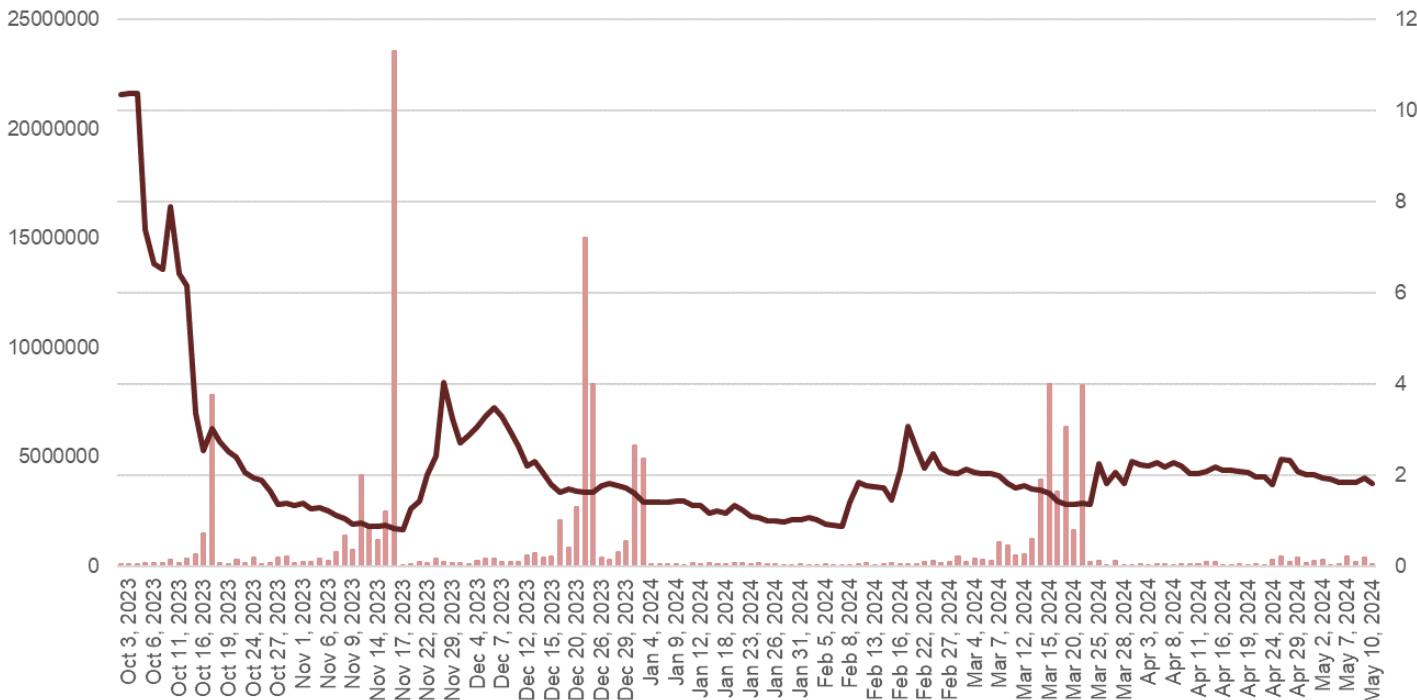


MoneyHero Group (NASDAQ:MNY)

BUY

Initiation Of Coverage Report
US | Financial Services/ Technology

Current Price: \$1.82
Price Target: \$7.03



Key Metrics

Market Capitalization	70.13M
Avg. Volume	1.46M
52-Week Range	\$0.74 – \$10.43
Number Of Shares Outstanding	38.54M

Annual Forecasts (USD M)

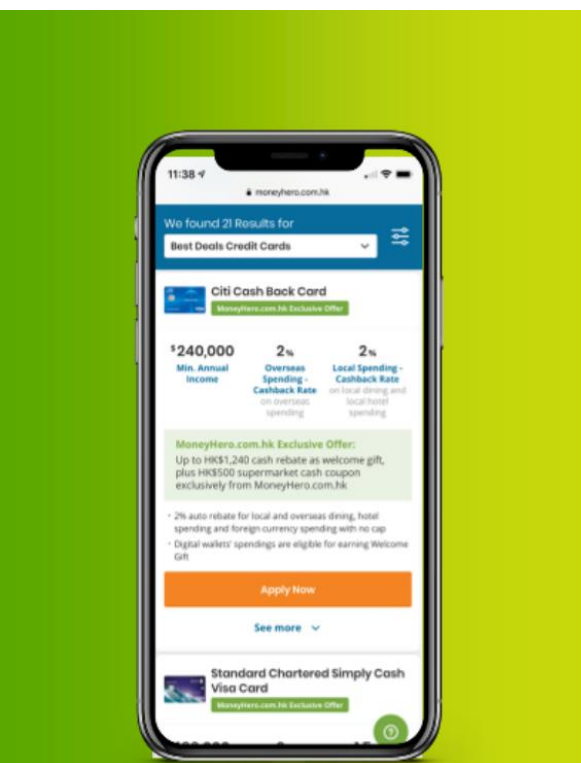
	2024E	2025E	2026E
Revenues	101	146	200
Gross Income (excl. D&A)	53	81	112
EBITDA	-13	14	45
Net Income	-40	-14	17

COMPANY OVERVIEW

MoneyHero Group is a personal finance aggregation and comparison company in Greater Southeast Asia. It simplifies financial decision-making through advanced digital tools and educational content, operating seven renowned brands. The company connects consumers with financial products like credit cards, loans, and insurance, generating revenue through partnerships with banks and insurance firms. Additionally, it uses the Creatory portal to expand its reach by enabling third-party content creators to monetize online traffic. Based in Singapore and Hong Kong, MoneyHero Group operates across five Asian markets, leveraging data-driven insights to enhance financial services and consumer choices. The company was established in 2014 and formerly known as the Hyphen Group or CompareAsia Group.

A DETAILED BACKGROUND OF MONEYHERO GROUP

MoneyHero Group is a prominent personal finance aggregation and comparison entity in Greater Southeast Asia. The company's mission is to simplify and enrich the financial decision-making process through advanced, user-friendly digital tools and educational content. It operates seven renowned brands and online platforms that compare and connect consumers with financial products such as credit cards, loans, and insurance. The company fosters the digital transition of the finance sector by offering comparison services and generating revenue through partnerships with financial product providers, including regional and international banks and insurance firms. It also expands its reach through Creatory, a portal that enables third-party content creators and partners to monetize online traffic by promoting financial products. It caters to the diverse needs of consumers, who are increasingly relying on online resources for financial services due to limited time. The company uses data-driven insights to provide high volumes of potential customers to its partners, promoting competitive and improved financial offerings. The company was established in 2014 and previously known as the Hyphen Group or CompareAsia Group. MoneyHero Group has dual headquarters in Singapore and Hong Kong and operates in Singapore, Hong Kong, the Philippines, Taiwan, and Malaysia, playing a crucial role in the financial landscape by helping consumers make informed financial choices.



MoneyHero Group connects people to a better financial future

Our mission at MoneyHero Group is to make all of life's financial decisions a time saving and rewarding experience

We educate people about personal finance, help them decide which products are best suited for their needs, and facilitate getting the product

We connect financial institutions with their target customers and help them achieve their customer acquisition objectives

Source: Company Presentation

INVESTMENT THESIS

This is our first report on MoneyHero Group and we look to provide a detailed account of the various assets owned by the company and the drivers that will be responsible for the company's growth in the coming years. MoneyHero Group stands out as a compelling investment opportunity in the burgeoning financial services sector of Greater Southeast Asia. The company's core competency lies in its sophisticated digital platforms that connect consumers with an extensive range of financial products, including credit cards, loans, and insurance, through seamless and user-friendly interfaces. These platforms are not only instrumental in simplifying the decision-making process for consumers but also serve as vital tools for financial education, enhancing the financial literacy of its users. A key aspect of MoneyHero Group's strategy is its revenue generation through partnerships with both regional and international banks and insurance firms. These partnerships are supplemented by its innovative Creatory portal, which expands its reach and influence by empowering third-party content creators and partners to promote financial products effectively. Moreover, MoneyHero Group's management team, led by seasoned professionals with extensive experience across global financial institutions, provides a strategic edge. Their expertise in digital transformation and market penetration ensures the company is well-positioned to capitalize on the digital finance revolution in Asia. Given its strategic market positioning, innovative platform, and strong leadership, MoneyHero Group presents a promising investment for those looking to capitalize on the digital financial services expansion in Asia.

