



Credit Corp Group

Credit Corp Group Limited ABN 33 092 697 151

Appendix 4D and Consolidated Interim Financial Statements

For the period ended 31 December 2023

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These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023 and any public announcements made by Credit Corp Group Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

APPENDIX 4D HALF-YEAR REPORT

For the half-year ended 31 December 2023

1 Details of the reporting period and the prior corresponding period

Current period: 1 July 2023 to 31 December 2023

Prior corresponding period: 1 July 2022 to 31 December 2022

2 Results for announcement to the market

	31 Dec 2023 \$'000	31 Dec 2022 \$'000	Change %
Key information			
2.1 Revenue	187,225	220,508	(15%)
2.2 (Loss) / profit from ordinary activities after tax attributable to members	(12,125)	31,828	(138%)
2.3 (Loss) / profit attributable to members of the Group	(12,125)	31,828	(138%)

	Amount per security	Franked amount per security
2.4 Dividends per ordinary share		
2023 Final dividend	47.0 cents	100%
2024 Interim dividend (declared, not yet provided at 31 December 2023)	15.0 cents	100%
2.5 Dividends per ordinary share		
2023 Final dividend		29 Sep 2023
2024 Interim dividend		29 Mar 2024

2.6 Commentary

Please refer to the H1 of 2024 Media Release and the Interim Financial Statements for the half-year ended 31 December 2023 for further explanations of the figures presented at 2.1 – 2.4 above.

3 Net tangible assets per ordinary share

Security	31 Dec 2023 \$	31 Dec 2022 \$
Ordinary shares	10.56	10.65

4 Dividend payments

Ordinary share capital	Cents per share	Total \$'000	Franked / unfranked	Payment date
2023 Interim dividend	23.0	15,647	Franked	31 Mar 2023
2023 Final dividend	47.0	31,974	Franked	29 Sep 2023
		47,621		

After 31 December 2023 the following dividends were proposed by the directors. The dividends have not been provided for and there are no income tax consequences.

2024 Interim dividend	15.0	10,205	Franked	29 Mar 2024
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5 Dividend or distribution reinvestment plan details

The Dividend Reinvestment Plan (DRP) of Credit Corp Group Limited (the Group) will not apply to the interim dividend.

6 Investments in associates and joint ventures

No investments in associates and joint ventures are held by the Group.

7 Accounting standards used by foreign entities

Not applicable as the Group is not a foreign entity.

8 Audit dispute or qualification

The interim financial statements for the half-year ended 31 December 2023 have been subject to review and are not subject to dispute or qualification.

DIRECTORS' REPORT

The directors submit the financial statements of Credit Corp Group Limited and controlled entities (the Group) for the half-year ended 31 December 2023. Credit Corp Group Limited (the Company) is the parent entity of the Group.

DIRECTORS

The names of the Company's directors who held office during the reporting period and until the date of this report are:

Mr Eric Dodd	Chair (Non-Executive)
Mr Thomas Beregi	Managing Director and Chief Executive Officer (CEO)
Mr Phillip Aris	Director (Non-Executive)
Mr Brad Cooper	Director (Non-Executive)
Ms Lyn McGrath	Director (Non-Executive)
Mr James M. Millar AM	Director (Non-Executive)
Ms Trudy Vonhoff	Director (Non-Executive)
Ms Leslie Martin	Director (Non-Executive, retired 24 October 2023)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year were debt purchase and collection as well as consumer lending.

REVIEW OF OPERATIONS

OVERVIEW

The directors of the group report a net profit after tax (NPAT) for the first half of the 2024 financial year of a loss of \$12.1 million. This reflects the previously announced impairment of the Company's US Purchased Debt Ledger (PDL) book. Excluding the \$45.6 million impact on NPAT of this charge, underlying NPAT for the period was 5 per cent higher than the prior comparative period (pcp) at \$33.5 million. The highlights include the following:

- Continued US operational improvement
- 16 per cent growth in the consumer loan book to a record gross closing balance of \$414 million
- Tripling in Consumer lending Net Profit after Tax (NPAT) over the prior comparative period (pcp)

Elevated delinquency on US payment arrangements which gave rise to the impairment continued but remained stable throughout the period. Notwithstanding the delinquency, operational improvement produced increased efficiency with US collections 5 per cent higher than the pcp on a constant currency basis. US market conditions improved during the period due to a combination of increasing PDL supply and more restricted access to credit and higher borrowing costs affecting competitor demand. As a result, PDL pricing improved during the period and the present full year US investment pipeline of A\$120 million will deliver 45 per cent more in face value per dollar outlaid relative to purchases made in the prior year.

