

MoneyHero Ltd. (2Q25 Earnings)
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Corporate Speakers:

- Rohith Murthy; MoneyHero Ltd.; Chief Executive Officer
- Ka Yip Leung; MoneyHero Ltd.; Chief Financial Officer

Participants:

- William Gregozeski; Greenridge Global; Analyst
- Steven Wong; Spica Capital, Analyst

PRESENTATION

Operator^ Hello, everyone. Thank you for joining us and welcome to MoneyHero's 2025 Second Quarter Earnings Conference Call. Joining me on this call today are Rohith Murthy, CEO, and Danny Leung, Interim CFO. Our earnings release was issued earlier today and is now available on our IR website as well as via GlobeNewswire service.

Before we begin, I would like to remind you that today's call will include forward-looking statements made under the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Please refer to the safe harbor statement in our earnings press release, which applies to this call. In addition, please note that today's discussion will include both IFRS and non-IFRS financial measures for comparison purpose only. For reconciliation of the non-IFRS measures to the most directly comparable IFRS measures, please refer to our earnings release and SEC filings.

All material referenced will be in U.S. dollars unless otherwise stated. Lastly, a replay of this conference call will be available on our IR website.

I will now turn the call over to Rohith, our CEO of MoneyHero Group. Please go ahead.

Rohith Murthy^ Thank you, and thanks to everyone for joining. When I became CEO last year, we set a simple goal: reshape MoneyHero for durable, profitable growth, prioritize quality over quantity, compound gross profit, and operating discipline. Q2 shows that plan working. Revenue mix continues to shift towards higher-margin verticals, cost of revenue is down materially and Adjusted EBITDA losses narrowed again. This puts us firmly on track for positive Adjusted EBITDA in the second half of 2025. We are carrying strong momentum into H2, driven by over 20% sequential growth and a clear path to achieving our EBITDA goals.

Now for Q2 at a glance, we generated US\$18.0 million in revenue. Adjusted EBITDA came in at a loss of US\$1.95 million. Cost of revenue was 51% and around 27% of total revenue was contributed by Insurance and Wealth. We also reported net income of \$0.2 million in the quarter. From Q1 to Q2, revenue grew by over 20% sequentially. This all

reflects strong execution on the key levers we have prioritized, mix, margin and operating discipline.

Now for the progress versus the goals we set out in 2024, we organized execution around five pillars: consumer pull, conversion expertise, insurance brokerage, strong provider partnerships and operating leverage. We've stayed on that drumbeat. Traffic is getting smarter, journeys are faster, Insurance and Wealth are rising as a share of revenue, and our cost base is leaner even as product velocity increases.

Now for the business highlights, I will focus on four key areas. First, we are seeing Insurance and Wealth including in the digital asset space. Auto insurance is scaling with real-time pricing and end-to-end digital journeys across Hong Kong and Singapore. This has significantly boosted conversion rates as our integrations deepen. Travel insurance is now a three-click purchase with materially higher completion rates. In wealth, we've broadened our marketplace. This includes regulated collaborations with leading digital asset platforms like OSL, giving our consumers more choice through our disciplined, regulatory first approach.

Now to be clear, OSL is not a one-off. It reflects a measured, pragmatic strategy to participate in the digital asset space through license partners, ensuring both strong consumer utility and robust compliance.

Second, our provider partnerships are strengthening our monetization engine. Our MoneyHero Best of Awards in Singapore attracted over 170 clients, enabling us to strengthen our partner relationships, unlock new fixed fee opportunities, and significantly bolster our brand, effectively converting the trust in our ecosystem into high-quality revenue.

Third, we are further realizing the potential of AI integration in our operations with clear and measurable outcomes. We are operationalizing AI with rewards intelligence, approval intelligence, yield intelligence, and AI assisted service going live in select scenarios with holdouts and guardrails firmly in place. We're also lowering CAC per approved application, improving approval quality, and raising first contact resolution. This approach is allowing us to deliver more with a flat headcount.

And fourth, our unwavering cost discipline is driving real operating leverage. Our operating expenses remain tight as we continue to modernize our technology stack and tools. That discipline, paired with our shift to higher-margin verticals, drive sequential EBITDA improvement even as we invest in our business roadmap and partner integrations.

