Eclipx Group
1H21 results presentation

6 May 2021

eclipx GROUP

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Statutory profit is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with the International Financial Reporting Standards (IFRS). Cash NPATA is categorised as non-IFRS financial information and therefore has been presented in compliance with Australian Securities and Investments Commission Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011.

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1H21 results agenda

1. Performance highlights
2. Financial result
3. Risk management
4. Summary & outlook

1. Performance highlights

1H21 performance highlights

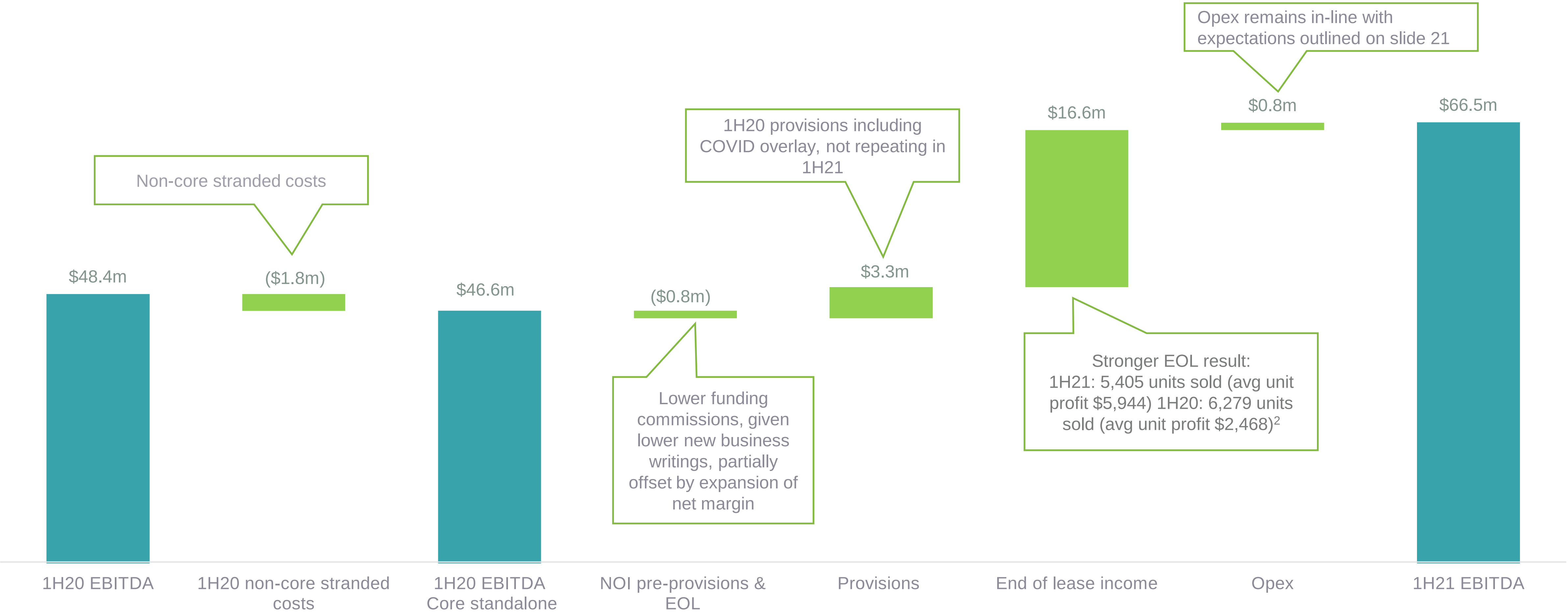
1. ↑ **77%** Increase in NPATA versus 1H20
2. ↑ **107%** End of lease outperformance
3. **157%** Cash conversion
4. ↓ **62%** Reduction in net debt
5. **Buy-back** $20m in 2H21
6. **STRATEGIC PATHWAYS ON TRACK**

31 March 2021 (A$m unless specified)	1H21A	1H20A[4]	Var +/(-)
Income statement			
NOI (pre-provisions & EOL)[1]	72.6	73.4	(1%)
EOL	32.1	15.5	107%
NOI	105.9	86.8	22%
EBITDA[2]	66.5	46.6	43%
NPATA	39.3	22.3	77%
Cash conversion			
Cash conversion	157%	158%	nm
Balance sheet			
Gross debt	113	225	(50%)
Net debt	54	144	(62%)
Net debt to EBITDA[3]	0.49x	2.01x	(76%)

Notes:
1. NOI pre-provisions represents Net Operating Income before EOL, credit and fleet impairment provisions
2. EBITDA post AASB 16
3. Adjusted net debt (includes other financial indebtedness) to adjusted EBITDA as reported to ECX lenders for covenant reporting
4. 1H20A represents Core standalone including non-core stranded costs

EBITDA performance

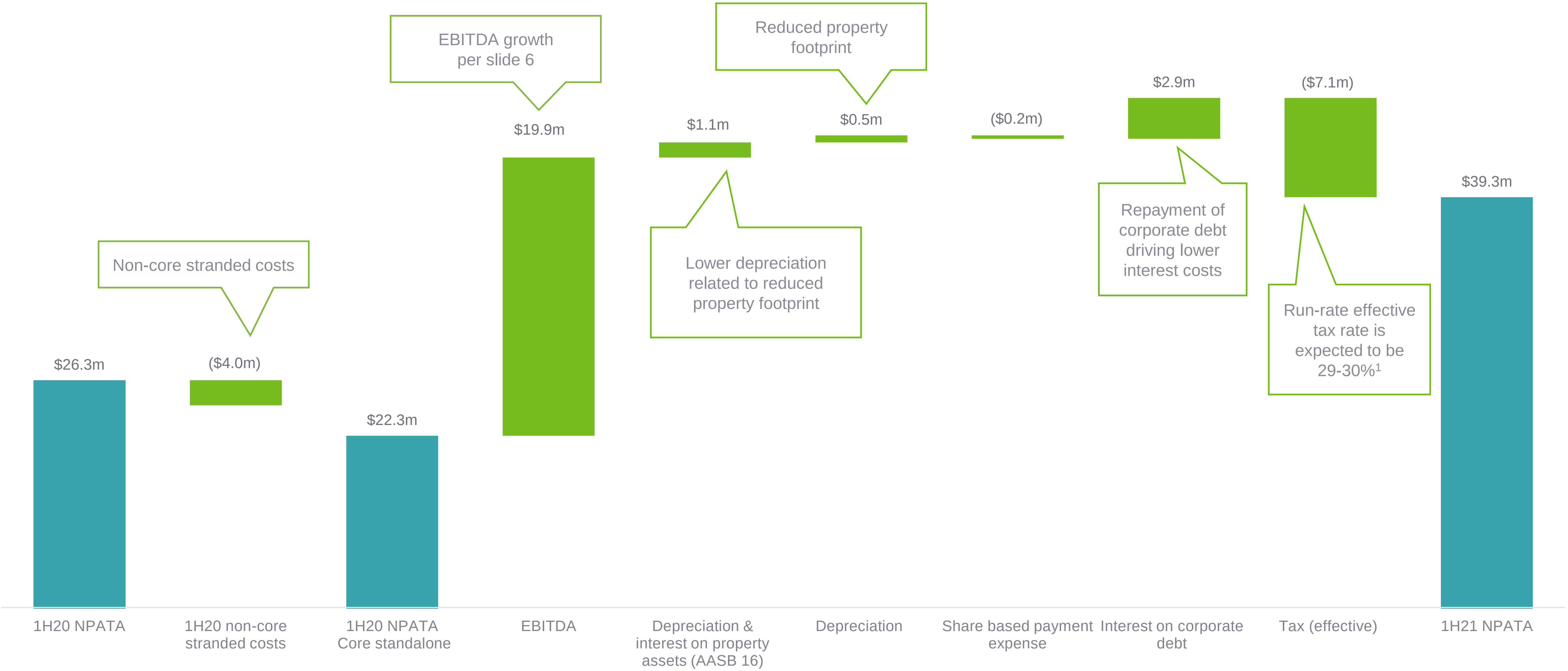
EBITDA[1] growth of 43% in 1H21, supported by stable NOI pre-provisions and elevated end of lease income