The consumer lending book grew to a record \$414 million gross of expected life-of-loan loss provisions. Despite tighter credit settings, lending volume was 2 per cent higher than the record level set for the same period in the prior year. Wallet Wizard branded cash loans accounted for 90 per cent of the volume.

Credit quality remains intact with losses within pro-forma levels and arrears within historical norms.

PDL supply in the AU/NZ debt buying market has remained constrained, with no indications of a short-term recovery. Interest bearing credit card balances are still approximately 30 per cent below pre-COVID levels. As the AU/NZ PDL book runs-off and collections decrease, management of direct and indirect costs is mitigating the impact on earnings.

Credit Corp will pay an interim dividend for the 2024 financial year of 15 cents per share which is in line with a full year payout rate of approximately 50 per cent of the mid-point of EPS guidance.

OUTLOOK

There is the prospect of securing further US PDL volume at favourable pricing as many debt sale clients continue to offer increasing volumes for sale.

Credit demand continues to be strong and Credit Corp will look to maintain its share. If lending volume remains strong over the second half, the Company will incur increased customer acquisition and life-of-loan loss provision expense and deliver NPAT at the bottom end of the guidance range.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 5.

This report is made in accordance with a resolution of the Board of Directors.



Eric Dodd

Chair

31 January 2024



James M. Millar AM

Non-Executive Director

31 January 2024



**CREDIT CORP GROUP LIMITED
ABN 33 092 697 151
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CREDIT CORP GROUP LIMITED**

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Credit Corp Group Limited. As the lead audit partner for the review of the financial report of Credit Corp Group Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 31 January 2024

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CONSOLIDATED INCOME STATEMENT

For the half-year ended 31 December 2023

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Purchased debt ledger (PDL) interest revenue	3	131,254	137,809
PDL change in lifetime expected credit losses	3	(64,982)	—
Consumer lending revenue	3	81,732	65,183
Other revenue	3	39,221	17,516
Finance costs		(11,764)	(6,535)
Employee benefits expense		(96,346)	(86,396)
Depreciation and amortisation expense		(5,547)	(5,575)
Office facility expenses		(15,003)	(9,807)
Collection expenses		(23,665)	(19,480)
Consumer loans loss provision expense		(37,627)	(35,601)
Marketing expenses		(8,227)	(9,513)
Other expenses		(6,285)	(4,019)
(Loss) / profit before income tax		(17,239)	43,582
Income tax benefit / (expense)	4	5,114	(11,754)
(Loss) / profit for the period		(12,125)	31,828
(Loss) / earnings per share for (loss) / profit attributable to owners of the company			
Basic (loss) / earnings per share (cents per share)		(17.8)	46.9
Diluted (loss) / earnings per share (cents per share)		(17.6)	46.2

The above financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2023

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
(Loss) / profit for the period	(12,125)	31,828
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit / (loss):</i>		
Exchange differences on translation of foreign operations	(12,479)	8,069
Other comprehensive (loss) / income for the period, net of income tax	(12,479)	8,069
Total comprehensive (loss) / income for the period	(24,604)	39,897

The above financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
CURRENT ASSETS		
Cash and cash equivalents	31,981	65,820
Trade and other receivables	14,516	17,857
Consumer loans receivables	177,473	166,965
Purchased debt ledgers	218,946	226,720
Other assets	7,294	5,129
Total current assets	450,210	482,491
NON-CURRENT ASSETS		
Consumer loans receivables	152,552	117,579
Purchased debt ledgers	484,245	535,421
Plant and equipment	5,912	6,579
Right-of-use assets	26,972	24,944
Deferred tax assets	83,460	66,973
Intangible assets	14,800	14,800
Total non-current assets	767,941	766,296
Total assets	1,218,151	1,248,787
CURRENT LIABILITIES		
Trade and other payables	26,282	38,097
Current tax liabilities	27,021	20,673
Lease liabilities	4,784	6,917
Provisions	17,916	18,605
Total current liabilities	76,003	84,292
NON-CURRENT LIABILITIES		
Borrowings	344,337	314,210
Deferred tax liabilities	9,050	8,735
Lease liabilities	24,113	20,564
Provisions	3,810	3,570
Total non-current liabilities	381,310	347,079
Total liabilities	457,313	431,371
Net assets	760,838	817,416
EQUITY		
Issued capital	375,141	375,141
Reserves	32,504	44,983
Retained earnings	353,193	397,292
Total equity	760,838	817,416

