

25 OCTOBER 2022

Annual General Meeting

FY2023 PERFORMANCE UPDATE

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CEO



Credit Corp Group

Leadership of the credit impaired consumer segment...

ANALYTICS & DISCIPLINE

Australian / NZ debt buying

- Large database
- History of pricing accuracy
- Purchasing levels vary inversely with pricing

US debt buying

- Adapted knowledge to US environment
- Large market opportunity
- Diversified purchasing across major sellers

Australian / NZ lending

- Leverage knowledge of consumer
- Up-front loss provisioning
- Analytical monitoring
- Unique statistical underwriting

OPERATIONAL EXCELLENCE

- High asset turnover ¹
- Low cost to collect ²
- High performing on-shore and off-shore platforms
- Leading technology and use of data

- Significant productive capacity
- Emphasis on payment arrangements and a lower proportion of litigated outcomes

- Automated decisioning
- Collection strength
- High level of efficiency

SUSTAINABILITY & COMPLIANCE

- Low dispute rate
- \$1.4b in ongoing repayment arrangements

- Low regulator complaint rate
- Strong client audit outcomes

- APRs below cap applicable to mainstream credit
- Regulatory upside - no 'payday loans'
- Superior pricing disrupting the market

Target

Long-term growth

ROE 16% - 18%

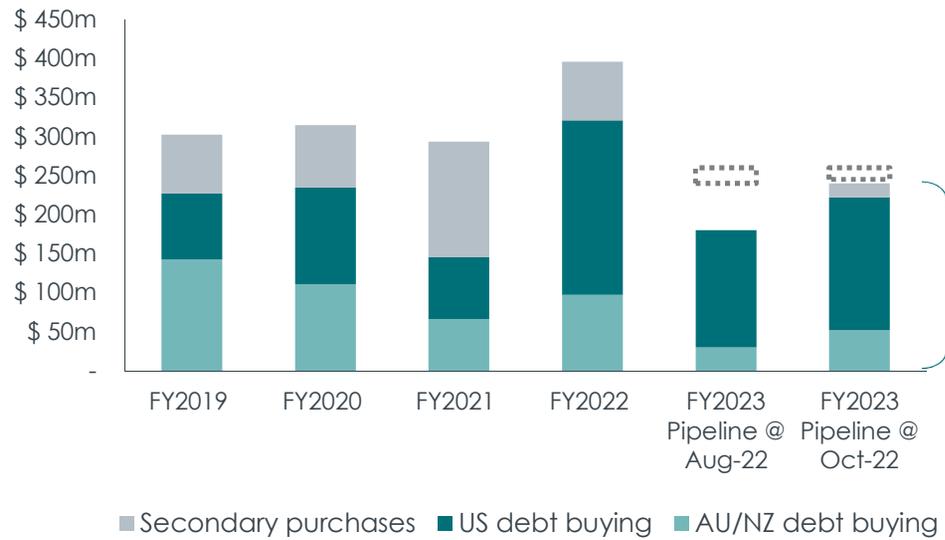
Low gearing

1. FY2023 ratio of cash collections from PDLs to average PDL carrying value in Australian Debt Ledger Purchasing segment of 1.3x
2. FY2022 cash costs as a proportion of collections in the Australian Debt Ledger Purchasing segment of 37%

... has secured a strong PDL investment pipeline...

- Aus/NZ secondary purchase
- Forward flow renewals

PDL INVESTMENT



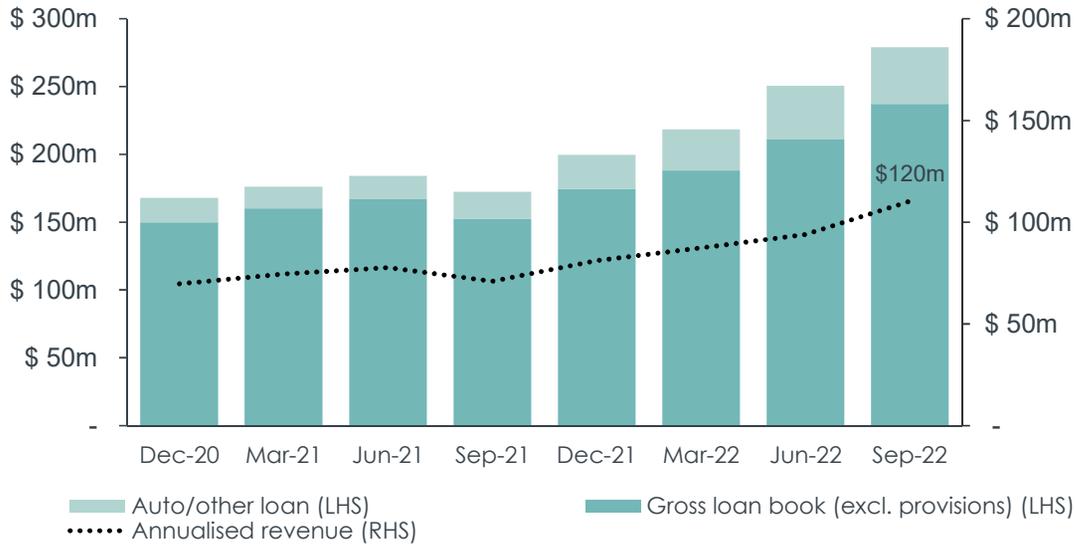
Revised FY2023 purchasing guidance \$240 - \$260m