Notes:
1. Performance reported "post AASB 16"
2. See slide 18 for more detail

NPATA performance

1H21 NPATA of $39.3m, up 77% on 1H20



Notes:
1. Statutory tax only. No Australian cash tax expected to be paid given eligibility for instant asset write-off on operating leases

Corporate debt

A 50% reduction in gross corporate debt compared to 1H20—net debt to EBITDA at 0.49x

31 March 2021:

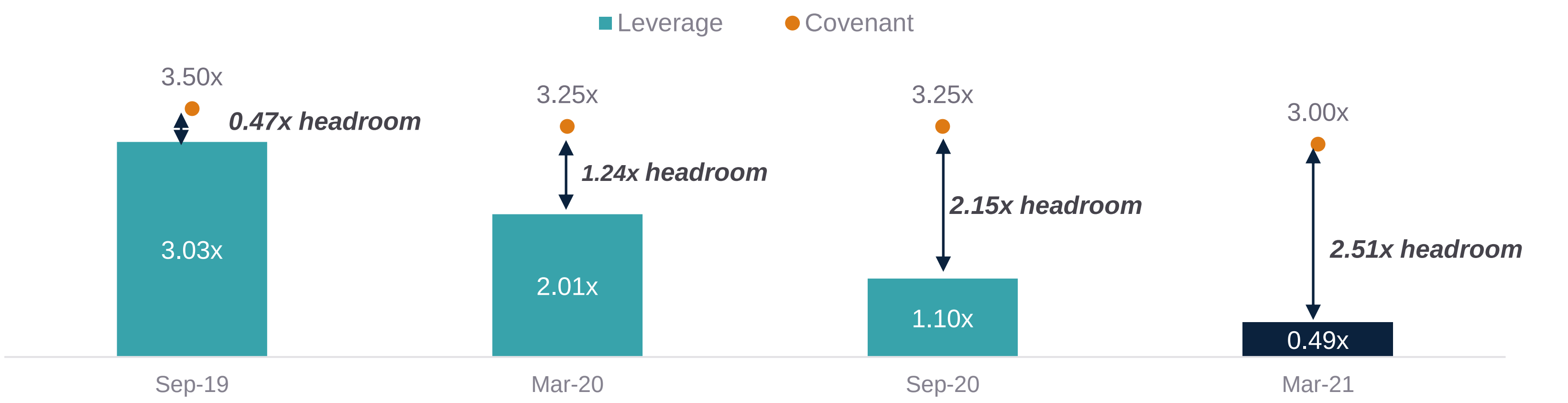
- Significant reductions in gross debt given organic capital generation
- $113m of gross debt
- $59m of unrestricted cash
- $54m of net debt
- Strong covenant headroom—net debt to EBITDA of 0.49x (rel. 3.00x covenant) in 1H21[1]

Notes:
1. Net debt to EBITDA ratio based on adjusted net debt (includes other financial indebtedness) to adjusted EBITDA as reported to ECX lenders for covenant reporting

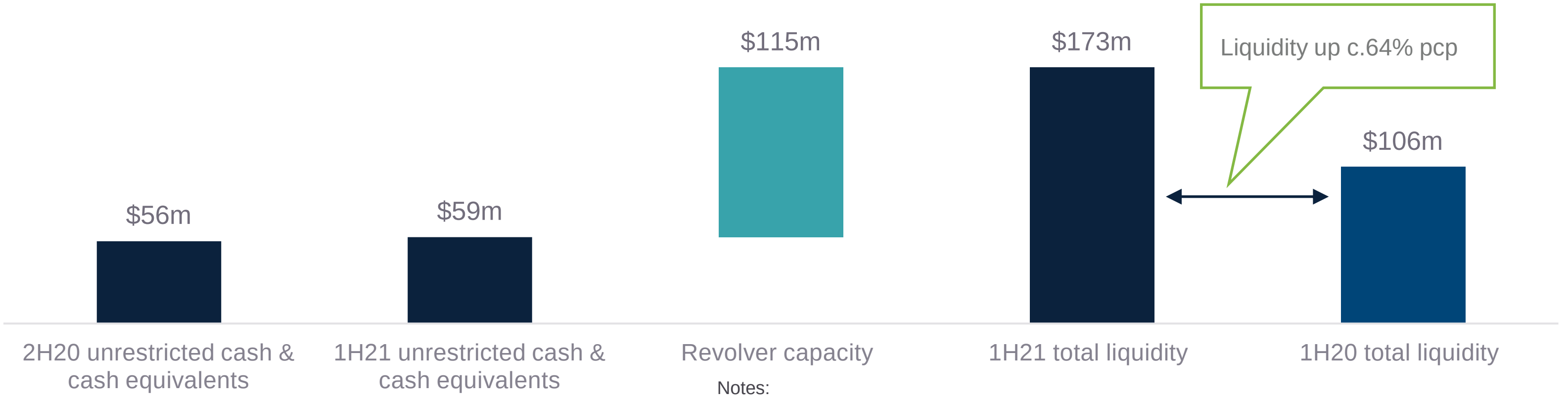
Capital management—on-market buy-back to commence in 2H21

The combination of a strengthened debt position, a better liquidity profile and a stronger overall performance has enabled Eclipx to accelerate its capital management strategy, six months ahead of internal targets

Corporate Debt—De-gearing leverage (Net Debt to adjusted EBITDA[1])



Unrestricted cash balance and 1H21 Group liquidity



Buy-back rationale

- Balance sheet restored for flexible capital investment and to support organic growth
- Eclipx is a beneficiary of the Australian Federal Budget's instant asset write-off policy
- It will, therefore, not make Australian tax instalments for the foreseeable future
- The Group will therefore not accrue franking credits, nor does it have distributable franking credits today
- As a result, the Group has concluded that an on-market buy-back is the most efficient form of capital distribution to shareholders

Size

- Up to $20m on-market share buy-back and cancellation in 2H21[2]

Notes:
1. September-19 and March-20 included contribution from non-core earnings and adjustments allowed by the facility agreement. Changes to ECX facility documents in May-20 permanently removed non-core earnings from the September-20 leverage assessment. Leverage based on adjusted net debt (includes other financial indebtedness) to adjusted EBITDA as reported to ECX lenders for covenant reporting
2. Subject to the prevailing share price and market conditions

2. Financial result

New business writings

Despite global vehicle supply disruption chain constraining vehicle deliveries, the Group generated 11% half on half NBW growth—lower deliveries and strong sales activity in the half have increased the pipeline to all-time highs

Corporate & SME new business writings (NBW) – ex Panel

Comments

- NBW recognised only upon vehicle delivery
- Global auto supply chain disruption continues to impact deliveries
- Order pipeline at historic highs as a result of increased lead time
- Lease extensions (not included in NBW) remain elevated, up 79% pcp - ($77.3m in 1H21 vs $43.2m in 1H20)
- Tendering activity remains very active

Novated new business writings (NBW)

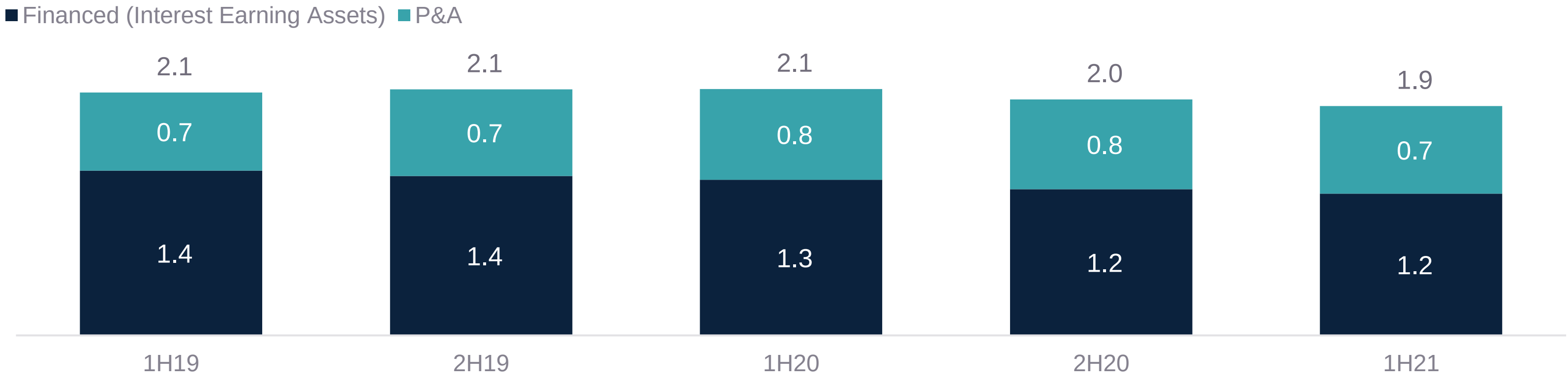
Comments

- Supply chain constraints impacting NBW given slower deliveries
- Novated demand returning, which is reflected in strong lead volumes and order pipeline
- Launched digital originations platform (including straight through credit processing) in late 1H21, and recently initiated customer roll-out
- Roll-out to all major clients being targeted for completion by end of calendar year

