

**Chairman's Address to Shareholders
2017 Annual General Meeting
2 November 2017**

Many of you will be aware of the announcement we made to the ASX last night about the purchase of the Cashfirst branded consumer loan book and associated assets from Thorn Group Limited (ASX: TGA) for a total consideration of \$13.3m.

This acquisition is a demonstration of the benefits of Credit Corp's investment discipline and commitment to sustainable business practices at a time when many operators in the credit impaired consumer segment of the financial services market are showing signs of stress.

This transaction and further purchases in the US has required us to upgrade out PDL acquisition targets and Net Profit after Tax for the current financial year

In the 2017 financial year, Credit Corp met and exceeded the expectations we promised to the market, continuing our record of consistent growth and ongoing improvement in every area of our business.

In Australia and New Zealand, our debt purchasing levels exceeded the targets we set. In the US, operational improvement and more favourable market conditions have allowed us to become profitable and scale up for further growth.

We have seen a significant increase in earnings from our Australian lending business while continuing to grow the loan book, offering affordable loans to customers with an impaired credit record.

Importantly, we have continued to grow earnings at a consistently strong rate while maintaining moderate levels of borrowing, paying attractive dividends to shareholders and still reinvesting enough in our business to maintain consistent growth into the future.

All of this while preserving our impeccable compliance record and enhancing our reputation as the most responsible and sustainable provider in our segment of the financial services market.

But our success is not limited to the past financial year. As we continuously strive to grow and improve, it's easy to lose sight of how far we have come and I'd like to take this opportunity to reflect on Credit Corp's impressive track record.

Ours is a story of consistent and strategically planned growth.

For the past nine years, each and every year, we have made progress towards our strategic goals of geographic and functional diversification while delivering strong earnings growth and returns for our shareholders.

We have always delivered on these promises.

To some people this may sound boring. There have been no surprises, no sudden shifts in strategy, no major news-grabbing business acquisitions and no major disappointments. This does not mean there have been no challenges to overcome along the way.

It is all part of our planned approach of ongoing improvement and organic expansion that delivers sustainable long-term growth. Over the past nine years, this consistency has produced compound earnings growth of 28 per cent per annum after tax and a return on equity consistently above 20 per cent.

It's a rare achievement for a company to deliver this for almost a decade. Long-term investors look for long-term sustainable growth and there is only a small group that can deliver as we have done.

But Credit Corp's success is not only important for our shareholders. It is equally important for our 1500 employees, our suppliers, and their families.

And thanks to the innovative services we have provided, hundreds of thousands of households have been put on a pathway back to mainstream financial inclusion through either a flexible repayment plan or one of our market-leading loan products. Credit Corp's uniquely sustainable approach provides our customers with access to opportunities many of us take for granted.

So how will we sustain our success?

Our businesses are not complex. We buy charged off consumer debts and then seek to recover amounts outstanding. We provide loans to people with limited borrowing alternatives.

The way we go about it is less simple. We impose high standards on ourselves to ensure we provide every consumer with a genuine and sustainable solution. We also have to provide a compelling proposition to our clients and customers in a competitive market.

Our business provides solutions to people experiencing financial exclusion and we work hard to ensure we don't make their situation worse. We agree on affordable repayment plans and work with our customers over several years to improve their credit standing as a pathway to mainstream financial inclusion.

The key to our success is a meticulous focus on the business metrics that allow us to track and measure our performance in everything we do.

We work hard to continuously improve our operations, systems and technology and will further automate and enhance our processes in the coming year to deliver greater efficiency to both our debt purchasing and lending businesses.

One of our strengths is our ability to look ahead and anticipate opportunities. We have sought and found adjacencies to complement our core debt purchasing business and we will continue to seek opportunities in Australia and overseas.

After five years of investment, our US business is now on track to deliver positive returns. Despite unexpectedly adverse market conditions over most of this period we built a very solid US base of more than 200 team members, who are now set to drive expansion. More favourable conditions mean that we can now look ahead to strong returns from the US.

We have immediate plans to grow our operation in Salt Lake City by 50% to more than 300 people.

In the longer-term, I hope to see our US debt purchasing business generating the same level of earnings we produce from our core Australian and New Zealand operations. It is an ambitious goal but our base is strong, our team is in place, our metrics are solid and we will continue to leverage the success developed within our core business.

Ultimately, Credit Corp is a people business and we would not be successful without great people.

We have real strength in the diversity of our workforce, a team of 1500 dedicated, energetic and highly disciplined employees from a wide range of backgrounds. Not only do people from different ethnic, cultural, religious, educational and professional backgrounds bring a range of experience and perspectives to our company, they mirror the diversity found amongst our customers.

I am particularly proud of our commitment to career development with almost all new line management and leadership roles filled by team members who joined the company as collectors.

On behalf of the Board and shareholders, I wish to thank all our employees for their ongoing contribution to the success of the company. Thank you also to my fellow directors and our senior leadership team for their disciplined leadership and hard work in spearheading our success.

I look forward to seeing what we can achieve together over the next financial year.

Mr Donald McLay – Chairman, Credit Corp Group Limited