Now let's turn our attention to our outlook guidance and our broader value creation framework. Now looking ahead, our H2 guidance reflects continued growth and a clear path to profitability. We saw encouraging sequential revenue growth of over 20% from Q1 to Q2, and expect to achieve similar levels of sequential revenue growth throughout the second half of the year. This trajectory will keep us on track for Adjusted EBITDA

breakeven in the second half of 2025, and we expect this to be driven by [new bank and insurer activations, Insurance & Wealth scaling and also our fixed fee programs. In general, we believe the current market environment is positive for fintech that combine profitable growth with visible catalysts and our H2 plan is built around those catalysts.

This confidence is also built on our market leadership and industry consolidation. We are in a uniquely strong position, 8.6 million members, rising exposure to high-margin verticals, 260-plus provider partnerships and the strategic connectivity of our backers, all in markets experiencing attractive long-term adoption of digital finance. This creates a dispensable flywheel that we continue to compound. Now as the market consolidates our scale, balance sheet strength and partner ecosystem puts us in pole position. As such, we will act only when opportunities are strategically aligned and return-accretive.

Now as for the next 2, 3 years, we see a clear path to achieving 5% to 10% Adjusted EBITDA margins. We expect this to be driven by our market leadership, improved revenue mix and quality, renewal economics and insurance, recurring wealth monetization and an AI-enabled operating leverage. That said, these are objectives, not formal guidance. We will continue to report progress with clarity and discipline.

In closing, it's clear we are a simpler, stronger, and more focused company than we were a year ago. This is reflected in our improved mix, rising margins, and controlled operating expenses. Our H2 priorities, 20% or more sequential growth, EBITDA breakeven and measured expansion in high-margin verticals are already in motion.

With that, thank you to our teams, partners and communities, your dedication and ingenuity empower us as we face the future, confident in our ability to deliver continued growth and profitability.

Now I'll hand it to Danny to discuss the financials.

Ka Yip Leung^ Thank you, Rohith, and we appreciate everyone taking the time to join us. As Rohith mentioned, when we pivoted the business in the second half of 2024, we set very clear financial priorities: improve the quality of revenue, expand gross margins, and tighten operating discipline. The numbers you'll hear from us today reinforce that the business model is structurally healthier than it was a year ago and we are maintaining our clear path to sustainable profitability.

Let me walk through the quarter in more detail, starting with revenue and mix. We reported revenue of US\$18.0 million in Q2, down 13% year-over-year. That said, this decline was the result of a very deliberate measure, our decision to moderate lower margin credit card volume in favor of higher quality, higher-margin verticals. The results show this. Insurance revenue grew from 11% to 14% of total revenue year-over-year, and Wealth grew from 11% to 13%. While credit cards by design ticked down slightly from 62% to 61%. Taken together, Insurance and Wealth contributed 27% of Group revenue this quarter, up from 22% in the same period last year. This is exactly the kind of mix

evolution we set out to achieve, more recurring, more defensible, and higher-margin categories.

Now let's turn to gross margins and cost of revenue. Cost of revenue declined 34% year-over-year, landing at 51% of revenue versus 67% in Q2 of last year. This material improvement reflects disciplined reward **calibration, smarter** traffic, and stronger approval quality. Put simply, we are acquiring customers more efficiently and delivering applications with higher approval rates. These translate directly into healthier unit economics and ultimately, stronger profitability.

On the cost side, operating expenses, excluding net foreign exchange differences fell 37% year-over-year to US\$20.6 million. The savings were broad-based, advertising and marketing expenses were down 31%, technology costs down 58%, employee benefits down 45%, and G&A expenses down 27%. This reduction reflects a more disciplined and efficient way of operating, making better use of our platforms, processes, and tools while still investing selectively in AI infrastructure, customer acquisition and platform optimization. The result is a cost base that is lighter, but also sharper and more productive.

Next, profitability. As a result of the improvement in margins and reduced operating expenses, profitability strengthened across every measure. Net income was US\$0.2 million in Q2, compared to a net loss of US\$12.2 million in the same quarter last year. Adjusted EBITDA loss narrowed to US\$2.0 million, an improvement from \$3.3 million in Q1 and \$9.3 million a year ago. The numbers paint a clear picture. Sequential progress is consistent and visible. Each quarter, the losses narrow, margins expand, and the business becomes more durable. This is exactly the path we outlined and we remain confident in delivering positive Adjusted EBITDA in the later part of 2025.