The above financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2023

	Note	Issued Capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2023		375,141	44,983	397,292	817,416
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD					
Loss for the period		—	—	(12,125)	(12,125)
Other comprehensive loss		—	(12,479)	—	(12,479)
Total comprehensive loss for the period		—	(12,479)	(12,125)	(24,604)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Transfer from reserve on vesting of performance rights net of tax		—	—	—	—
Dividends paid or provided for	5	—	—	(31,974)	(31,974)
Transactions with owners in their capacity as owners		—	—	(31,974)	(31,974)
Balance at 31 December 2023		375,141	32,504	353,193	760,838
Balance at 1 July 2022		361,232	33,314	346,095	740,641
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD					
Profit for the period		—	—	31,828	31,828
Other comprehensive income		—	8,069	—	8,069
Total comprehensive Income for the period		—	8,069	31,828	39,897
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Transfer from reserve on vesting of performance rights		13,909	(9,449)	—	4,460
Dividends paid or provided for	5	—	—	(24,407)	(24,407)
Transactions with owners in their capacity as owners		13,909	(9,449)	(24,407)	(19,947)
Balance at 31 December 2022		375,141	31,934	353,516	760,591

The above financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2023

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and debtors		364,644	337,934
Payments to suppliers and employees		(162,859)	(153,853)
Interest received on bank deposits		478	285
Interest paid – leases		(46)	(402)
Interest paid – other		(10,976)	(5,886)
Income tax paid		(7,000)	(12,705)
Cash flows from operating activities before changes in operating assets		184,241	165,373
Changes in operating assets arising from cash flow movements			
Net funding of consumer loans		(90,241)	(100,327)
Acquisition of purchased debt ledgers		(119,655)	(188,024)
Changes in operating assets arising from cash flow movements		(209,896)	(288,351)
Net cash outflow from operating activities		(25,655)	(122,978)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment		(927)	(718)
Payment for acquisition of subsidiary, net of cash acquired		—	(15,452)
Net cash outflow from investing activities		(927)	(16,170)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		64,628	198,435
Repayment of borrowings		(34,833)	(6,981)
Repayment of lease payments (principal)		(4,636)	(4,238)
Dividends paid	5	(31,974)	(24,407)
Net cash (outflow) / inflow from financing activities		(6,815)	162,809
Net (decrease) / increase in cash and cash equivalents		(33,397)	23,661
Cash and cash equivalents at 1 July		65,820	29,705
Effect of exchange rate fluctuations on cash held		(442)	308
Cash and cash equivalents at end of period		31,981	53,674

The above financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

These interim financial statements include the consolidated financial statements and notes of Credit Corp Group Limited and its subsidiaries (the Group) for the six months ended 31 December 2023.

Credit Corp Group Limited (the Company) is incorporated in Australia. The address of its registered office and principal place of business is Level 15, 201 Kent Street, Sydney NSW 2000.

Note 1: Summary of significant accounting policies

A) BASIS OF PREPARATION

a) Statement of compliance

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 *Interim Financial Reporting* ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made by the Group during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

These interim financial statements were authorised for issue on 31 January 2024.

b) Rounding of amounts

The Group is of a kind referred to in ASIC Legislative Instrument 2016/191 relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with the instrument to the nearest thousand dollars, unless otherwise indicated.

c) Use of estimates and judgements

In the application of the Group's accounting policies, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2023.

B) SIGNIFICANT ACCOUNTING POLICIES

The Group has considered the implications of new or amended Accounting Standards, and has determined that their application to the financial statements are either not relevant or not material.

Note 2: Operating segments

A) FINANCIAL REPORTING BY SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and / or incur expenses. The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker, the CEO, to make strategic decisions. The Group has three main operating segments: debt ledger purchasing (Australia and New Zealand), debt ledger purchasing (United States) and consumer lending (Australia, New Zealand and the United States). All operating segments and results are reviewed regularly by the CEO of the Group, who reviews the operating segments' results on an ongoing basis to assess performance and allocate resources.

The reportable segments are as follows:

Debt ledger purchasing – Australia and New Zealand

This business purchases consumer debts at a discount to their face value from credit providers in Australia and New Zealand, with the objective of recovering amounts in excess of the purchase price over the collection life cycle of the receivables to produce a return.

This segment also includes the contingent collection services business in Australia and New Zealand.

Debt ledger purchasing – United States

This business purchases consumer debts at a discount to their face value from credit providers in the United States, with the objective of recovering amounts in excess of the purchase price over the collection life cycle of the receivables to produce a return.