Our business

Simplifying financial decisions through accessible content and trusted brands.

We connect users with financial products via intuitive comparison journeys, fostering loyalty through rewards.



Source: Company Presentation

MONEYHERO GROUP'S COMPREHENSIVE PORTFOLIO OF FINANCIAL COMPARISON PLATFORMS

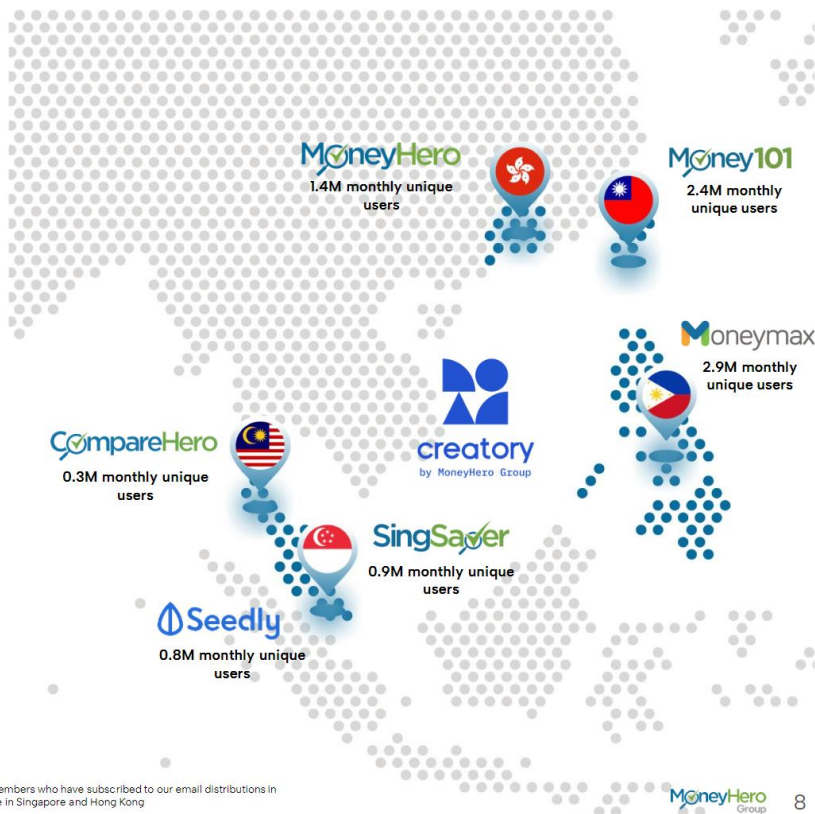
- MoneyHero Group operates under a portfolio of well-known and trusted brands across five Greater Southeast Asia markets, providing a holistic online financial comparison service. The platforms are designed to be intuitive and user-friendly, allowing consumers to search for, compare, and make informed decisions on a wide range of financial products. As of mid-2023, the platforms showcased over 1,500 products from more than 270 partners, including options in credit cards, personal loans, mortgages, insurance, and investment products.
- MoneyHero Group enhances user engagement by offering more personalized information and recommendations, particularly to its members in various Asian markets. This tailored approach is supported by exclusive promotions and rewards such as consumer products, gift cards, and cashback options, which are available upon purchasing or approval of financial products through the platforms. Additionally, the Group holds insurance brokerage licenses across several key markets, enabling the generation of commission revenue directly through product sales on their platforms.
- In 2022, the insurance vertical exhibited a remarkable growth of 117% year-over-year, highlighting its position as the fastest-growing segment within the group's portfolio. MoneyHero Group's operational strategy is finely tuned to regional and local markets, leveraging technology systems and market insights to adapt branding, marketing, and product selection to the specific needs of users in each market. This localized approach ensures a broader and more effective market penetration.
- The Group's brand portfolio includes MoneyHero, SingSaver, Seedly, Money101.com.tw, Moneymax, and CompareHero, each leading in its respective market according to Similarweb data. These platforms collectively cover a significant portion of the population in their markets, offering everything from financial comparison tools to educational content that empowers users to make better financial decisions. New features like the credit report feature in the MoneyHero App further personalize user experiences, increasing engagement and conversion rates.
- Launched in 2019, Creatory serves as a self-service portal for content and channel partners. This platform not only helps these partners monetize their content but also provides them with valuable insights and networking opportunities within the community. Creatory is instrumental in expanding the Group's user acquisition strategy and strengthening relationships with commercial partners, thereby enhancing the ecosystem of financial comparison services.
- MoneyHero Group is committed to educating its users on personal finance matters, which is pivotal in building trust and expanding its user base. High-quality content is delivered across all platforms, engaging users and providing them with the knowledge needed to navigate the complex world of personal finance. This strategy has proven effective, with a significant portion of traffic coming organically, indicating strong brand loyalty and user engagement. The platforms offer dynamic comparison tools that allow users to easily navigate their options and select the best financial products to suit their needs. These tools are complemented by personalized recommendations based on comprehensive data analytics, enhancing the user experience and increasing the likelihood of product uptake.

MONEYHERO GROUP'S COMPREHENSIVE PORTFOLIO OF FINANCIAL COMPARISON PLATFORMS

- MoneyHero Group simplifies the purchase and application processes for various financial products, with features like instant approvals for certain services. The platforms also manage an extensive rewards program, which not only incentivizes user engagement but also facilitates deeper insights into consumer behavior, further refining the user experience and promotional strategies. This comprehensive management of user interactions and rewards ensures a seamless and rewarding experience for all users, reinforcing MoneyHero Group's position as a leader in online financial comparison services.

8.7M monthly unique users⁽¹⁾
and **5.3M** members⁽²⁾

ENGAGE WITH OUR
7 BRANDS
ACROSS 5 MARKETS



Notes:
 1. Monthly Unique Users during FY 2023; members as of December 31, 2023
 2. MoneyHero Group Members include members who have login IDs with us in Singapore, Hong Kong and Taiwan, members who have subscribed to our email distributions in Singapore, Hong Kong, Philippines, Taiwan and Malaysia, and members who are registered in our rewards database in Singapore and Hong Kong

Source: Company Presentation

KEY FACTORS DRIVING THE COMPANY'S PERFORMANCE

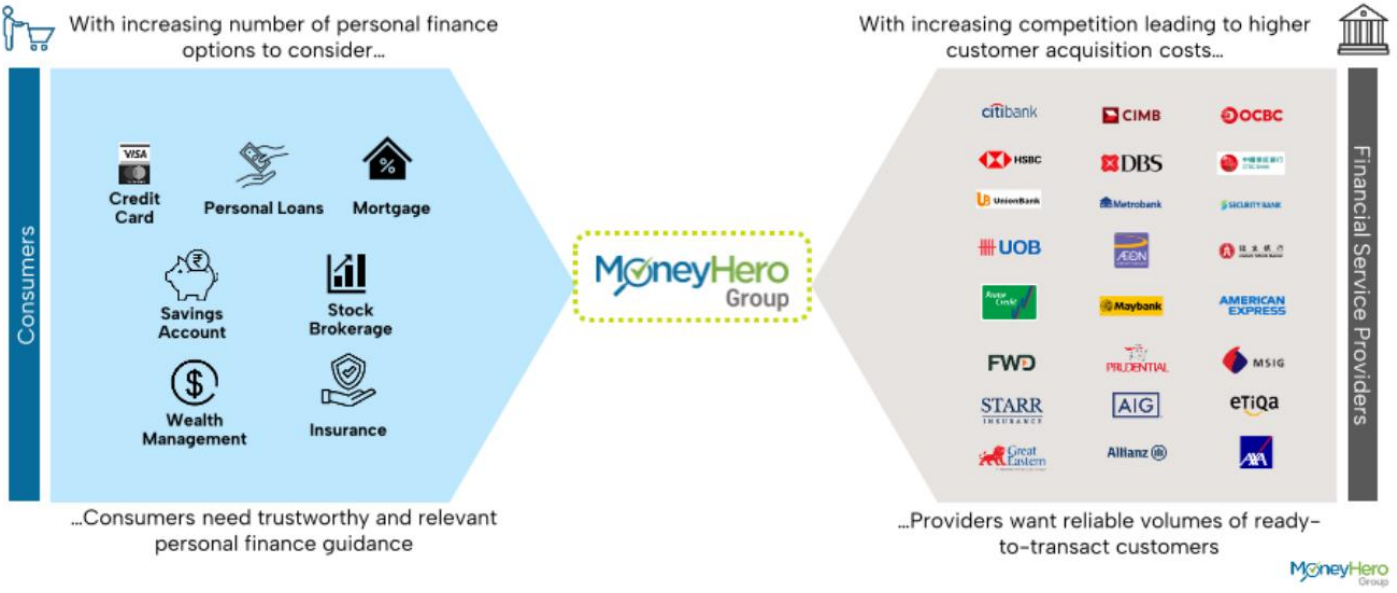
- 1. CORE VALUE PROPOSITION**
- 2. ROBUST GROWTH STRATEGY – CAPTURING KEY MARKETS IN SOUTH EAST ASIA**
- 3. KEY PARTNERSHIPS**
- 4. EXPERIENCED MANAGEMENT TEAM**

