment of Senior Syndicated Bank Debt Facility

Axsesstoday announced on 3 July 2017 that it has broadened its funding base and secured a new \$112 million Senior Syndicated debt facility. The new facility provides an additional \$50 million of funding and provides flexibility for additional financiers to participate in the facility on the same terms in the future. The term of the facility was renewed for 3 years.

2H17 Dividend

The Directors expect to pay a fully franked dividend in respect of earnings attributed to the half year ending 30 June 2017 of 2.2 cents per share, which is consistent with the Company's target dividend payout ratio of 50% of distributable profits. The Company is in the process of implementing a Dividend Reinvestment Plan to allow shareholders to reinvest their dividends. This will minimise the cash and capital impact of dividends on the Company and provide investors with the opportunity to increase their investment on attractive terms.

Core Systems Upgrade

The Company commenced upgrading its core systems and platforms to maintain its market leading position. Phase 1 is expected to be completed in August, and will increase capacity to support growth, improve the customer service experience, broaden the Group's product base, enable flexibility for future international expansion, and continue to improve operating leverage and cost management through increased levels of process automation.

Outlook

Axsesstoday continues to experience strong trading conditions, and based on its latest budget for FY18, the Company expects preliminary net profit after tax of \$6.0 million, an increase of 67% over the FY17 result.

In framing the FY18 budget, the Company has taken into account the strong and increasing levels of origination across its core equipment leasing activities. The FY18 earnings guidance maintains the Company's conservative position regarding credit loss provisions, and provides for ongoing investment in people and systems to support the Company's anticipated rapid growth. Axsesstoday is also continuing to undertake due diligence and evaluate expansion opportunities in Canada.

Peter Ferizis, CEO and Managing Director of Axsesstoday, said "I am delighted to report on the Company's strong FY17 results and positive outlook for FY18. We continue to achieve strong market share growth due to the support from our growing network of key retail merchant partners who value the convenience and value proposition in our core equipment financing products for their end customers."

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