Consumer lending – Australia and New Zealand

This business offers various consumer loan products focused on credit-impaired consumers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 2: Operating segments *continued*

A) FINANCIAL REPORTING BY SEGMENTS *continued*

Following is the information provided to the CEO:

	Debt ledger purchasing: Australia & New Zealand \$'000	Debt ledger purchasing: United States \$'000	Consumer lending: Australia, New Zealand & United States \$'000	Total for continuing operations \$'000
Half-year ended 31 December 2023				
Segment revenue				
External revenue	118,689	(13,461)	81,997	187,225
Segment result				
Segment profit/(loss)	26,782	(51,468)	24,758	72
Finance costs				(11,764)
Depreciation and amortisation expense				(5,547)
Loss before income tax				(17,239)
Income tax benefit				5,114
Loss after income tax				(12,125)
Half-year ended 31 December 2022				
Segment revenue				
External revenue	108,156	46,986	65,366	220,508
Segment result				
Segment profit	35,227	11,847	8,618	55,692
Finance costs				(6,535)
Depreciation and amortisation expense				(5,575)
Profit before income tax expense				43,582
Income tax expense				(11,754)
Profit after income tax expense				31,828

B) GEOGRAPHICAL INFORMATION

The Group predominantly operates in two geographic segments, Australia and the United States.

Note 3: Revenue

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
PDL interest revenue	131,254	137,809
PDL change in lifetime expected credit losses ¹	(64,982)	—
Interest and fee income from consumer lending	81,732	65,183
Other interest received	478	285
Other income	38,743	17,231
Total	187,225	220,508

1) Refer to Note 9 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 4: Income tax expense

The Group operates in various tax jurisdictions, including Australia, New Zealand and the United States.

The major components of income tax expense in the interim income statement at the end of the period are:

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Income tax expense		
Current tax	(15,360)	(13,501)
Deferred tax	20,467	(52)
Over provision / (Under provision) in respect of prior years	7	1,799
Total	5,114	(11,754)

Note 5: Dividends paid and proposed

	Cents per share	Total \$'000	Franked / unfranked	Date of payment
The following dividends were declared and paid by the Group during the period:				
Final 2023 ordinary	47.0	31,974	Franked	29 Sep 2023
Total		31,974		

Franked dividends declared or paid during the period were franked at the tax rate of 30 per cent.

After 31 December 2023 the following dividends were proposed by the directors. The dividends have not been provided for and there are no income tax consequences.

Interim 2024 ordinary	15.0	10,205	Franked	29 Mar 2024
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Note 6: Issuances, repurchases and repayments of equity securities

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Issued capital		
Opening balance	375,141	361,232
Performance rights converted during the period	—	4,375
Performance rights converted in prior year	—	9,534
Closing balance	375,141	375,141
	31 Dec 2023 '000	31 Dec 2022 '000
Number of fully paid ordinary shares		
On issue at 1 July	68,067	67,832
Shares issued during the period:		
Performance rights converted during the period	—	235
On issue at 31 December	68,067	68,067

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 7: Contingent liabilities

The Group had contingent liabilities in respect of:

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
US collections agency licensure bonds ¹	3,390	3,377
Total	3,390	3,377

1) Licensure bonds are issued in the normal course of business to the State Boards having oversight of Collection Agencies in the United States to guarantee collected funds are remitted to clients under contracts.

Note 8: Events subsequent to reporting date

In the interval between the end of the half-year and the date of this report, there has not been any item, transaction or event of a material and unusual nature that is likely, in the opinion of the directors of the Group, to significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Note 9: Fair value measurement

In December 2023, the Company recorded an impairment of \$65.0 million against the carrying value of its US PDL assets. The impairment has arisen from a deterioration in US collection conditions, first observed in the final quarter of FY2023, evidenced by elevated US payment arrangement plan delinquency. This elevated delinquency continued during the first quarter of the 2024 fiscal year resulting in a reassessment of the forecast collections on the US PDL assets held as at June 2023. Since then collections performance has been in line with the reassessed forecasts.

The fair value of the PDLs in Australia and New Zealand is materially the same as the carrying value measured under amortised cost using the credit-adjusted effective interest rate, as the risk-adjusted discount rate used in applying fair value would be similar to the credit-adjusted effective interest rate used in amortised cost measurement.