Assets and vehicles under management

While the customer pipeline is at all-time highs, vehicle supply constraints have led to lower NBW and assets under management—despite a 7% reduction in AUMOF, NOI pre-EOL has remained flat

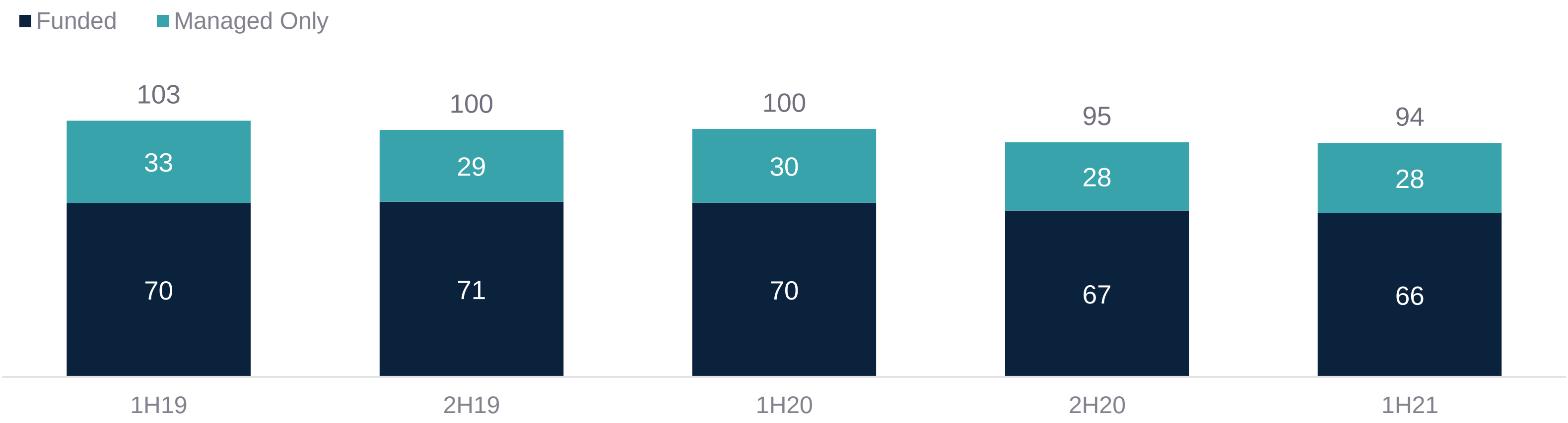
Assets under management or financed (AUMOF; $bn)



Comments

- AUMOF down 7% pcp, as a result of lower NBW from new vehicle supply constraints
- Impact on AUMOF from lower NBW being slowed by elevated lease extensions
- The relative stability of financed AUMOF drives predictable, annuity-like net operating income before provisions and EOL

Vehicles under management or financed (VUMOF; ‘000 units)



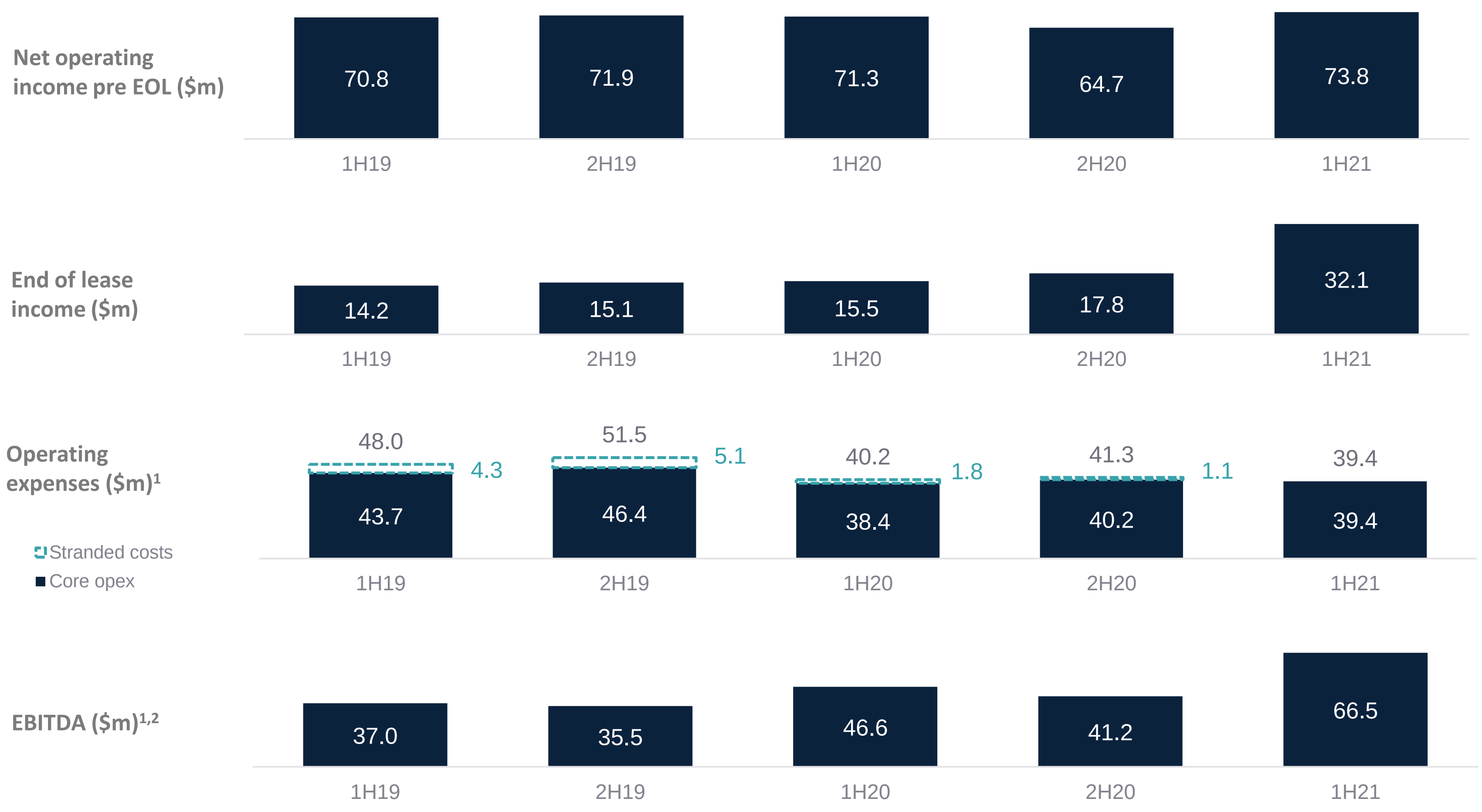
Comments

- VUMOF down 6% pcp, as the business has exited lower profitable managed only units
- Lower margin managed only units down 5% against 1H20
- Funded units down due to deliberate sell down of inventory levels, and from lower NBW due to supply disruption
- With the run-off of panel, annualised NOI pre EOL & provisions / VUMOF has increased from $1,467 in 1H20 to $1,537

Financial performance

Strong performance across NOI and end of lease income, coupled with disciplined cost management has resulted in record levels of EBITDA

Financial performance



Comments

Net operating income pre EOL up 4% on pcp driven by:

- Net margin expansion and lower provisions being partially offset by lower funding commissions due to lower NBW and lower management fees as the business exits less profitable managed only units

End of lease income up 107% on pcp driven by:

- Strong demand for used vehicles coupled with used vehicle supply shortages resulting in inflated prices
- Inflated prices are expected to be temporary in nature while vehicle supply constraints remain

Operating expenses down 2% on pcp driven by cost reduction from Simplification Plan