CORE VALUE PROPOSITION

- MoneyHero Group facilitates a comprehensive understanding of financial products for consumers who are faced with an increasing array of choices. Recognizing the need for reliable and authoritative guidance, MoneyHero Group provides free, trustworthy personal finance advice through an unbiased editorial team. This commitment to financial education has earned recognitions such as the Financial Education Champion award for MoneyHero in Hong Kong and a Marketing Excellence Award for Moneymax in the Philippines. By delivering content that is not only high-quality but also optimized for easy online discovery, MoneyHero Group ensures consumers are well-prepared to make informed decisions.
- MoneyHero Group collaborates with over 270 commercial partners to offer a diverse selection of financial products. This wide range ensures that all consumer needs are met, from credit cards to wealth management services. By leveraging strong partnerships, MoneyHero Group is able to provide exclusive rewards, enhancing the value of financial products available to users. This approach facilitates a richer choice for consumers, enabling them to find better value in their financial dealings.
- The company streamlines the financial product comparison and acquisition process through a user-friendly online platform. This seamless journey includes intuitive navigation, relevant filters, and tools that allow users to efficiently learn about, compare, and secure financial products. For those needing additional support, MoneyHero Group offers comprehensive customer service, including call center capabilities, particularly in markets like the Philippines where offline interaction is valued.
- Through its Creatory platform, MoneyHero Group offers content creators and channel partners robust tools to monetize their online presence. By providing access to a diverse range of financial products and real-time analytics, Creatory enables partners to optimize their strategies and engage with a wider community. This synergy not only enhances the monetization potential but also contributes to the overall growth of sustainable customer acquisition, reinforcing MoneyHero Group's role as a leader in financial product aggregation.

CORE VALUE PROPOSITION

Product innovation and competition drives consumers to look for trusted sources of information to compare and decide



Source: Company Presentation

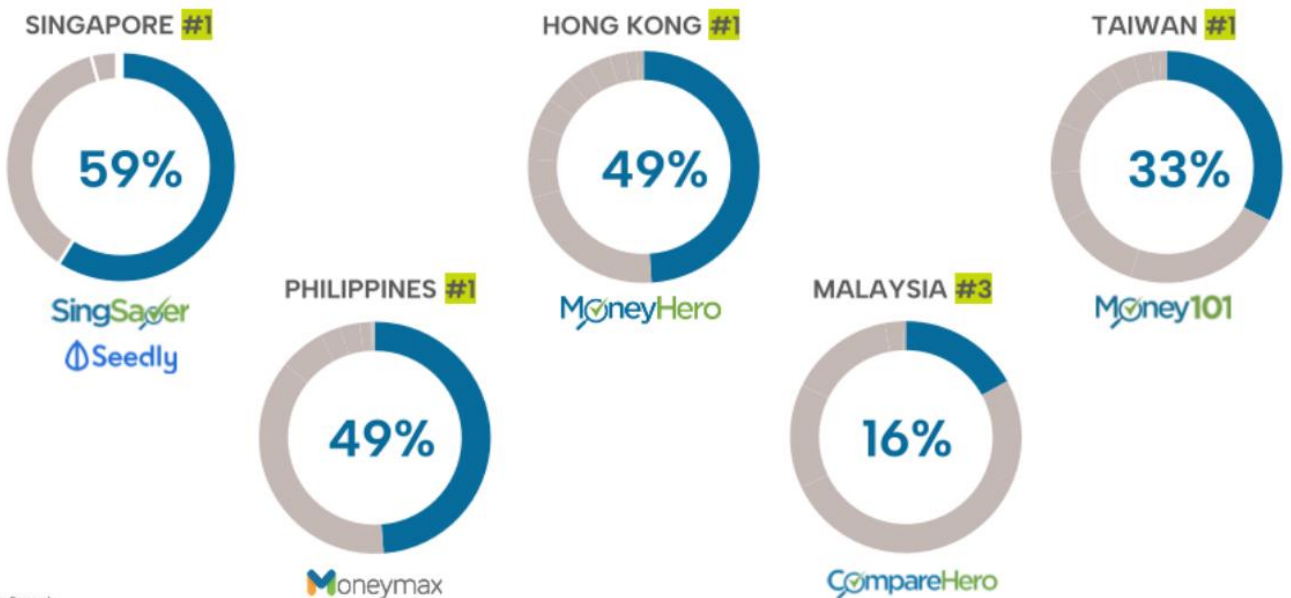
ROBUST GROWTH STRATEGY

- MoneyHero Group excels in converting digital traffic into financial product purchases, focusing on attracting high-value users ready to transact through cost-effective channels and continual optimization. The company enhances user engagement and retention by leveraging its extensive data to offer tailored content and product suggestions, alongside updating its rewards offerings which are vital for keeping users engaged.
- In its pursuit of business diversification and expansion, MoneyHero Group is committed to evolving its online financial comparison platform to address the comprehensive lifecycle of user financial needs. Notably, the company has initiated a partnership with TransUnion in Hong Kong to offer free credit profiles, enhancing user experience and conversion rates by providing tailored deals. Plans are underway to introduce similar services in the Philippines, targeting newly banked customers to broaden its market reach.
- Investments have been strategically placed in sectors like insurance, data infrastructure, and SEO strategies to strengthen the company's growth trajectory into 2024 and 2025. The insurance sector, in particular, shows significant growth potential. As travel restrictions lift and health concerns increase, demand for travel and general insurance has surged. MoneyHero Group, holding broker and agency licenses across multiple regions, is expanding its insurance product offerings to capture this growing market, aiming to establish a comprehensive digital broker model.
- To further expand its reach, MoneyHero Group is leveraging its Creatory brand to partner with content creators and channels like Foodpanda and Shopback, significantly enlarging its user base. With over 400 partnerships already in place, the company sees this as a strategic avenue to massively boost its user engagement and conversion rates.
- Looking at inorganic growth opportunities, MoneyHero Group is well-positioned to capitalize on industry consolidation and market expansion due to its status as a regional leader. This strategic positioning attracts multiple parties interested in leveraging the company's extensive platform and ecosystem within the financial comparison sector.
- At the core of MoneyHero Group's strategy is its robust marketing capability, managed by a dedicated team responsible for an overarching, omnichannel approach across all brands. This includes optimizing SEO and paid marketing strategies to maximize organic and paid traffic. As of its most recent quarterly result, a significant majority of user interactions with the platform were organic, driven by the company's strength in content delivery and SEO.
- The technology underpinning MoneyHero Group's operations is designed for scalability and adaptability to meet both consumer and commercial partner needs. This includes rapid integration of new financial products and personalizing user experiences tailored to specific market demands across Asia. The platforms are hosted on secure, scalable cloud infrastructure, ensuring reliability and the capacity for growth.