The carrying amounts of cash and cash equivalents, trade and other receivables, consumer loans and trade and other payables approximate their fair values.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Credit Corp Group Limited, the directors of the Company declare that:

- A) The financial statements and notes, as set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, and:
 - a) Give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the period ended on that date; and
 - b) Comply with Australian Accounting Standards, which, as stated in the notes to the financial statements, constitute compliance with International Financial Reporting Standards.
- B) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- C) The directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.



Eric Dodd

Chair

31 January 2024



James M. Millar AM

Non-Executive Director

31 January 2024



CREDIT CORP GROUP LIMITED
ABN 33 092 697 151
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
CREDIT CORP GROUP LIMITED

Report on the Half-year Financial Report

Conclusion

We have reviewed the half-year financial report of Credit Corp Group Limited, which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including a summary of significant accounting policies, other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Credit Corp Group Limited does not comply with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Credit Corp Group Limited's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of Credit Corp Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9	Level 4	Level 1	Level 14	Level 11	Level 40
50 Pirie Street	240 Queen Street	48-50 Smith Street	440 Collins Street	77 St Georges Tce	2 Park Street
Adelaide SA 5000	Brisbane QLD 4000	Darwin NT 0800	Melbourne VIC 3000	Perth WA 6000	Sydney NSW 2000
+61 8 7093 8283	+61 7 2111 7000	+61 8 8943 0645	+61 3 9820 6400	+61 8 6557 6200	+61 2 9263 2600

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www.hallchadwick.com.au





CREDIT CORP GROUP LIMITED
ABN 33 092 697 151
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CREDIT CORP GROUP LIMITED AND CONTROLLED ENTITIES

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in dark ink, appearing to read 'Hall Chadwick', written in a cursive style.

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

A handwritten signature in dark ink, appearing to read 'Drew Townsend', written in a cursive style.

DREW TOWNSEND
Partner
Dated: 31 January 2024

HISTORICAL ANALYSIS OF PERFORMANCE

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
INCOME AND PROFIT		
Purchased debt ledger collections	234,848	251,661
PDL change in lifetime expected losses	(64,982)	—
Less: Purchased debt ledger amortisation	(103,594)	(113,852)
Interest revenue from purchased debt ledgers	66,272	137,809
Interest and fee income from consumer lending	81,732	65,183
Other revenue	39,221	17,516
Total revenue	187,225	220,508
NPAT	(12,125)	31,828
FINANCIAL POSITION		
Current assets	450,210	443,495
Non-current assets, excluding intangible assets	753,141	723,583
Intangible assets	14,800	11,800
Total assets	1,218,151	1,178,878
Current liabilities	76,003	63,637
Non-current liabilities	381,310	354,650
Total liabilities	457,313	418,287
Net assets	760,838	760,591
Borrowings	344,337	320,289
Shares on issue ('000)	68,067	68,067
CASH FLOWS		
From operating activities	(25,655)	(122,978)
From investing activities	(927)	(16,170)
From financing activities	(6,815)	162,809
Net (decrease) / increase in cash	(33,397)	23,661
KEY STATISTICS		
(Loss) / earnings per share		
– Basic (cents)	(17.8)	46.9
– Diluted (cents)	(17.6)	46.2
Dividends per share (cents)	15.0	23.0
NPAT / revenue	(6%)	14%
NTA backing per share (dollar)	10.56	10.65

CORPORATE DIRECTORY

Credit Corp Group Limited

ABN 33 092 697 151

The shares of Credit Corp Group Limited are listed on the Australian Securities Exchange under the trade symbol CCP, with Sydney being the home exchange.

Directors

Mr Eric Dodd
Mr Thomas Beregi
Mr Phillip Aris
Mr Brad Cooper
Ms Lyn McGrath
Mr James M. Millar AM
Ms Trudy Vonhoff

Company secretaries

Mr Thomas Beregi
Mr Michael Eadie

Head office and registered office

Level 15, 201 Kent Street
Sydney NSW 2000 Australia
GPO Box 4475
Sydney NSW 2001 Australia
Telephone: +61 2 8651 5000
Fax: 1300 483 012
Email: investorinfo@creditcorp.com.au
Website: www.creditcorpgroup.com.au

Share registry

Boardroom Pty Limited

Level 8, 210 George Street
Sydney NSW 2000 Australia
Telephone: +61 2 9290 9600
Fax: +61 2 9279 0664
Email: enquiries@boardroomlimited.com.au
Website: www.boardroomlimited.com.au

Auditor

Hall Chadwick

Level 40, 2 Park Street
Sydney NSW 2000 Australia
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Website: www.hallchadwick.com.au



Credit Corp Group