EBITDA up 43% on pcp driven by strong NOI and elevated EOL income

Notes:
1. 1H19 and 2H19 results are prior to the implementation of AASB16
2. EBITDA is core standalone after inclusion of non-core stranded costs

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Income statement

The Group delivered NPATA of $39.3m, up 77% pcp

$ million	1H21	1H20 (Core standalone[1])	1H20 (Core)	PCP (%) (Core standalone)
Net operating income (pre end of lease income and impairments)	**72.6**	**73.4**	**73.4**	**(1%)**
End of lease income	32.1	15.5	15.5	107%
Fleet and credit provisions	1.2	(2.1)	(2.1)	160%
Net operating income	**105.9**	**86.8**	**86.8**	**22%**
Total operating expenses	(39.4)	(40.2)	(38.4)	2%
EBITDA	**66.5**	**46.6**	**48.4**	**43%**
Share based payment expense	(2.4)	(2.1)	(2.1)	(11%)
Depreciation and software amortisation	(2.7)	(3.1)	(2.8)	13%
Depreciation and interest on leases (AASB 16)	(2.2)	(3.3)	(2.7)	33%
Amortisation of acquired intangibles	(1.5)	(1.6)	(1.6)	2%
Non-recurring items	0.8	(4.3)	(4.3)	119%
Interest on corporate debt	(5.2)	(8.1)	(5.0)	36%
PBT	**53.3**	**24.1**	**29.8**	**121%**
Tax expense	(15.5)	(7.1)	(8.8)	(118%)
NPAT	**37.8**	**17.0**	**21.0**	**123%**
Add back amortisation of acquired intangibles (post tax)	1.1	1.1	1.1	(3%)
Add back non-recurring items (post tax)	(0.7)	3.0	3.0	(123%)
NPATA pre add back of software amortisation (post tax)	**38.2**	**21.1**	**25.2**	**81%**
Add back software amortisation (post tax)	1.2	1.1	1.1	7%
Cash NPATA	**39.3**	**22.3**	**26.3**	**77%**

Notes:
1. Core standalone includes non-core stranded costs

Comments

- 22% growth in NOI, 43% increase in EBITDA and NPATA at 77% above pcp
- NOI (pre provisions and EOL) down 1% pcp as margin expansion has partially offset the impact from NBW and AUMOF reductions due to new vehicle supply constraints
- End of lease income (EOL) up 107% pcp as EOL per unit is up 141%, slightly offset by a reduction in the number of vehicles sold by 14%
- Fleet and credit provisions have decreased by $3.3m pcp as higher provisions including a COVID overlay in 1H20 were not repeated in 1H21
- Operating expenses were down 2% pcp driven by disciplined cost management rigour and run rate savings from the Simplification Plan
- Increase in share based payments expense relates to the transition to the new executive and senior leadership remuneration scheme as disclosed in prior periods
- Interest on corporate debt reduced 36% on pcp given ongoing repayment of corporate debt on the back of strong cash generation
- Non-recurring items in 1H21 mainly relate to proceeds received from a legal settlement

Group balance sheet

Successful execution of the Simplification Plan has strengthened the balance sheet and enabled the acceleration of capital returns to shareholders

$ million	31 Mar 21	30 Sept 20	Prior period (%)
Assets			
Cash and cash equivalents	58.6	55.8	5%
Restricted cash and cash equivalents	164.9	152.0	9%
Trade and other receivables	66.6	68.5	(3%)
Leases	1,193.7	1,237.5	(4%)
Inventory	15.5	18.4	(16%)
Deferred tax assets	12.2	3.4	nm
PP&E	5.2	6.0	(13%)
Intangibles	467.8	469.3	(0%)
Right-of-use assets	18.5	21.6	(14%)
Total assets	**2,003.2**	**2,032.5**	**(1%)**
Liabilities			
Trade and other liabilities	115.4	107.8	7%
Borrowings – Warehouse and ABS	1,145.4	1,190.0	(4%)
Borrowings – Corporate debt	112.9	155.0	(27%)
Provisions	8.7	9.8	(11%)
Other liabilities	16.2	28.1	(42%)
Lease liabilities	20.9	23.8	(12%)
Deferred tax liabilities	35.4	9.6	nm
Total liabilities	**1,455.0**	**1,524.1**	**(5%)**
Net assets	**548.2**	**508.5**	**8%**
Contributed equity	666.1	654.8	2%
Reserves	167.6	177.0	(5%)
Retained earnings	(285.5)	(323.3)	12%
Total equity	**548.2**	**508.5**	**8%**

Comments

- Transformation into a significantly stronger balance sheet achieved over the past 2 years through the successful execution of the Simplification Plan
- Acceleration of capital return to shareholders with the announcement of a $20m buyback as detailed on page 9
- Net debt reduced by $90m down to $54m and net assets up 8% on the prior period
- Strong organic cash generation allowing a 27% reduction in gross corporate debt
- 4% reduction of leases and warehouse borrowings driven by lower new business writings as a result of new vehicle supply constraints
- Inventory down a further 16% as strong demand for used vehicles, new vehicle supply constraints and elevated lease extension levels result in a net outflow of inventory
- Other liabilities reduced 42% on the prior period, driven by the $11.9m mark-to-market of interest rate hedge
- Increase in deferred tax liability driven by timing difference created by the instant asset write-off in Australia
- Contributed equity up $11.3m as a result of issued shares which were purchased by ESOP

Cash generation

Continued strong organic capital generation supporting Eclipx's repayment of corporate debt and return of capital to shareholders—Cash conversion was 157% in 1H21

Cash flow

$m	1H21
Operating cash flow	
Customer receipts	387.5
Payment to suppliers & employees	(171.1)
Income tax paid	(0.9)
Net interest paid	(27.2)
Net operating cash flow	**188.3**
Investing cash flow	
Purchase of operating & finance lease vehicles	(192.6)
Capex (PP&E & intangibles)	(2.6)
Proceeds from asset disposals net of transaction costs	4.9
Proceeds from sale of operating lease vehicles	118.2
Net investing cash flow	**(72.2)**
Financing cash flow	
Net change in borrowings	(86.8)
Payment of lease liabilities	(2.0)
Movement in share capital	(11.2)
Net financing cash flow	**(99.9)**
Net cash flow	**16.1**

Organic cash generation and cash conversion

$m	1H21
Net cash flow	**16.1**
Proceeds from sale of discontinued operations net of transaction costs	(4.9)
Capex	2.6
Change in corporate debt	42.1
Treasury share purchase	11.2
Organic cash generation	**67.2**
NPATA (incl. stranded costs) adding back non-cash SBP & depreciation pre tax	**42.7**
Cash conversion[1]	**157%**

Comments

- Business generated $188m of operating cash flow and $67m of organic cash flow (as defined above)
- Cash generation temporarily elevated given strong EOL performance
- Cash conversion[1] was 157% in 1H21—enhanced by the tax timing difference associated with the Australian instant asset write-off legislation
- $42m cash used to repay corporate debt

Notes:
1. Organic cash generation / Core NPATA (including stranded costs) adding back non-cash SBP and depreciation pre tax

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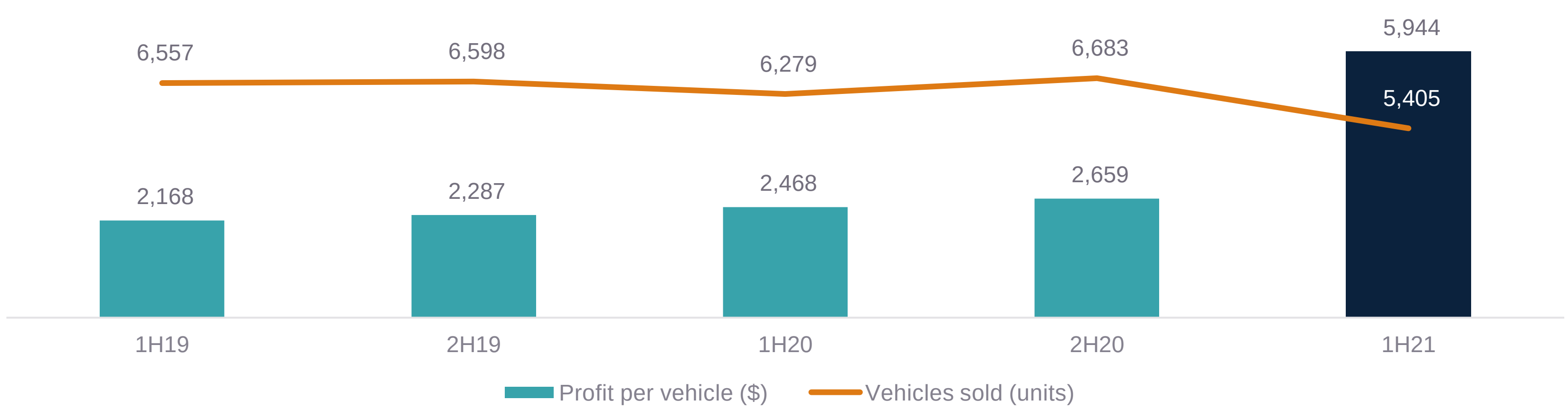
3. Risk management