ROBUST GROWTH STRATEGY

- Through these multifaceted strategies, MoneyHero Group not only maintains but also strengthens its market presence, continually enhancing its offerings to meet the evolving needs of users and partners alike, ensuring its leadership in the financial product comparison space.
- We can see a snapshot of MoneyHero’s market share in key markets in the company presentation snapshot below:

Our brands are trusted and hold leading market share



Source: Semrush
 Note: Market share is based on 2022 total visit durations (time spent per visit multiplied by the number of visits) relative to that of key competitors in each market. Competitor set used HK: MoneySmart, FlyForMiles, Hong Kong Card, Flanto, Groupbuya, Mr Miles, Flyday, FlyAsia, HKCashRebate, mReferral, Lendetal SG: MoneySmart, ValueChampion, PolicyPal, MoneyOwl | TW: iCard, Roo Cash, Cards, Ewdna, Finfo, Alphacard, AlphaLoan, Creditcards.com, My83, Moneysmart | PH: iMoney, eComparemo, iChoose, Autodeal, Allthebestloans, Loanonline, UpFinance, Nook, CoolFinance | MY: Ringgitplus, LoanStreet, iMoney, Bjat, Policystreet, Fatberry.



Source: Company Presentation

CAPTURING THE INSURANCE MARKET IN GREATER SOUTHEAST ASIA

- The digital landscape in Southeast Asia is burgeoning, as highlighted by the e-Conomy SEA 2022 report by Google, Temasek, and Bain & Company, which notes 460 million internet users across the region. With the digital economy constituting only 5%-10% of the region's GDP, there is considerable room for expansion. MoneyHero Group is well-positioned to leverage this growth, particularly through its insurance offerings in the digital acquisition space.
- Financial product providers are increasingly dependent on online channels for customer acquisition, optimizing their operations to cater to the digitally-savvy demographic. MoneyHero Group, with its established track record and the operational readiness of its commercial partners, is set to benefit from this shift, expecting a long-term increase in acquisition budgets directed its way.
- Emerging markets, especially the Philippines, have shown substantial growth potential. In 2022, MoneyHero Group's Philippine business reported a 62.9% increase in revenue, underpinned by significant strides in financial inclusion. The company is poised to deepen its investment in these burgeoning markets, exploring further opportunities to expand its presence.
- The insurance sector in Greater Southeast Asia presents a particularly lucrative avenue for organic growth. Despite the region's rapid urbanization and demographic expansion, insurance product penetration remains low. In 2019, the digital distribution penetration rate for insurance was about 4%, a figure that has seen little change. MoneyHero Group sees this as an opportunity to establish market leadership, given the structural nature of insurance demand and the relative lack of large-scale competitors.
- Since 2022, the company has ramped up investments in its insurance capabilities, offering an extensive array of life and non-life insurance products. This strategic move not only diversifies the company's revenue streams but also mitigates reliance on more cyclical demand sources.
- MoneyHero Group's market leadership in Greater Southeast Asia is evidenced by its significant user base and robust commercial partnerships. As of mid-2023, the company reported substantial membership and sustained high revenue, affirming its top position in the personal finance aggregation and comparison sector. The transition of customer acquisition channels from traditional offline methods to digital platforms during the COVID-19 pandemic further accelerated its growth, with impressive year-over-year revenue increases.
- The company's strengths lie in its ability to deliver large volumes of high-intent customers to its commercial partners, provide actionable market insights, and offer comprehensive support throughout the online application process. By continuing to expand into new insurance verticals and emerging markets, MoneyHero Group is strategically enhancing its total addressable market and reinforcing its foothold in the dynamic digital landscape of Greater Southeast Asia.

CAPTURING THE INSURANCE MARKET IN GREATER SOUTHEAST ASIA

We operate in a large, high growth region that is digitally-enabled

185M Total Population

IN OUR FIVE OPERATING MARKETS IN 2022

700M+ in Greater Southeast Asia

92M Banked Population

IN OUR FIVE OPERATING MARKETS IN 2022

95-100% banked in SG, HK, TW, and Malaysia
44% banked in Philippines, growing at a 7.8%
CAGR 2018-2022

4.7% Disposable Income Growth

CAGR 2023E-2028E IN OUR FIVE
OPERATING MARKETS

90% Households with Smartphones

IN OUR FIVE OPERATING MARKETS IN 2022

70% of Population uses internet daily

Source: Euromonitor
Note: Five operating markets include Singapore, Hong Kong, Philippines, Taiwan and Malaysia

MoneyHero
Group

Source: Company Presentation

KEY PARTNERSHIPS

- MoneyHero Group has consistently advanced its strategy to be at the forefront of the digital finance sector in Southeast Asia by fostering robust commercial partnerships. These partnerships are pivotal, as they enable MoneyHero Group to promote and facilitate the online purchase and application of financial products. Collaborating closely with financial institutions, including brick-and-mortar banks, insurance providers, investment brokers, and digital disruptors like online banks, MoneyHero Group enriches its offerings with comprehensive personal finance content, innovative promotions, and rewards.
- By mid-2023, MoneyHero Group had established over 270 partnerships across the region. These partnerships often extend for 1-3 years and include some of the most prominent financial institutions in Asia, positioning MoneyHero Group as an essential channel for customer acquisition.
- This setup not only connects financial product providers with ready-to-transact users but also equips providers with critical consumer insights through advanced data analytics and technological integration.
- In a significant move to cement its role as a leader in digital insurance, MoneyHero Group has entered a strategic partnership with InsureMO to launch a premier digital insurance aggregation and comparison platform. This collaboration integrates InsureMO's middleware platform into MoneyHero's ecosystem, allowing consumers throughout Greater Southeast Asia to easily access, compare, and purchase tailored and transparent insurance policies.
- This initiative is part of MoneyHero Group's broader strategy to prioritize acquisition of cutting-edge technology solutions over in-house development, which accelerates market entry and enhances organizational learning. Such strategic choices have reshaped the insurance purchasing experience, setting new standards for customer engagement and satisfaction in the digital age.
- InsureMO's contribution to MoneyHero Group's expanding suite of services is substantial, with its platform already managing over 65 million policies and facilitating more than \$25 billion in Gross Written Premium (GWP). With a vast library of ready products and a suite of over 2000 insurance APIs, InsureMO brings a new level of flexibility and customization to MoneyHero Group's offerings, enriching the consumer experience and broadening the scope of available insurance products.
- There is a transformative impact of this partnership, stating that it not only changes how insurance is bought and sold but also redefines the entire customer experience.
- This partnership underscores MoneyHero Group's commitment to driving innovation in the financial technology sector, reinforcing its position as a dominant player in the digital insurance market and extending its influence across Southeast Asia.

EXPERIENCED MANAGEMENT TEAM

- MoneyHero Group is led by a team of seasoned executives with deep expertise across global markets and a proven track record in the financial sector.
- Under their leadership, MoneyHero Group continues to enhance its platform and services, leveraging cutting-edge technology and strategic insights to empower consumers with better financial choices and experiences.
- The profiles of the top 3 personnel can be summarized as follows:

Rohith Murthy

Chief Executive Officer of MoneyHero Group

- Rohith Murthy, serving as the CEO of MoneyHero Group, brings over two decades of experience in product innovation, digital banking, and operations.
- His extensive career includes pivotal roles at esteemed institutions such as Citi, Siam Commercial Bank, and Standard Chartered Bank. Educated in Computer Engineering at the National University of Singapore, Mr. Murthy joined MoneyHero Group in March 2015, ascending through various leadership positions including Country Manager for Singapore, Group General Manager, and Chief Product Officer.
- Currently based in Singapore, he has a comprehensive background managing operations across diverse regions including Hong Kong, Thailand, and Central and Eastern Europe..

