

MEDIA RELEASE

Leading marketplace lender RateSetter raises \$17 million in new funding to continue strong growth in consumer lending

Federation Asset Management and Myer Family Investments join the ranks of high-profile investors in the marketplace lending business

10 December 2018: Australia's leading marketplace (peer-to-peer) lender, RateSetter, has secured \$17 million in investor funding as part of its latest round of capital raising, with a suite of new high-profile investors backing the platform.

Leading the capital raising is Federation, who are investing alongside a number of other well-regarded investors, including Myer Family Investments, Five V Capital and Sturt Capital. They join RateSetter UK and Carsales.com as significant investors in the company.

The funding comes hot on the heels of RateSetter's recently announced \$100 million partnership with the CEFC and South Australian Government and will be used to continue the company's 100 per cent year-on-year growth in personal, automotive and renewable energy lending. RateSetter recently passed \$420 million in total loans funded and expects to pass \$500 million in Q1 2019 as it continues to fund more loans than any other marketplace lender each month.

Daniel Foggo, RateSetter Australia CEO, said the success of the funding round was a sign that investors recognise the value of RateSetter's diverse lender base, including its 13,000 registered retail investors, and are backing it as the pick of Australia's emerging consumer lenders.

"Investors in RateSetter are looking to take advantage of the shift that is underway in the financial sector as consumers, assisted by the level playing field provided by CCR and Open Banking, seek out faster, easier, better value alternatives to traditional lenders.

This funding will allow us to maintain our 100 per cent annual growth rate and allow us to soon achieve our mission of being Australia's leading consumer lender and the largest manager of consumer loans".

As part of its investment in the business, Federation's Head of Private Equity and former senior member of Macquarie Group's principal investment team, Neil Brown, will become the newest member of the RateSetter board.

"Federation invests in clean-energy and sustainability projects, social infrastructure, and companies that meet today's social, environmental and economic needs. We see a natural fit with the RateSetter team and their position as a leading digital lender with significant traction, capability and opportunity in the consumer, auto and renewable lending spaces" Mr Brown said.

RateSetter's capital raise attracted strong investor demand, with the raise amount being upsized to accommodate its strategy of continued sustainable growth. RateSetter was advised by Sturt Capital.

Ends

For more information, or for any interview requests, please contact:

Shannon Cuthbert
Haystac for RateSetter Australia
E: Shannon.cuthbert@haystac.com.au
P: 0405 652 703

About RateSetter

RateSetter is a marketplace lender which connects investors with creditworthy borrowers. By using technology to replace traditional middlemen and reduce the costs of providing financial services, RateSetter allows investors and borrowers to transact together and share the benefits.

RateSetter was established in Australia in 2012 and launched to the Australian public in 2014. It is locally owned and managed, and is backed by the RateSetter group, Carsales Limited, Stratton Finance, Five V Capital as well as other investors.

RateSetter was the first Australian peer-to-peer lending platform to open to retail investors.

The RateSetter group was founded in the United Kingdom in 2009 and has grown to become one of the largest peer-to-peer lenders in Europe. To date it has facilitated more than 607,000 loans totalling over \$5.1 billion.

RateSetter was the first peer-to-peer lender to introduce a provision fund, in order to help protect investors from borrower late payments or default. As a result of the provision fund, and other risk mitigation strategies, all lenders have received their principal and interest repayments in full.

RateSetter is regulated by ASIC and holds an Australian financial service licence (number 449176) as well as an Australian credit licence (number 449176). Marketplace lending is not without risk. RateSetter takes its legal and compliance obligations seriously. Please read the Product Disclosure Statement for the RateSetter Lending Platform before deciding to invest.

To find out more about how RateSetter works, or to enquire about lending or borrowing, please visit the RateSetter website at www.ratesetter.com.au or follow RateSetter on Twitter at @RateSetterAUS.