On capital allocation, we remain disciplined. We are deliberately reinvesting to the higher-margin verticals like insurance, personal loans and wealth, which are growing as a share of revenue and offer more recurring economics. We are also leaning into strategic initiatives such as CreditHero clubs with TransUnion in Hong Kong and regulated digital asset collaborations with licensed partners like OSL.

As Rohith mentioned, this is not opportunistic doubling. This is a programmatic, compliant first strategy to participate in the digital asset ecosystem where we can add consumer value responsibly.

Going forward, we expect to continue seeing margin expansion and stronger operating leverage as the mix continues to improve and our cost discipline holds.

The structural improvements are already visible in the numbers, and they provide a strong foundation for the quarters ahead. With that in mind, our financial priorities remain unchanged. Deliver sustainable profitability, strengthen the balance sheet, and maximize long-term shareholders' value. We've come a long way in just 1 year. Revenue mix is healthier, costs are leaner, and margins are materially stronger. With these fundamentals in place, we are entering the second half of 2025 with confidence in both growth and profitability.

That concludes our prepared remarks for today. I will now turn the call over to the operator to begin the Q&A session. Operator, please go ahead.

QUESTIONS AND ANSWERS

Operator^ (Operator Instructions) And our first question comes from William Gregozeski with Greenridge Global.

William Gregozeski^ Rohith, great quarter. I have a couple of questions for you. You've made references to using AI in the business. Can you talk a little bit more in detail on some of the initiatives you're actually doing with it, whether it's cost savings or revenue generation or kind of what the depth of AI you're using is?

Rohith Murthy^ Thanks, Will, sure. We're embedding AI in how we acquire, convert and serve customers. We've sort of really prioritized now production use cases and we have clear holdouts and KPIs. The impact shows up in a lower cost to serve, a better conversion, and faster shipping without adding headcount.

Now in terms of like what's live now, there are a couple of use cases I can talk about. One is in AI and customer support. We are automating 70% to 80% of incoming inquiries while maintaining our CSAT. The benefit is threefold. Number one, there's a 24/7 coverage now so it's reduced abandonment. This instant response versus like a multi-minute queues and the ability to absorb volume spike without proportional staffing. And as a result, the net effect is we have a lower service cost per case and a higher first contact resolution.

Second is an AI competitive intelligence platform. So we have an automated collection and analysis of all competitor offers, U.S. changes, and discuss manual research time by approximately 90%. Now this feed pricing and reward decisions and really help us prioritize product work where it moves conversion and also improves our approval adjusted CAC and cost per approval.

Now in terms of near-term revenue drivers, some of them are ready and some of them are piloting, one is the WhatsApp AI quote agent. This is with the Auto insurance we launched in Singapore, and we're testing it and soon to be ready for deployment. What this essentially does is the agent guides the customer from needs discovery to core comparison and handoff for bind inside a messaging platform like WhatsApp. We expect meaningful conversion lift versus a web-based user journey.

Second is AI media creation and Experimentation. Now this is in development. Our goal is 70% to 80% reduction in just pure creative production spend, and much faster testing cycles. I think hundreds of compliant variants generated, and we can score them automatically just so that we can scale all of this across these markets.

And why all of this matters is just three points. One is the unit economics. We want a lower cost per approval and a lower cost to serve with our cost of rewards held in the low 50s and really improve our gross profit per dollar of revenue. Second is our operating leverage. Automation just allows us to keep head count flat while throughput increases. And finally, conversion and revenue. Guided journeys WhatsApp agent I mentioned, it just raises conversion rates and protects the funnel throughput outside business offers.

William Gregozeski^ Okay. Great. I have three additional questions and there might be some overlap in them. So if you don't mind, I'll just ask all three and you can answer either grouped or separately, if that makes sense for you. I was curious about the key growth drivers for 2026 that you're looking for as far as top line and bottom line? And then specifically, what the plans are for the insurance business to build that up and if there's milestones we should look for? And then finally, just an update on the wealth and crypto side, and just if you can update on where we are in that process of expanding that business?

Rohith Murthy^ Absolutely. Why don't I start with the wealth and crypto, and then I'll talk about the insurance, and then I'll finally touch upon how we're thinking about 2026. So when it comes to wealth, we really view wealth, including digital assets, as an adjacency that extends our marketplace, just beyond just cards and loans. And we do this with a very capital-light partner-led economics.

