
Pacific Equity Partners puts \$50m into MoneyMe tie-up

Private equity firm Pacific Equity Partners is set to bankroll ASX-listed non-bank lender MoneyMe with an initial \$50 million funding facility and expectations of more to come.

It is understood MoneyMe and PEP signed the new partnership funding deal over the weekend, with PEP offering up \$50 million in four-year money from its new Capital Solutions investment strategy and obtaining rights to a potential equity stake in the listed business.

MoneyMe, advised by Morgan Stanley and Gilbert + Tobin, would use the capital to repay a secured note and fund future growth. The non-bank lender told shareholders earlier this month that it had hit record loan originations in July and August, with new business up 307 per cent compared to the same time last year.

MoneyMe is a consumer finance fintech that uses its own technology platform and AI to attract customers and win loans.

The company had \$333 million gross receivables at June 30 and recorded a \$12 million cash profit in its most recent financial year.

Its most popular products are personal loans and virtual credit cards, and it is also making a push into auto loans at a time of considerable change in the market.

PEP's facility is expected to be structured as a senior secured loan and to settle next month. It would also see PEP secure warrants that would see it



PEP's Capital Solutions deals include funding the likes of Mortgage House.

make more money on its investment should MoneyMe's value increase considerably.

It is understood MoneyMe had Morgan Stanley approach a handful of credit and/or special situations funds, before homing in on PEP and its new Capital Solutions unit.

It's an interesting move by PEP, which set up the Capital Solutions business line in March and has since signed a handful of deals.

PEP has since raised \$130 million for the new fund, and expects to lock in as much as a further \$150 million in the coming three months. Its existing Capital Solutions deals include funding the likes of mortgage business Mortgage House and engineering services firm Calibre.