Hao Qian

Chief Financial Officer at MoneyHero Group

- Hao Qian joins MoneyHero with an impressive 17+ years of financial and leadership experience, having held senior roles at industry giants like Alibaba, Amazon, and Credit Suisse. His extensive background positions him perfectly to drive MoneyHero's financial strategy and growth.
- At Alibaba, Hao Qian excelled as CFO of the Lazada business unit, showcasing his expertise in managing complex financial operations across multiple markets. His experience in scaling businesses and supporting ambitious growth strategies will be invaluable to MoneyHero.
- Hao's prestigious educational credentials, including an MBA from MIT's Sloan School of Management and an MS in Finance from the Rochester Institute of Technology, demonstrate his deep knowledge and commitment to excellence in finance. His academic background will undoubtedly contribute to MoneyHero's strategic financial initiatives.
- Hao Qian's appointment as CFO comes at a crucial time for MoneyHero, following its recent Nasdaq listing. His familiarity with U.S. capital markets and his proven track record in investor relations, M&A, and commercial partnerships make him the ideal candidate to enhance shareholder value and support MoneyHero's mission and market expansion.

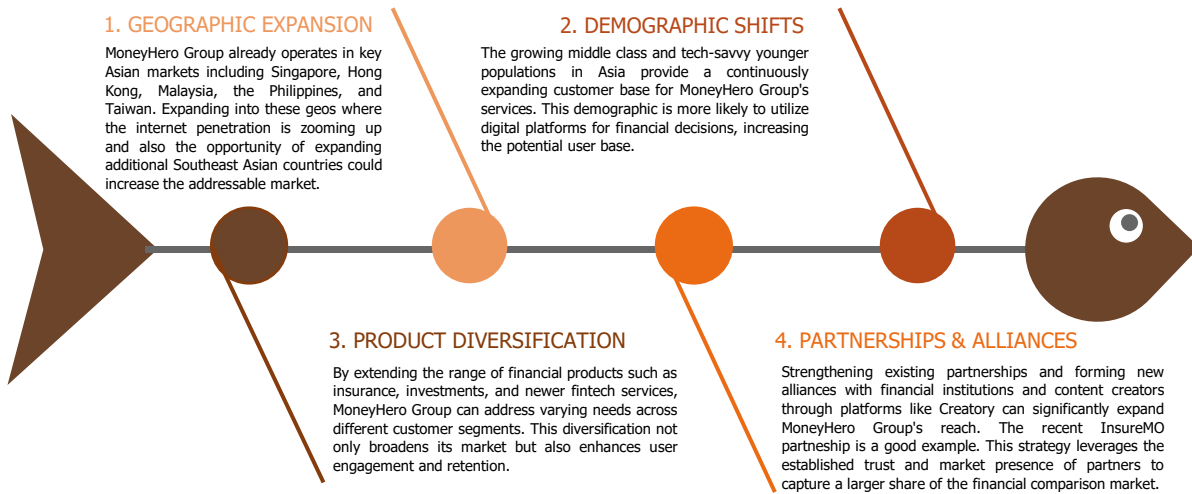
EXPERIENCED MANAGEMENT TEAM

Shravan Thakur

Chief Commercial Officer at MoneyHero Group

- Shravan Thakur, the Chief Commercial Officer, also boasts 20 years of diverse experience in building and scaling businesses, P&L management, strategic partnership development, and leading transformative initiatives.
- Mr. Thakur's global perspective is enriched by his professional stints in India, the United Kingdom, Singapore, and Hong Kong. His leadership extends beyond operational management to fostering talent development and driving strategic growth.
- In his previous role at American Express in Asia, Mr. Thakur played a critical role in the company's expansion into China, becoming the first foreign payment company to be granted a payment license in the country. He was instrumental in establishing the payment operations and leading to the successful commercial launch of American Express in China.
- Before his tenure in China, he significantly grew the consumer cross-border business in Asia, transformed the digital sales channels in Hong Kong and Singapore, and developed strategic roadmaps that highlighted key growth markets and investment priorities.

MARKET EXPANSION STRATEGY – FISHBONE ANALYSIS



ENVIRONMENTAL, SOCIAL, & GOVERNANCE (ESG) RISK EVALUATION

ENVIRONMENTAL

- MoneyHero Group's digital-first approach minimizes environmental impact by reducing the need for physical infrastructure and promoting paperless transactions.
- The use of advanced technology reduces the carbon footprint associated with traditional banking and financial services.
- The company promotes sustainability through its digital platforms, which encourage more efficient management of financial resources.

LOW

SOCIAL

- MoneyHero Group contributes to financial education and literacy, empowering consumers with the knowledge to make informed financial decisions and enhancing financial inclusion.
- The company boasts a diverse workforce, with a gender distribution of 237 females to 184 males and a broad representation of nationalities, enhancing cultural inclusivity.
- MoneyHero Group's commitment to social responsibility is reflected in its efforts to provide educational content and tools, significantly improving user financial wellbeing..

VERY LOW

GOVERNANCE

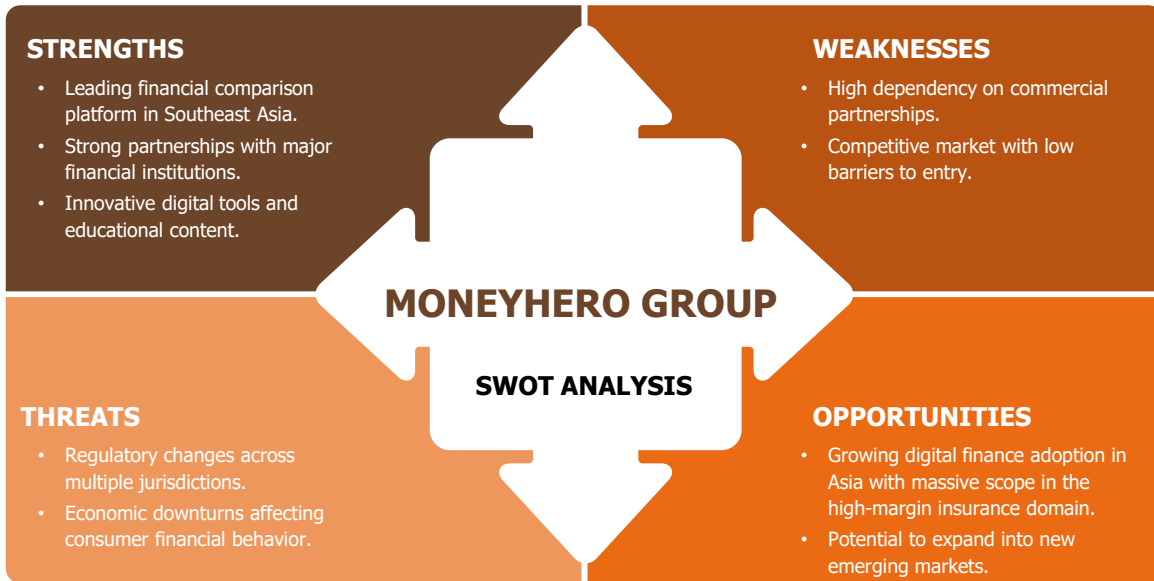
- MoneyHero Group maintains strong governance with a robust internal legal team and strategic finance team, ensuring compliance with multiple regional regulations.
- The company has structured regulatory infrastructure that supports its expansive operations across diverse financial markets.
- Despite having a relatively small representation of women on the board and in senior management, the company's governance structure is designed to uphold high ethical standards and transparency.

LOW

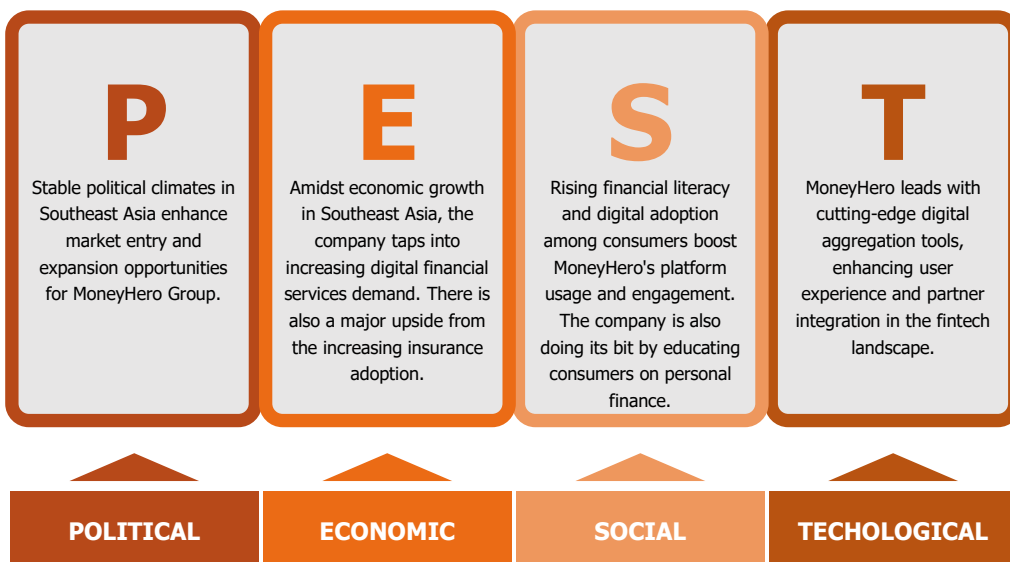
MICHAEL PORTER'S FIVE FORCE ANALYSIS OF MONEYHERO GROUP'S INDUSTRY



SWOT ANALYSIS OF MONEYHERO GROUP



PEST ANALYSIS OF MONEYHERO GROUP



HISTORICAL ANNUAL INCOME STATEMENT (USD MILLION)