End of lease income up 107% pcp

End of lease income was up 107%, driven by elevated used car prices as a result of new car supply shortages—EOL income expected to return to 1H20/2H19 levels when the supply of new vehicles is restored

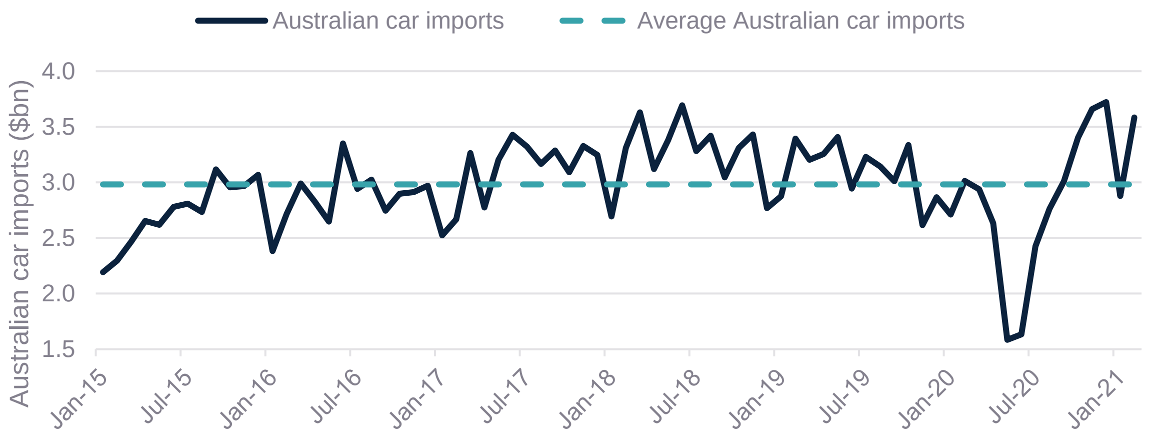
Disposed vehicles and end of lease income per vehicle



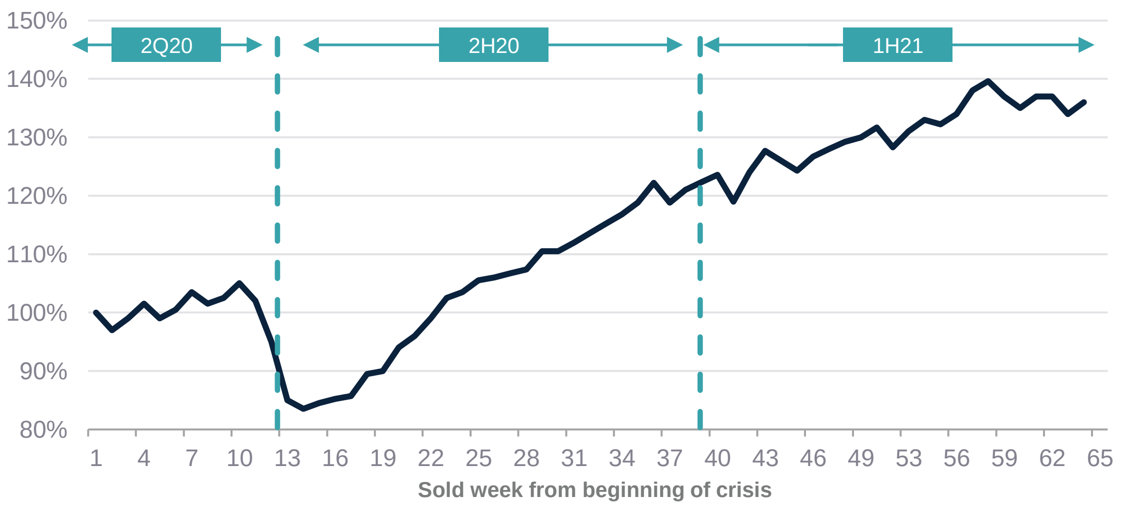
Comments

- Temporary elevated used car prices given supply constraints—further enhancing cash flow generation
- Longer term used car pricing expected to revert to 1H20/2H19 levels as supply of vehicles normalises
- Number of units sold lower in 1H21 period due to a 79% increase in lease extensions compared to pcp
- Approach to RV setting unchanged in the half

New car imports—2015 – 2021[1]



Used car price outcomes—Weekly used car price index[2]



Notes:
1. Australian Bureau of Statistics
2. Datium insights

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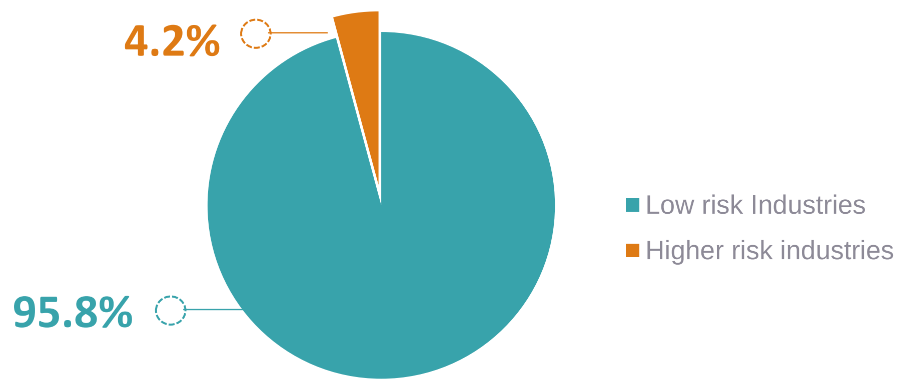
Portfolio credit risk remains low

The Group remains well placed to face any further macro uncertainty given the quality of the portfolio