I do want to emphasize our approach is regulatory first. So we route consumers only to license providers in each market, and we monetize this via a mix of a CPA per funded account in some cases, a tier revenue share on flow products, or just fixed fee sponsorships.

Now in terms of partnerships and initiatives that I can talk about, one is our partnership with OSL in Hong Kong. We announced that collaboration with OSL, a licensed virtual asset platform in Hong Kong. And again, this work stream is focused on compliant onboarding journey, investor education and a campaign-based acquisition. No balance sheet exposure for MoneyHero and no custody of customer assets.

In terms of investment brokers, we continue to partner with a portfolio of licensed retail brokers across Hong Kong and Singapore. Again, these relationships are a mix of CPA for funded accounts, revenue share on selected products and fixed fee sponsorships around product launches and campaigns.

I'll take the insurance question that you mentioned about. Now for us, insurance is really a compounding engine. What I mean by that is it carries structurally higher margins. It renews annually in many lines and it really benefits directly from our data, technology and AI start. Now our strategy has three parts when it comes to insurance. One is expand the supply debt and products, second, streamline our journey, and we're using AI for that, and three, keep tightening the unit economics, so that Insurance and Wealth continues to rise as a share of revenue, while our conversion and profitability improve.

Now let me talk a little bit about these three strategic sort of drivers. One is expand the supply depth and products and we're doing that by rolling out more real-time and end-to-end integration, both in auto and other general insurance across Hong Kong and Singapore. What that simply means that customers can quote, find and just pay seamlessly on our rail. This is a single biggest driver of conversion and economics. I just speak about travel insurance, where we have a three-click purchasing journey that's already live and is delivering more than 40% end-to-end completion in Q2 alone. We're extending that UX to additional products and partners. And finally, we need to broaden the shelf with new lines, and we are exploring life insurance in Singapore via broker partnerships or even just structuring it as a profit share rather than a per lead.

Second, streamlining our journeys and lifting conversions. Now AI is going to be a big part of it. I spoke about our playbook. This is really helping just target shoppers better, recommend the right cover, and resolve faster. And all of this will help us with lower approval adjusted CAC, lower cost per accrual and just shorter fulfillment times. We're really excited about what we're testing with the AI-assisted WhatsApp service. I spoke about in Auto insurance in Singapore and we believe this can really improve conversion rates. And we want to take the same sort of playbook also to scale our travel insurance completion rates where we do combine real-time pricing, end-to-end APIs, and as I mentioned, we even have a three-click design.

And finally, I spoke about tighter unit economics and monetization. We want to target Insurance and Wealth as a mix to be around 28% to 30% of group revenue in the second half, and this is very consistent with our second half profitability milestones. If we can do this while keeping our cost of revenue in the low 50s, as Danny mentioned, with smarter reward calibration and approval-aware bidding. And combine that with our real strong partner partnerships I spoke about that come in sponsorship programs, fixed fees. These are really material and repeatable for us. That's why our MoneyHero's Best of Awards attracted 170-plus clients, and that really reinforces the engagement and monetization.

I think finally, a great question around how we think about 2026, because we are in terms of what the growth drivers are. And frankly, though, the growth driver -- the structure and growth drivers are already in place, which we spoke about. What we're doing is we're building on that prudently as we think about even 2026.

And just to recap the growth drivers for us, Insurance and Wealth scaling, now we want this mix to continuously improve and contribute 30% or more of our group revenues, and we want this supported by broader end-to-end coverage, a higher core turbine conversions, and as I mentioned, newer product lines in Singapore and Hong Kong. Conversion rate improvements, these are continuous. We want to sustain our travel insurance three-click journeys. We want to scale our Auto insurance real-time pricing and end-to-end into more markets, including the Philippines. And as I mentioned, AI-driven efficiency is going to be a very critical part for us to continue lifting high-quality traffic, reducing our CAC, and just keeping that operating leverage intact. And provider partnerships will continue to be a very, very important structural sort of lever.

On top of that, we're adding new initiatives. We're launching and we'll be monetizing the CreditHero club membership in Hong Kong in partnership with TransUnion, we will have a membership program in Singapore. And all this -- what it does really deepen our consumer engagement and newer revenue streams. I just speak about the fact that we're also exploring like insurance partnerships in Singapore and Hong Kong.

Then when it comes to Philippines, we truly want to digitally transform the Philippines market. We believe by doing this, we can really unlock newer growth opportunities even in cards and personal loans, again supported by our provider partnerships there. And finally, we are very selective and thoughtful expansion of digital asset partnerships with licensed brokers, and we want to continue doing this in a regulatory first and capital-light way. So that's how we're thinking about going into 2026.