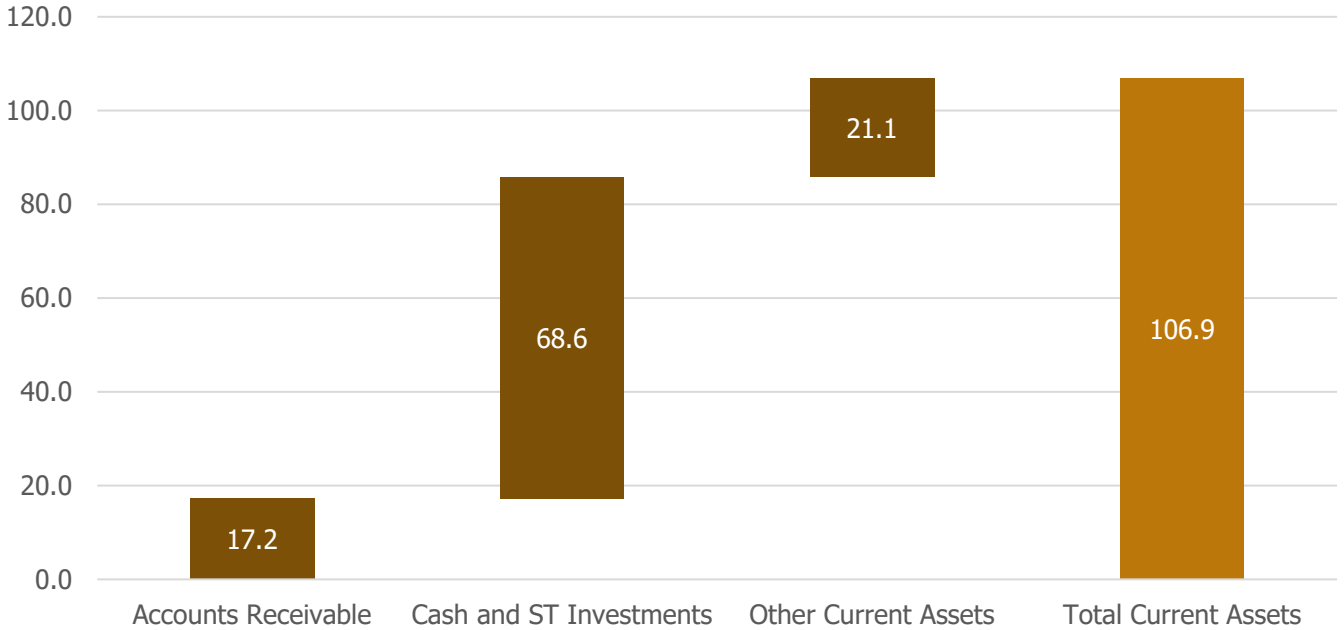
Particulars	2021	2022	2023
Revenues	61.9	68.1	80.7
% growth		10.1%	18.4%
Cost of Goods Sold	29.9	33.9	43.9
% of revenue	48.3%	49.7%	54.5%
Gross Income (excl. D&A)	32	34	37
% of revenue	148.3%	149.7%	154.5%
EBITDA	-25.4	-37.1	-146.3
% of revenue	-41.0%	-54.5%	-181.4%
Depreciation & Amortization	-3.9	-4.8	-7.2
Extraordinary Expenses	0.0	0.0	0.0
EBIT	-29.3	-41.9	-153.5
% of revenue	-47.3%	-61.5%	-190.3%
Pretax Income	-31.0	-49.7	-172.5
% of revenue	-50.0%	-50.0%	-72.9%
Tax Provision	0.0	-0.3	0.1
% rate	0.1%	0.5%	0.0%
Net Income	-30.9	-49.4	-172.6
% of revenue	-50.0%	-79.9%	-253.3%

- We can see a consistently upward trending trajectory of the revenues of MoneyHero and the interesting part is that the growth rate is also increasing.
- We expect its top-line to grow at an even faster pace especially with its expansion of the insurance business.
- During 2023, we see a larger EBITDA loss which is primarily on account of listing expenses. This is expected to change drastically in 2024 and the company could be closer to an EBITDA-level break-even as its revenue grows in the high-margin insurance business.

HISTORICAL ANNUAL BALANCE SHEET (USD MILLION)

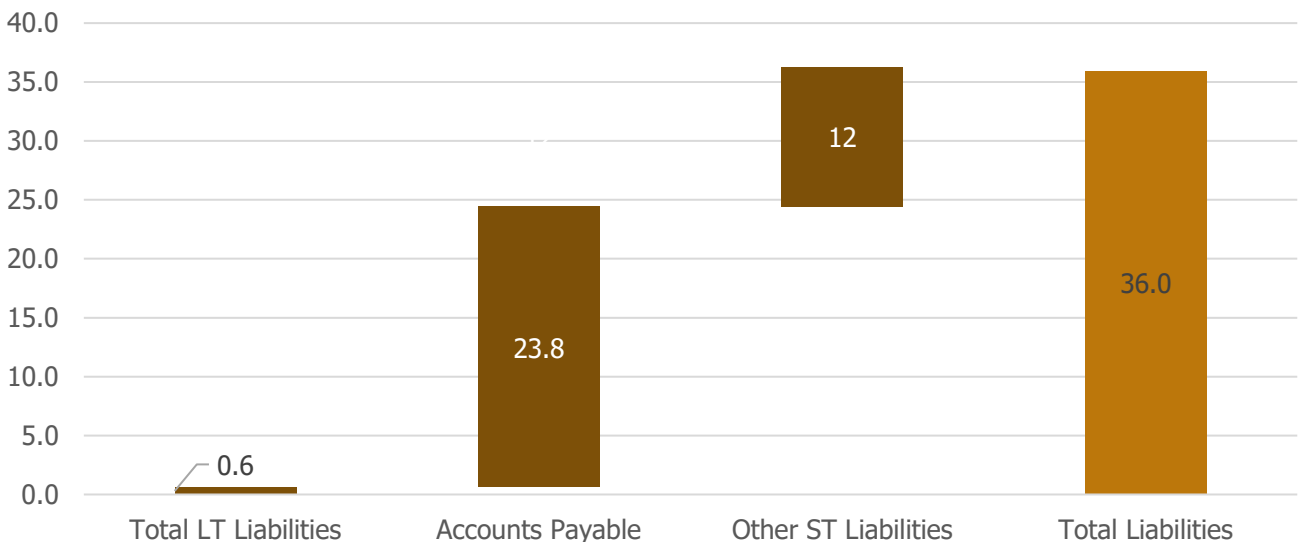
Particulars	2021	2023
Assets		
Net Intangible Fixed Assets	14.4	7.3
Net Tangible Fixed Assets	1.1	0.8
Total Fixed Assets	15.5	8.1
% of revenue	25.0%	11.9%
LT Investments	0.0	0.0
Inventories	0.0	0.0
% of revenue	0.0%	0.0%
Accounts Receivable	9.7	17.2
% of revenue	15.6%	25.3%
Cash And ST Investments	24.1	68.6
% of revenue	38.9%	100.7%
Other Current Assets	14.9	21.1
Current Assets	48.6	106.9
Other Assets	0.1	0.0
Total Assets	64.3	115.0
Liabilities & Shareholder's Equity		
Equity & Minorities	16	79
Long Term Debt	8.7	0.0
Other LT Liabilities	0.8	0.6
Total Debt	9.5	0.6
ST Debt	0.0	0.0
Accounts Payable	16.7	23.8
% of COGS	26.9%	35.0%
Other ST Liabilities	22	12
Current Liabilities	39.0	35.7
Total Liabilities	48.4	36.0
Total Liabilities & Shareholder's Equity	64	115

CURRENT ASSETS BREAKDOWN – WATERFALL ANALYSIS (USD MILLION)



- In the above waterfall chart, we clearly see that the liquidity position of MoneyHero is very robust especially after the recent fundraise.
- Being an asset light model, the company has relatively less amount of capital tied up in its working capital or fixed assets and the liquidity can be used for business expansion.