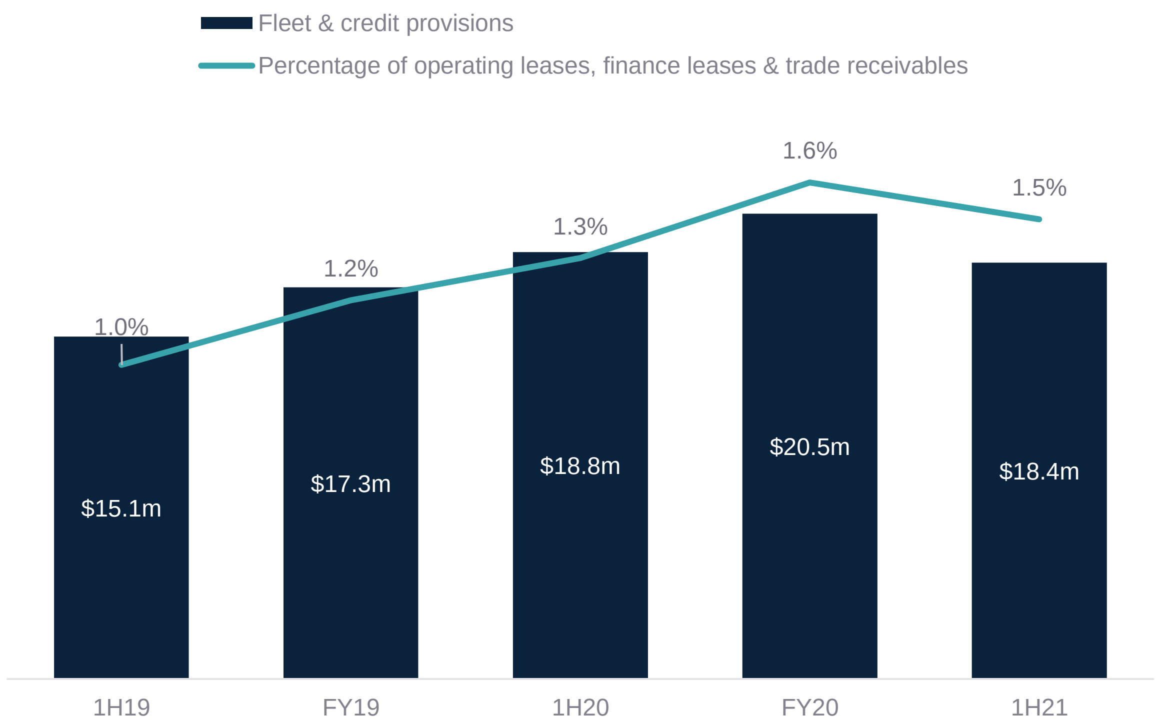
Comments

- 77% of the exposure of the top 20 customers is investment grade
- 95.8% of the portfolio represents low risk customers, many of which are essential services[1]
- 4.2% of exposure to high risk industries, including air transport, tourism, motor vehicle and transport equipment rental, accommodation and hospitality industries
- 35+ years of experience with unique credit insights through the cycle in A/NZ
- All financing secured by PPSR[2] on vehicles (no unsecured exposure)
- Business-use assets have a strong track record of performance through economic cycles (including the GFC and COVID)

Portfolio exposure



Provisioning (% of operating leases, finance leases & trade receivables on balance sheet)



- COVID financial assistance has now ceased, with enquiries for financial assistance minimal in the last quarter

Notes:
1. Excludes NZ equipment finance portfolio, which is currently in run-off
2. Personal Property Securities Register (PPSR)

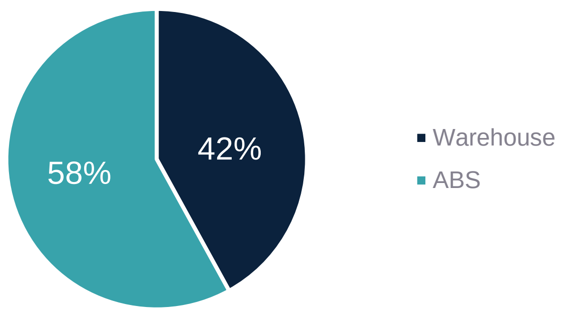
Platform endorsement by recent Australian ABS issuance

ECX achieved the tightest pricing in the Australian ABS markets since the GFC, while further diversifying its portfolio and credit investor base

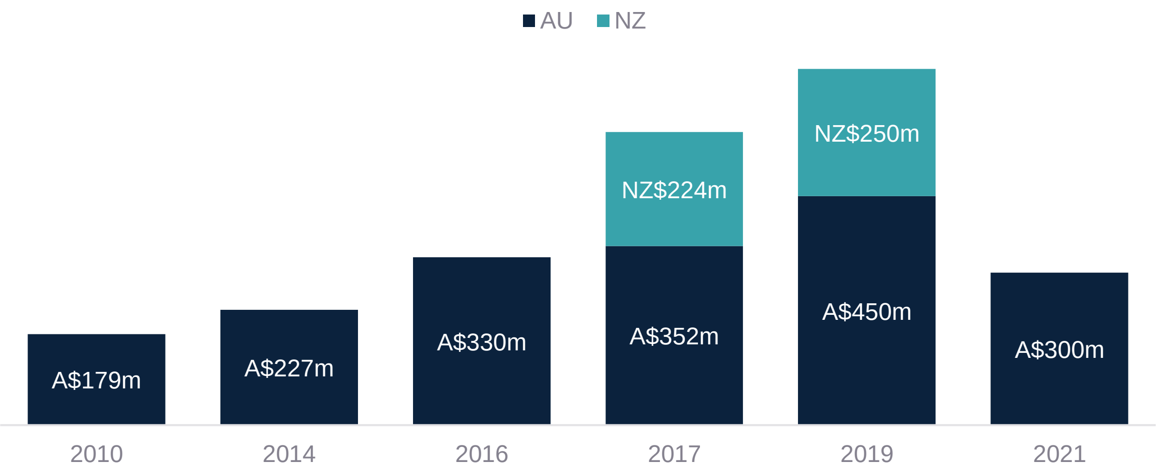
Comments

- ✓ Most unique and diversified funding structures in the A/NZ FMO market supported by ABS issuance capability
- ✓ ECX settled its sixth Australian (and eight overall) asset backed public market securitisation issuance in March 2021
  - ✓ $300m issuance increasing warehouse capacity
  - ✓ Achieved the tightest ABS pricing in the Australian securitisation capital markets since the GFC
  - ✓ Introduced new investors
- ✓ Ongoing access to public ABS markets as required
  - Typically, lowers total cost of funds and creates warehouse capacity
  - Eclipx typically issues every 2 years in AUS and 2 – 3 years in NZ

Asset funding split



Public market asset backed securitisation issuance



Notes: FX Rate: AUD/NZD 1.08

1H21 update—expectation analysis

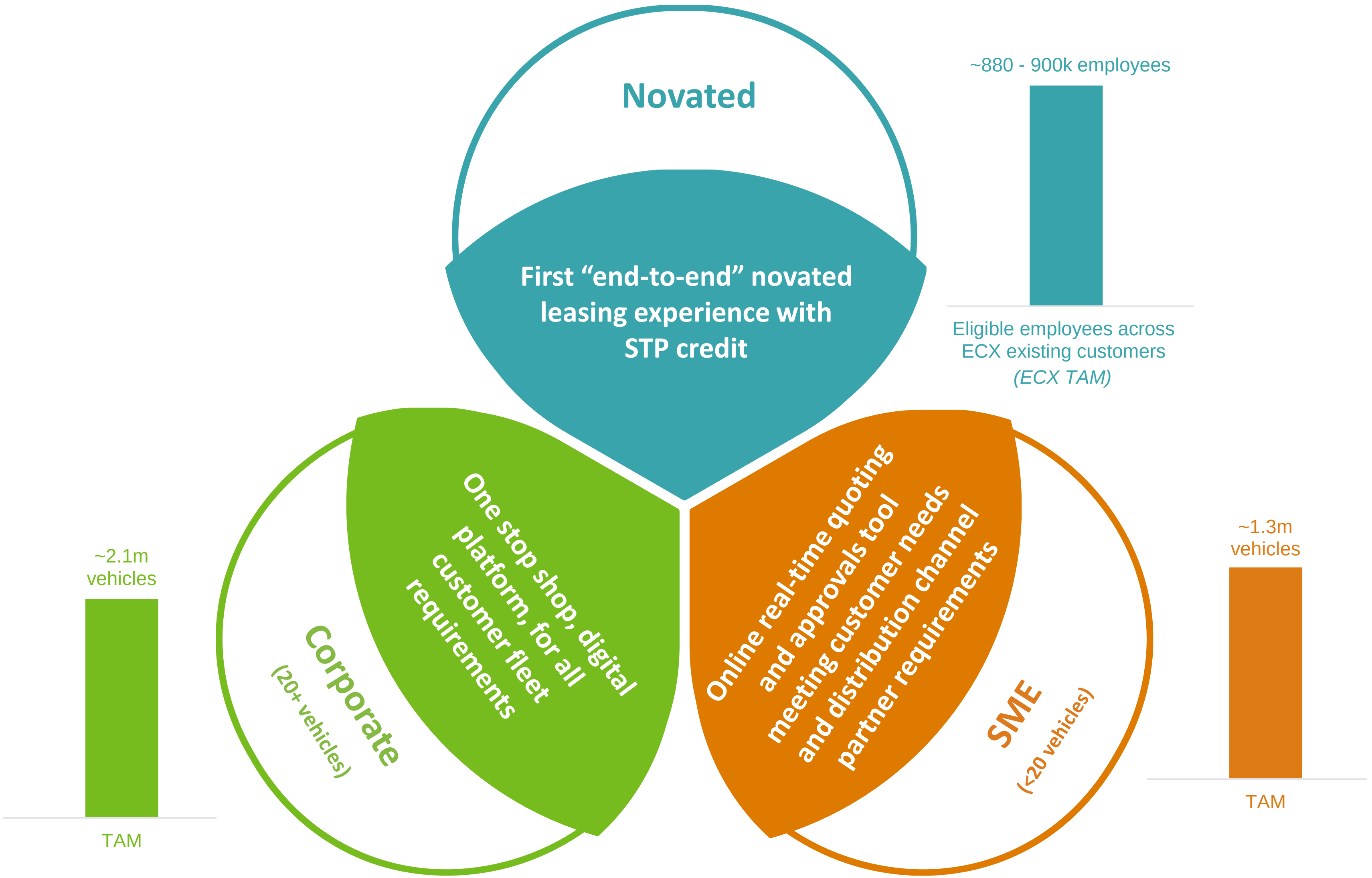
	1H21A	2H21 (expectation)	FY21 (expectation)	Cash item	1H21 update
NOI pre end of lease income & provisions	$72.6m			✓	• No guidance provided, but 1H21 has been predictable / consistent with expectations • NBW growth of 11% half on half, and order pipeline at all-time highs
End of lease income	$32.1m			✓	• Prices in used vehicle market are materially elevated • Price rationalisation expected when new vehicle inventory supply is restored
Provisions	$1.2m			×	• Subject to no further deterioration in macroeconomic conditions, provisioning expected to be lower than FY20
NOI	**$105.9m**				
Operating expenses (pre AASB 16)	($41.6m)	($42.4m)	($84.0m)	✓	• Run-rate operating expenses on track
EBITDA (pre AASB 16)	**$64.3m**				
Depreciation	($1.0m)	($1.5 – 2.0m)	($2.5 – 3.0m)	×	• Depreciation expectations consistent with guidance given in Nov-20 • Depreciation in 2H21 elevated vs 1H21 due to one-off depreciation acceleration of IT hardware
Share based payments	($2.4m)	($1.6 – 2.6m)	($4.0 – 5.0m)	×	• SBP expectations consistent with guidance given in Nov-20
Interest on corporate debt	($5.2m)	($4.3 - 4.8m)	($9.5 – 10.0m)	✓	• Lowered FY21 expectation from $10.0 – 11.0m to $9.5 – 10.0m given higher than expected organic capital generation and a continuation of corporate debt pay down during 1H21
Tax	29%	29 – 30% (tax rate)	29 – 30% (tax rate)	✓	• Based on statutory earnings from Australia and New Zealand • No Australian corporate cash tax expected to be paid given eligibility for instant asset write-off on operating leases. Deferred tax liability will increase accordingly