Operator^ Our next question comes from Stephen Wong with Spica Capital.

Steven Wong^ So let me ask a question. Similar to Q1, I've seen that the Q2 revenue has decreased year-over-year. What initiatives would the company take to resolve the revenue to the last year's level?

Ka Yip Leung^ Okay. May I take this question?

Rohith Murthy^ Yes.

Ka Yip Leung^ Okay. Thanks for the question. As I mentioned, our Q2 revenue was \$18 million, down 13% year-over-year. That decline reflects the strategic reset we began in the second half of last year to prioritize revenue quality and unit economics. And importantly, on a sequential basis, revenue actually grew more than 20% from Q1 to Q2. That shows that momentum is already returning on this half year base.

The underlying health has improved. Cost of revenue is down to 51% and Insurance and Wealth reached 27% of revenue. Our focus now is to layer growth back on to its stronger foundation. And concretely speaking, first, we will aim to scale higher-margin verticals like Insurance and Wealth, such as Auto and Travel insurance. by expanding real-time pricing and end-to-end integration in Hong Kong and Singapore. To sustain the three-click flow in travel and roll the pattern into Auto as more insurer API goes live.

For wealth and digital assets, we'll continue a regulatory first partner-led approach, like our collaboration with OSL in Hong Kong. We target to move Insurance and Wealth to 28% to 30% of revenue in the second half to support gross profit compounding.

Secondly, we'll deepen member engagement, like with CreditHero Club and TransUnion in Hong Kong, where we provide free credit scores, monitoring and personalized offer to drive more qualified applications and cross-sell of loans, cards, insurance and wealth. We will also focus on AI-assisted journeys, such as on applying our rewards, approvals, use, intelligence and AI-assisted service.

We are testing an AI-assist WhatsApp as Rohith already mentioned, for Auto Insurance in Singapore to speed quoting and resolution, which we expect to lift conversion

Thirdly, we will leverage on commercial momentum and selective reinvestment, such as fixed fee and sponsorship program with banks and insurers are now material and repeatable. These add high-margin dollars alongside transactional commissions.

Our cost base gives room to reinvest selectively in growth channels and content while keeping our OPEX flat and cost of revenue in the low-50s. Thank you.

Steven Wong^ I have a question just to follow up. The revenue drops, this has inconsistencies, I've also seen that the net loss and the EBITDA have improved while year-over-year. So like would you mind clearly illustrate the factors that contributed to this improvement?

Ka Yip Leung^ Sure. I'll take this one as well. First, that's a great question. The improvement is really about building a structurally healthier business model, and that is showing clearly in the numbers. Three drivers stand out, I would think. Firstly, revenue mix shift towards higher margin products. Insurance and wealth contributed 27% of revenue in Q2. That is up from 22% a year ago. These verticals are structurally higher margin and more recurring. So every revenue dollar contributes more gross profit than before. And secondly, unit economics and cost discipline, cost of revenue improved to 51% of revenue from 67% last year, a 16-point gain driven by tighter reward calibration, better approval quality, and improved partner economics. Operating costs fell 37% year-over-year to \$20.6 million as we reduced spend across marketing, technology and also employee cost. Importantly, AI is now embedded in service, approvals and reward optimization. That helps us scale throughout while keeping headcount flat. And thirdly, adjusted EBITDA loss narrowed to \$2 million in Q2 from \$9.3 million a year ago. And net income this quarter was positive \$0.2 million compared to \$12.2 million losses.

These gains are not one-off. They reflect structural changes that will continue into the second half. So even with lower revenue year-over-year, this cost structure is leaner, the revenue mix is stronger, and the path to profitability is clear. That is why we remain confident in reaching positive adjusted EBITDA in the later part of 2025.

Operator^ Thank you. I'm seeing no further questions. I'd like to turn the call back over to Rohith for closing remarks.

Rohith Murthy^ Thank you all for your time and thank you all for the questions. We are very happy and pleased to discuss our Q2 results with you. And as we mentioned, we are very excited of what's in store for us in the second half as we continue our path to profitability, and we look forward to sharing our next Q3 results on the next call. Thank you, everyone.

Operator^ Thank you for your participation. You may now disconnect. Everyone have a great day.