TOTAL LIABILITIES BREAKDOWN – WATERFALL ANALYSIS (USD MILLION)



- As we can see in the above waterfall chart, MoneyHero is debt light and hardly has any debt/ long term liabilities on the balance sheet which accounts for a very low portion of the liability side.
- Payables and other short term liabilities are also well in control especially if you compare them to the liquidity levels of the company.

HISTORICAL ANNUAL CASH FLOWS (USD MILLION)

Particulars	2021	2021	2023
Net Income (GAAP)	-31	-31	-49
+ Depreciation & Amortization	-3.9	-3.9	-4.8
+/- Working Capital, Deferred Taxes & Other Adjustments	20.4	20.2	37.2
Operating Cash Flow	-14.4	-14.6	-17.0
% of EBITDA	56.7%	57.6%	45.9%
Capital Expenditure	-5.4	-4.9	-1.3
% of revenues	-0.1%	-0.1%	0.0%
Other Investment Cash Flow items	0.0	0.0	0.0
Investing Cash Flow	-5.5	-5.0	-1.3
Free Cash Flow	-19.9	-19.6	-18.4
% of EBITDA	78.3%	77.2%	49.5%
Financing Cash Flow	11.6	34.8	63.1
Net Change In Cash	-8.3	15.2	44.7

- MoneyHero Group had been burning some level of cash each year but most of it has been to finance its expansion across multiple products in multiple geographies coupled with heavy investments in technology.
- This is why the company has been issuing equity from time to time to fund its cash losses.
- The company has a fundamentally high-operating-cash-flow generating business model and after the recent public issue, it has more than \$60 million of cash available which should be enough to make it reach an EBITDA-level break even.
- Future capital raises are a possibility but they would be purely from an expansion standpoint and a value creation standpoint rather than to fund cash losses.

INCOME STATEMENT FORECASTS (USD MILLION)

Particulars	2022	2023	2024E	2025E	2026E
Revenue	68	81	101	146	200
<i>% growth</i>		18.4%	25.1%	44.6%	37.0%
Cost of Goods Sold	-34	-44	-48	-65	-88
<i>% of revenue</i>	-49.7%	-54.5%	-47.2%	-44.6%	-44.0%
Gross Income (excl. D&A)	34	37	53	81	112
<i>% of revenue</i>	50.3%	45.5%	52.8%	55.4%	56.0%
EBITDA	-37	-146	-13	14	45
<i>% of revenue</i>	-54.5%	-181.4%	-12.8%	9.5%	22.5%
Depreciation & Amortization	-5	-7	-8	-8	-8
EBIT	-42	-154	-20	6	37
<i>% of revenue</i>	-61.5%	-190.3%	-20.2%	4.1%	18.3%
EBT (GAAP) Actual	-50	-173	-39	-13	18
<i>% of revenue</i>	-72.9%	-213.9%	-39.1%	-8.9%	8.8%
Net Income (GAAP)	-49	-173	-40	-14	17
<i>% of revenue</i>	-72.6%	-214.0%	-40.1%	-9.6%	8.3%
EPS (GAAP)	-1.33	-4.64	-1.09	-0.38	0.45

CASH FLOW FORECASTS (USD MILLION)

Particulars	2022	2023	2024E	2025E	2026E
Net Income (GAAP)	-49	-173	-40	-14	17
+ Depreciation & Amortization	-5	-7	-8	-8	-8
+/- Working Capital, Deferred Taxes & Other Adjustments	40	163	34	35	33
Cash from Operations	-15	-17	-14	13	41
<i>% of EBITDA</i>	<i>39.4%</i>	<i>11.6%</i>	<i>110.0%</i>	<i>91.0%</i>	<i>92.1%</i>
Capital Expenditure	-5	-1	-5	-5	-6
<i>% of revenues</i>	<i>7.3%</i>	<i>1.7%</i>	<i>5.2%</i>	<i>3.8%</i>	<i>2.9%</i>
Other Investment Cash Flow items	0	0	0	0	0
Cash Flow after Investments	-5	-1	-5	-5	-6
Free Cash Flow	-20	-18	-19	7	36
Growth & Margins	2022	2023	2024E	2025E	2026E
Sales Growth	10.1%	18.4%	25.1%	44.6%	37.0%
EBITDA Margin	-54.5%	-181.4%	-12.8%	9.5%	22.5%
EBIT Margin	-61.5%	-190.3%	-20.2%	4.1%	18.3%
Net Profit Margin	-72.6%	-214.0%	-40.1%	-9.6%	8.3%

OUR COMMENTARY ON MONEYHERO'S FINANCIAL FORECASTS

- Now let us move on to Baptista Research's forecasts for MoneyHero Group' income statement and cash flows.
- We forecast a top-line growth of 25.1% for 2024, around 44.6% for 2025, and about 37% for 2026.
- The management's guidance of \$100 million in revenues for 2024 appears reasonable and given the large size of the addressable market, MoneyHero's past, successful execution of its growth strategies and the adequate liquidity available with the management, it should be able to double its revenues in 3 years.
- This growth is expected to translate into a positive EBITDA of over \$14 million in 2025. The company should reach a positive EBITDA level in the second half of 2024 and its overall EBITDA loss in 2024 is expected to be nominal.
- MoneyHero Group' EBIT margin is expected to be above 18% from 2026 onwards given that the company operates in a high-margin industry.
- Our estimate for the company's Net Income (GAAP) is close to \$17 million in 2026 implying a net margin of 8.3% and resulting in an earnings per share of \$0.45.
- In terms of the cash flows, we expect MoneyHero Group to convert more than 90% of its EBITDA into operating cash given the nature of its business model.
- MoneyHero Group is expected to invest a consistent amount in capex and other investing activities in the coming years.
- Overall, the company is expected to generate positive free cash flows from 2025 onwards, which is a very good sign for shareholders.

VALUATION & TARGET PRICE BASED ON COMPARABLES' MULTIPLES (USD MILLION)

- For purpose of carrying out the valuation of MoneyHero Group, we are first going to go through the relevant peer group of the company and determine a suitable valuation multiple to be applied to its future Revenues of the year 2024.
- MoneyHero Group has a number of listed peers globally that provide similar kind of offerings but in different geographies.
- We can see their one-year forward valuation multiples i.e., EV/ Revenue, EV/ EBITDA, P/E, and Market Cap/ FCF.