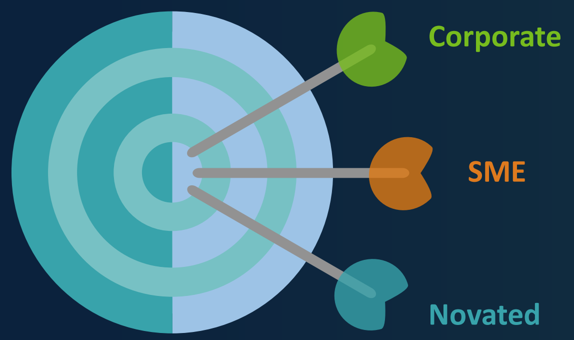
Notes:
1. 1Q21 vs 4Q20

4. Summary & outlook

Strategic Pathways

Strategic Pathways—implementation is on track





Strategic objectives

1. Above market growth in Corporate NBW
2. SME distribution partnerships via digital platform and continued scorecard refinements
3. Penetration of existing Novated employee base and expansion of TAM

Strategic Pathways

ACHIEVED TO DATE & LOOKING FORWARD—TARGET MARKETS

	NOVATED	CORPORATE	SME
1H21 OUTCOMES	• 12% NBW growth hoh • Order pipeline at record highs • Sales team enhanced • Launched the pilot of our end-to-end digital origination platform, NOVATED, including auto credit decisioning	• 11% NBW growth hoh • Order pipeline at all time highs • Strategic hires executed • Sales alignment/re-training • Completed full roll-out of our one-stop shop, digital fleet management platform, NITRO	• Established dedicated team in AU • Distribution partner expansion • Partner pipe building • Launched online partner quoting experience
DIGITAL PLATFORMS	**novated** *LIVE - In Pilot* **73%** VISITOR TO ACCOUNT CONVERTED **7m5s** AVERAGE TIME ON SITE	**NITRO** *LIVE* **↑ 40%** YOY USER INCREASE **6m1s** AVERAGE TIME ON SITE	**Online quoting** *LIVE - In Pilot* **1m30s** TURN AROUND TIME
LOOKING FORWARD	Pilot to full customer roll-out In-life novated digitisation Enhanced customer conversion rates	Enhance Nitro through added digital experiences & additional integrated features Enhancing RV underwriting capabilities at scale (EV/Hydrogen)	Quoting tool partner agnostic Addition of STP credit experience into quoting engine Building out team

Strategic Pathways

ACHIEVED TO DATE & LOOKING FORWARD—BUSINESS OPERATIONS AND FUNCTIONS

DIGITAL

Streamlined and centralised CRM enhancing sales effectiveness & data quality

***LIVE** – Novated & NZ*

Cloud data warehouse created to enable data driven insights for the business & our customers

AI/ML Automation
Predictive model

Centralised operational experience delivering scalability & simplicity

- ✓ ERP simplification
- ✓ API development
- ✓ Digital 1st operations

Infrastructure transformation enabling systems' scale and sustainability

- ✓ Cloud Telephony
- ✓ Cloud Datacenter Created
- ✓ Critical Systems Upgraded and Transformed
- ✓ Information Security Resilience

TRADITIONAL

- ✓ Revamped content-based marketing
- ✓ Attracted industry leading sales personnel
- ✓ Added sales headcount to SME & Novated
- ✓ Restructured sales team and incentives to drive aligned financial outcomes
- ✓ Refined our residual underwriting capabilities for both electric and hydrogen vehicles

LOOKING FORWARD

Improve marketing & sales force effectiveness

Enhanced EV and Hydrogen holistic product offering

FY21 outlook

Supply disruption

Impacting vehicle deliveries (NBW), but customer order pipeline at all-time highs and building

EOL expected to remain elevated while new vehicle supply remains constrained

Current tender activity & Strategic Pathways supporting sustainable growth outlook

Strategic Pathways on track

Six months into execution and progressing to plan

Disciplined approach to assessing sector consolidation alternatives

Post Simplification, consolidation options are under ongoing review, but subject to price and return hurdles

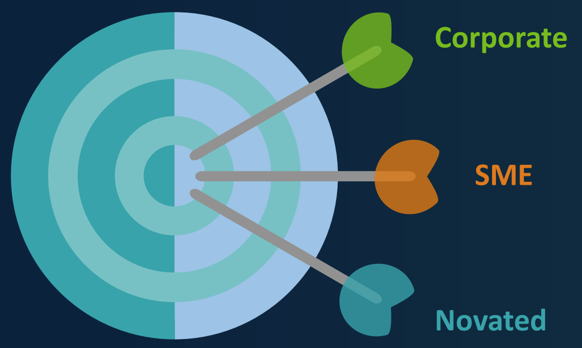
Platform well positioned

- Clean and simple FMO, post Simplification
- 1H21 NPATA up 77% on pcp
- 157% cash conversion
- Balance sheet below lower end of target range providing strategic flexibility
- Liquidity position provides conservative downside risk overlay
- Platform endorsement by recent public ABS executed at tightest pricing in Australian ABS markets since GFC
- Placed to take a leading positions in our target markets in a nomalised environment

Capital management

Up to $20m on-market share buy-back in 2H21, six months ahead of initial internal plan

Strategic Pathways



Questions

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Appendix

Business unit performance

NEW SEGMENTS – 1H21

($m, unless stated)	Fleet AU	Novated AU	Fleet NZ	Core	R2D	Consumer (CL/ Georgie)	Divested / Non-Core	Group
NOI before EOL & Impairments	42.0	11.5	19.0	72.6	–	–	–	**72.6**
End of lease	21.2	0.7	10.2	32.1	–	–	–	**32.1**
Impairments	0.3	(0.0)	0.9	1.2	–	–	–	**1.2**
NOI	63.6	12.1	30.2	105.9	–	–	–	**105.9**
Operating expenses	(24.8)	(7.3)	(7.3)	(39.4)	–	–	–	**(39.4)**
EBITDA	**38.8**	**4.8**	**22.9**	**66.5**	–	–	–	**66.5**
Cash NPATA	22.3	2.5	14.6	39.3	–	–	–	**39.3**

