



16 November 2021

ASX RELEASE

**Resimac Group Ltd 2021 Annual General Meeting
Chairman's Address**

Please see attached the address to be delivered by Resimac Chairman, Warren J McLeland, to shareholders at the Annual General Meeting.

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For more information:

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Company Secretary

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About Resimac Group:

Resimac Group Ltd ("Resimac Group") is a leading non-bank lender and multi-channel distribution business, recognised as Non-Bank of the Year by the Australian Mortgage Awards 2020. 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 250 people operating across Australia, New Zealand and the Philippines, Resimac Group has in excess of 50,000 customers with a portfolio of home loans on balance sheet of over \$14 billion and assets under management of over \$16 billion.

Resimac Group has issued over \$35 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.



Chairman's Address

Resimac Group Ltd 2021 Annual General Meeting

Good Morning Ladies and Gentlemen and welcome to your company's AGM. My name is Warren McLeland, and I am the non-executive chairman of your company. I commence with an acknowledgement of the Gadigal people of the Eora Nation as the traditional custodians of this land and pay respect to their Elders, past, present and future.

This disappointingly, is the second AGM we are convening virtually, as a consequence of the ongoing effect of COVID related lockdown restrictions imposed on the citizens of NSW, concurrent with similar lockdowns in other States and Territories.

I am joined today by my Director colleagues, Duncan Saville, Susan Hansen, Caroline Waldron and Wayne Spanner who appears by video conferencing from New York. Our CEO Scott McWilliam, Peter Fitzpatrick, Company Secretary and Jason Azzopardi, our CFO are with us. Also present is Ms Heather Baister, representing our Auditing firm Deloitte, and who we welcome to Resimac today as our new Audit Partner. Our retiring partner, Delarey Nell, has joined us for the last time in his official capacity as Audit Partner. We acknowledge and thank Delarey for his years of outstanding professional service and counsel to Resimac Group.

Delarey and Jason are available to address any question you may have on the financial accounts and the results therein.

Following my address to shareholders, I shall ask Scott, our CEO to address the meeting with his comprehensive report for the year to June 30, 2021.

It has been a privilege to complete my first full year as your Chairman and I am pleased at the scale and quality of the progress of your company in its business transformation to a digitally powered, value creating, growth driven and profitable enterprise.

As a declared growth company, our loan assets under management (AUM) at FY21 end were \$13.8 billion, normalised earnings increased 87% to a record \$104 million, our capital position is its strongest since our incorporation and continues to grow and the increases in our share price in FY 2021 outperformed the vast majority of ASX listed companies. This has enabled us to increase returns to shareholders with a total fully franked annual dividend of 6.4 cents per share.

Resimac's leadership in funding and treasury management has again demonstrated its immense capabilities. Their professionalism continues to provide the company with a strong base for us to drive our AUM growth.

Financial year 2021 was essentially dominated by the destructive pandemic, Covid-19, which by the second quarter of FY21 (October to December 2020), was becoming more of a manageable problem rather than a plague. The local economy was demonstrating fast recovery in growth and business activity with expanding consumer expenditure. But business and consumer confidence was soon hit hard following the Summer holidays when the new variant of Covid, Delta, struck Australia forcing a refocus on controls over people movement ultimately leading to another wave of lockdowns as the year drew to a close.

While uncertainty remains around Covid-19's lasting impact, the dramatic increase in the take up in vaccination rates across the nation is cause for confidence, if not optimism, about the path forward for the Australian economy.

The immediate economic outlook remains challenging to forecast. This is common for any economy experiencing a short, sharp downturn. Increasingly, expectations are gathering pace for another V or possibly a W shaped recovery. Others are more conservative predicting a U shape recovery with a possible longer base. Irrespective of the shape of the improvement, it is increasingly likely that there will be an imminent pick-up in inflation principally caused by worldwide supply chain issues.

Unemployment may increase for a short period early next year as a consequence and market forces are relentless in their expectations that official Government interest rates will increase by the end of calendar year 2022, 18 months earlier than the RBA was predicting only 6 weeks ago. A Federal election is due by May 2022 and the closer we get to that date more uncertainty will be created. This translates as a higher risk operating environment for the second half of FY22. However, once the election is over and evidence builds regarding economy recovery, we expect the rebound in GDP will gather pace.

House price growth in FY 21 and the first few months of FY 22 has been nothing short of extraordinary. This has quickly resulted in reducing housing affordability across all capital cities and increasingly regional areas. We expect further macro prudential decisions from Regulators aimed at limiting and capping specific categories of lending and/or conditions of assessing loan servicing criteria for borrowers. The ultimate aim is to weaken the growth in lending and introduce a measure of mitigating future housing price increase to more realistic and sustainable levels.

Overall, we remain convinced that consumer expenditure will expand surprisingly quickly thereby from first quarter FY23 producing a return to business and investor confidence. International borders are already opening, and business and tourism is commencing reinvigoration.

Irrespective of a mix of positive and negative trends that produce volatility in markets and uncertainty, the majority of economists are predicting most negative trends will be short lived and sustainable economic growth will robustly re-emerge. Crucially, Governments, the business community and private sector specialists are aligned on the expected outcome.

In summary, we expect the Australian economy in the period to 2026 will be characterised by relatively low levels of unemployment, low levels of interest rates and only moderately higher annual inflation and at least a return to the higher rates of real GDP growth we experienced pre COVID.

Such conditions represent a positive outlook for a continuance of growth opportunities for Resimac Group, notwithstanding a constant feature of intense industry competition and a continual squeeze on margins. Even with such demanding conditions, we remain confident in our assessment of Resimac's continuing growth albeit at a slower rate during the next two years, than experienced in F20 and FY21.

Our strategic research gives us confidence to retain if not expand and further diversify our aspirations. Our capital investment plans remain. We have big expectations from our Asset Financing business especially taking a three to five year view. A strong capital position is a pivot for our future growth as is our conservative payout ratio illustrating our confidence in the business.

On behalf of my Director colleagues, I have pleasure in congratulating our management and employee team. We admire their ability to maintain a measure of cautious optimism under such challenging working from home requirements, the blending of complexity of living with COVID in personal lives and the duress and stressful operating and environmental conditions have created. Their unwavering commitment and loyalty to Resimac has been simply outstanding.

I shall now ask our CEO, Scott McWilliam to provide more detail on a selection of the many highlights for 2021 and an overview of the current environment.