Comparable Name	Forward EV/ Revenue	Forward EV/ EBITDA	Forward P/E	Forward Market Cap/ FCF
Moneysupermarket.com	2.85x	9.16x	13.27x	12.78x
PB Fintech	13.45x	506.17x	122.62x	289.58x
Equifax Inc.	5.66x	16.62x	28.76x	37.80x
Experian plc	5.67x	16.23x	26.82x	26.35x
TransUnion	4.73x	13.01x	18.69x	39.21x
EverQuote, Inc.	2.25x	50.75x	67.28x	68.35x
Goosehead Insurance, Inc	4.85x	18.38x	38.24x	36.49x
Grab Holdings Limited	3.42x	43.26x	(317.60x)	90.01x
LendingTree, Inc.	1.55x	11.96x	17.02x	14.96x
NerdWallet, Inc.	1.45x	7.32x	-	17.91x
Median	4.08x	16.43x	27.79x	37.15x
Mean	4.59x	69.29x	41.59x	63.34x
Max	13.45x	506.17x	122.62x	289.58x
Min	1.45x	7.32x	13.27x	12.78x

VALUATION & TARGET PRICE BASED ON COMPARABLES' MULTIPLES (USD MILLION)

- MoneyHero Group caters to a multiple markets offering multiple products and has a larger addressable market pie as compared to most of the companies shown in the above table.
- Logically, MoneyHero Group is a fast-growing company and once it starts generating revenues, it should command a HIGHER multiple than the above companies.
- The general slowdown in the small-caps markets with larger capital going towards mega-caps and large-caps is perhaps, the biggest reason for the stock to have an EV/ Revenue multiple as low as 1.02x. However, this appears to be a temporary phase and we expect the stock to bounce back soon.
- There are multiple approaches that can be adopted for valuing the company's stock ranging from comparables valuation multiples to a discounted cash flow valuation. Given the fact that our forecasts for MoneyHero Group are for 3 years and it would be unfair to use such a short time frame for determining the Terminal Year for a DCF valuation, we are sticking to the use of comparables multiples.
- We are relying on 1-Year Forward EV/ Revenue multiples of the peer group as that part is easily foreseeable even for MoneyHero Group with an explicit management guidance of \$100 million.
- Given that both, the mean and median EV/ Revenue multiples of its closest peers are well above the 4.00x mark, we believe that it is reasonable to expect some level of multiples expansion for the MoneyHero Group's stock and we believe that 2.00x is a very reasonable Forward EV/ Revenue multiple for the company.
- We can see the calculation of the Target Price of MoneyHero Group if we were to use a Forward EV/ Revenue multiple of 2.00x and determine the Enterprise Value and Equity Value of the company.
- We expect MoneyHero Group's stock to achieve the target price of \$7.03 before the end of 2024. This is well below the 52-week high of the company as well and we believe that a 1-Year Forward EV/ Revenue multiple of 2.00x for a high-growth company like MoneyHero is EXTREMELY reasonable/ cautious even though the target is almost 4x the current stock price of the company.

Particulars

Expected Revenues For 2024	\$101 million
Expected Forward EV/ Revenue Multiple	2.00x
Projected Enterprise Value	\$202 million
Net Debt	-\$69 million
Projected Equity Value	\$271 million
Shares Outstanding	38.54 million
Equity Value Per Share/ Target Price	\$7.03

TECHNICAL ANALYSIS OF MONEYHERO GROUP'S STOCK



Source: Yahoo Finance

- As we can see in the above chart, MoneyHero Group's stock has been on the downside like most small-cap and microcap companies which have been listed in the past year.
- The stock price has recovered from the 52-week low levels from way back in February 2024 and its upward trajectory has begun slowly and steadily.
- We expect a continuing upward growth trend as the company releases its future quarterly results showing continued momentum in top-line growth as well as margin expansion and it should be able to breach the \$3 resistance by the next quarter and the \$4.5 resistance by Q3.
- Many other technical indicators are also in favor of MoneyHero Group such as its monthly RSI (14) is as low as 22.221 implying that the company's stock is extremely oversold and a reversal is long overdue.
- The same goes for MoneyHero's monthly Williams %R of -88.833 which also puts the company's stock in the heavily oversold category.
- A 1-year target of \$7 seems comfortable to achieve, assuming the company keeps delivering positive results and actively keeps shareholders and the market informed of its major positive developments.

KEY RISKS

- It is important to highlight the key risks associated with an investment in MoneyHero Group as well as the inherent risks associated with the financial projections and price forecasts presented in this report.
- MoneyHero Group' stock price can be affected by market trends and movements, which are often beyond the control of the company. Economic conditions, geopolitical events, and industry-wide trends can all impact the stock price.
- MoneyHero Group's operations across multiple Asian countries mean it must navigate varied regulatory landscapes. Regulatory changes, such as those affecting licensing requirements or consumer data protection, can pose significant challenges. Non-compliance could result in fines, sanctions, or forced modifications to business practices, impacting profitability and operational continuity.
- The financial comparison sector is fiercely competitive, with numerous players vying for market share. MoneyHero Group competes against other aggregators and potential new entrants that could innovate more rapidly or offer more attractive terms to partners and customers. This competition might pressure margins, require increased spending on marketing, and impact the overall market position.
- MoneyHero Group relies heavily on its relationships with financial product providers for revenue. The loss of key partnerships or failure to maintain and cultivate these relationships could lead to a significant reduction in revenue streams. Furthermore, the quality of these partnerships directly influences the range and attractiveness of offerings on MoneyHero's platforms.
- Operating primarily online, MoneyHero Group faces risks from rapid technological changes and potential cybersecurity threats. Data breaches or significant downtime can erode user trust and lead to legal liabilities. Keeping pace with technological advancements and maintaining robust cybersecurity measures are crucial but can be costly.
- Economic downturns in any of the markets MoneyHero operates can reduce consumer demand for financial products. Such downturns typically result in decreased consumer spending and borrowing, adversely affecting the commission-based revenue model of the company and potentially leading to a contraction in its operational scale.
- The success of MoneyHero Group hinges on its ability to attract new users and retain existing ones. Ineffective marketing strategies, poor user experiences, or superior offerings by competitors could lead to reduced site traffic and lower engagement levels, directly impacting the company's revenue and growth prospects.
- MoneyHero Group's growth strategy includes expanding through acquisitions and strategic partnerships, which come with integration risks. These include cultural misalignment, technology integration issues, and unmet synergistic goals, all of which can dilute value rather than enhance it.
- MoneyHero Grop's presence in geopolitically diverse markets exposes it to regional instabilities and economic sanctions. These factors can disrupt business operations and create volatile market conditions, which could deter investment and complicate strategic planning.

KEY RISKS

- As a multinational corporation, MoneyHero Group deals with multiple currencies. Fluctuations in exchange rates can affect the company's earnings, introduce volatility in financial reporting, and potentially obscure the true financial performance, complicating strategic decisions and investor evaluations.
- The effectiveness of MoneyHero Group's strategic initiatives largely relies on its management team. Inadequate execution of new strategies, inability to adapt to market changes, or turnover in key leadership positions could disrupt operations and delay or derail the achievement of strategic goals, thereby affecting long-term growth.
- Another one of the biggest risks to MoneyHero Group' model is the fact that the company's top-line growth is assumed to be consistently growing by a certain rate in the model. There is a possibility that this assumption might not hold true. With respect to our price projection, we would like to clarify that the valuation of MoneyHero Group in this report is specific to the date of the analysis i.e. 6th May 2024.
- We must emphasize that the projected valuation and the share price of MoneyHero Group are dependent on the realization of the revenue growth, free cash flows and the other assumptions taken into account. Our analysis cannot be directed to providing any assurance about the achievability of these financial forecasts. There is a possibility that the actual results of the company are different from the projected results as a result of unexpected events and circumstances such as the realization of the threats mentioned in the paragraph above. Lastly, we would like to clarify that we had no interaction with the management of the company and they did not comment on the achievability or the reasonableness of the assumptions underlying the financial forecasts. Please check out our detailed disclosures at the end for further details.

ANALYST RATINGS

- **Buy:** Expected to outperform market over next 6 to 12 months. Minimal risk to fundamentals and valuation. Good long-term investment.
- **Outperform:** Expected to outperform the market over next 6 to 12 months but there is a moderate risk to fundamentals and valuation.
- **Sell:** Expected to significantly underperform the market over next 6 to 12 months. There is a strong likelihood of the security delivering negative returns and a very high risk to fundamentals and valuation.
- **Underperform:** Expected to underperform the market over next 6 to 12. There is a moderate to high risk to fundamentals and valuation.
- **Hold:** Expected to perform in line with the market over next 6 to 12 months. However, there is a moderate to high risk to fundamentals and valuation.

ANALYST INDUSTRY VIEWS

- **Attractive:** The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.
- **In-Line:** The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.
- **Cautious:** The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.
- Benchmarks for each region are as follows: North America - S&P 500; Latin America – MSCI EM Latin America Index; Europe – MSCI Europe; Japan - TOPIX; Asia - relevant country index or sub-regional index. Please contact us to know the relevant index in case it is not specified in the report.

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