NEW SEGMENTS – 2H20

($m, unless stated)	Fleet AU	Novated AU	Fleet NZ	Core	R2D	Consumer (CL/ Georgie)	Divested / Non-Core	Group
NOI before EOL & Impairments	39.5	11.2	16.8	67.5	3.9	0.1	4.0	**71.4**
End of ease	11.7	0.5	5.6	17.8	0.1	–	0.1	**17.8**
Impairments	(1.5)	(0.0)	(1.3)	(2.8)	(0.0)	0.0	0.0	**(2.7)**
NOI	49.7	11.7	21.1	82.5	4.0	0.1	4.0	**86.5**
Operating expenses	(27.2)	(6.6)	(6.4)	(40.2)	(6.0)	(0.0)	(6.1)	**(46.3)**
EBITDA	**22.5**	**5.1**	**14.7**	**42.3**	**(2.1)**	**0.0**	(2.0)	**40.3**
Cash NPATA	11.1	2.4	7.7	21.2	(2.9)	(0.2)	(3.1)	**18.1**

NEW SEGMENTS – 1H20

($m, unless stated)	Fleet AU	Novated AU	Fleet NZ	Core	R2D	Consumer (CL/ Georgie)	Divested / Non-Core	Group
NOI before EOL & Impairments	41.1	12.6	19.7	**73.4**	7.5	0.9	8.4	**81.8**
End of ease	11.1	0.4	4.0	**15.5**	(1.2)		(1.2)	**14.3**
Impairments	(0.2)	0.0	(1.9)	**(2.1)**	0.2	0.1	0.3	**(1.8)**
NOI	52.0	13.0	21.8	**86.8**	6.6	0.9	7.5	**94.4**
Operating expenses	(22.9)	(6.3)	(9.3)	**(38.4)**	(16.5)	(2.3)	(18.7)	**(57.2)**
EBITDA	**29.1**	**6.7**	**12.6**	**48.4**	**(9.9)**	**(1.3)**	**(11.2)**	**37.2**
Cash NPATA	15.8	3.9	6.6	**26.3**	(9.4)	(1.4)	(10.7)	**15.5**

Group Income statement

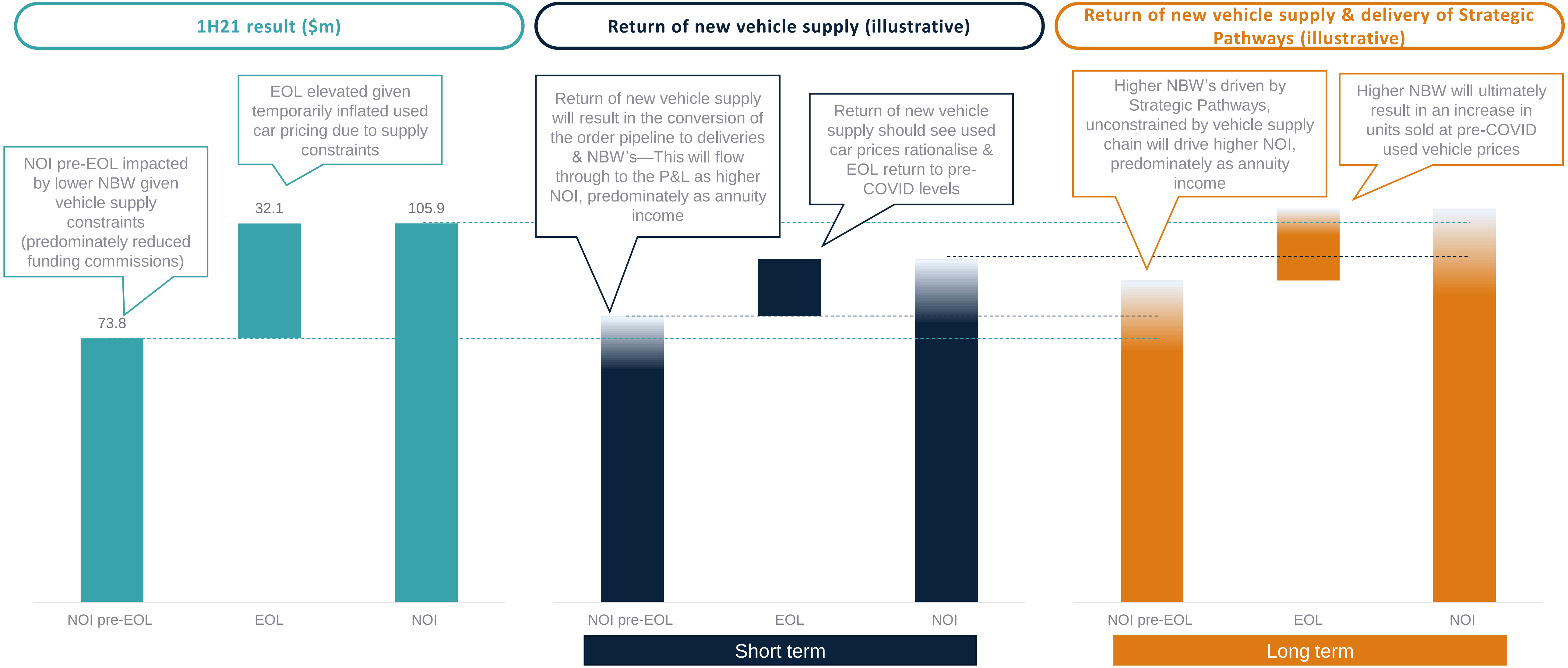
$ million	1H21	1H20	PCP (%)
Net operating income (pre end of lease income and impairments)	**72.6**	**81.8**	**(11%)**
End of lease income	32.1	14.3	124%
Fleet and credit provisions	1.2	(1.8)	169%
Net operating income	**105.9**	**94.4**	**12%**
Total operating expenses	(39.4)	(57.2)	31%
EBITDA	**66.5**	**37.2**	**79%**
Share based payment expense	(2.4)	(2.1)	(11%)
Depreciation and software amortisation	(2.7)	(3.1)	13%
Depreciation and interest on leases (AASB 16)	(2.2)	(3.3)	33%
Amortisation of acquired intangibles	(1.5)	(1.6)	2%
Non-recurring items	0.8	(1.7)	147%
Interest on corporate debt	(5.2)	(8.1)	36%
PBT	**53.3**	**17.3**	**209%**
Tax expense	(15.5)	(4.1)	(282%)
NPAT	**37.8**	**13.2**	**186%**
Add back amortisation of acquired intangibles (post tax)	1.1	1.1	(3%)
Add back non-recurring items (post tax)	(0.7)	0.1	NM
NPATA pre ad back of software amortisation (post tax)	**38.2**	**14.4**	**165%**
Add back software amortisation (post tax)	1.2	1.1	7%
Cash NPATA	**39.3**	**15.5**	**153%**

Operating expense reconciliation

$ million	1H20	FY20	1H21	FY21 (expectation)
Operating expenses	**(38.4)**	**(78.7)**	**(39.4)**	**(79.6)**
Depreciation and interest on leases (AASB 16)	(2.7)	(5.3)	(2.2)	(4.4)
Operating expenses (pre AASB16)	**(41.1)**	**(83.9)**	**(41.6)**	**(84.0)**
Stranded costs (pre AASB 16)	(2.4)	(3.8)	-	-
Stranded costs (post AASB 16)	(1.8)	(2.8)	-	-
Standalone operating expenses (pre AASB16)	**(43.5)**	**(87.7)**	**(41.6)**	**(84.0)**
Standalone operating expenses (post AASB16)	**(40.2)**	**(81.5)**	**(39.4)**	**(79.6)**

Illustrative financial profile for the unwind of supply disruption

As new vehicle supply is restored, we expect a return to more normal NBW levels (expected to be accelerated by Strategic Pathways)—this in turn will generate mostly annuity-style NOI from AUMOF, while EOL is expected to return to pre-COVID levels



Notes: Charts are not to scale and are illustrative in nature. They do not represent guidance nor do they seek to imply a future financial profile, linear or otherwise, of the Group

END