FY2023 purchasing pipeline of \$240m contracted at October 2022

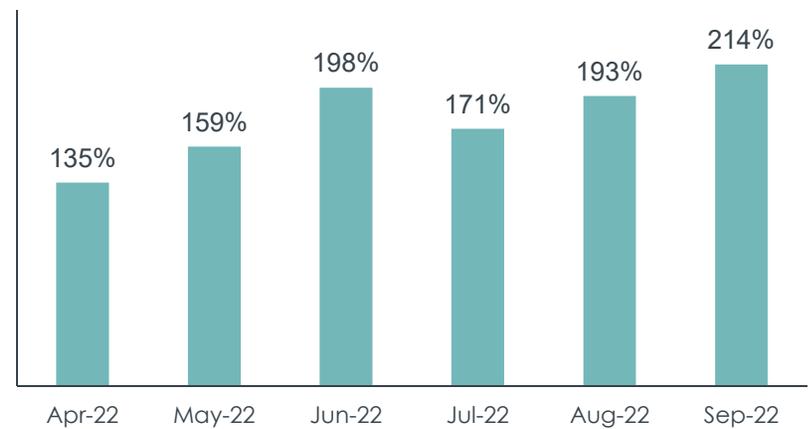
... and record lending volumes

- Record Wallet Wizard cash loan demand
- No relaxation in credit settings and arrears / losses remain below pre-COVID levels

CONSUMER LENDING BOOK AND REVENUE



LENDING VOLUMES INDEXED TO PRE-COVID COMPARATIVE PERIOD¹

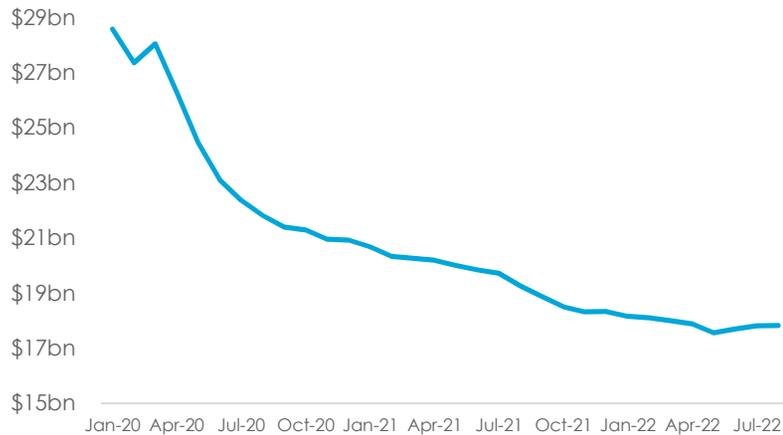


1. All months indexed against 2019, as both 2020 and 2021 were COVID-impacted

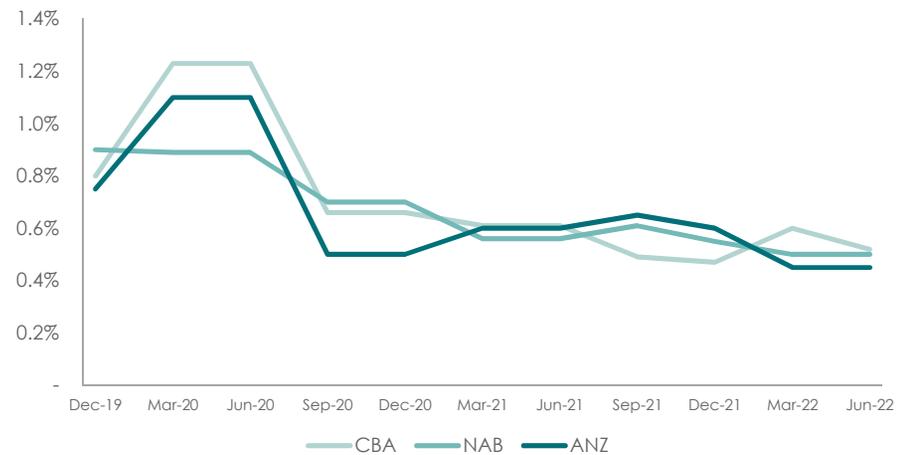
While the outlook for Aus/NZ PDL supply remains constrained...

- Early signs that unsecured indebtedness may be starting to re-build
- This won't impact FY2023 PDL supply

AUS INTEREST BEARING CONSUMER CREDIT CARD BALANCES ¹



AUS BANK CREDIT CARD 90+ DAYS PAST DUE RATES ²



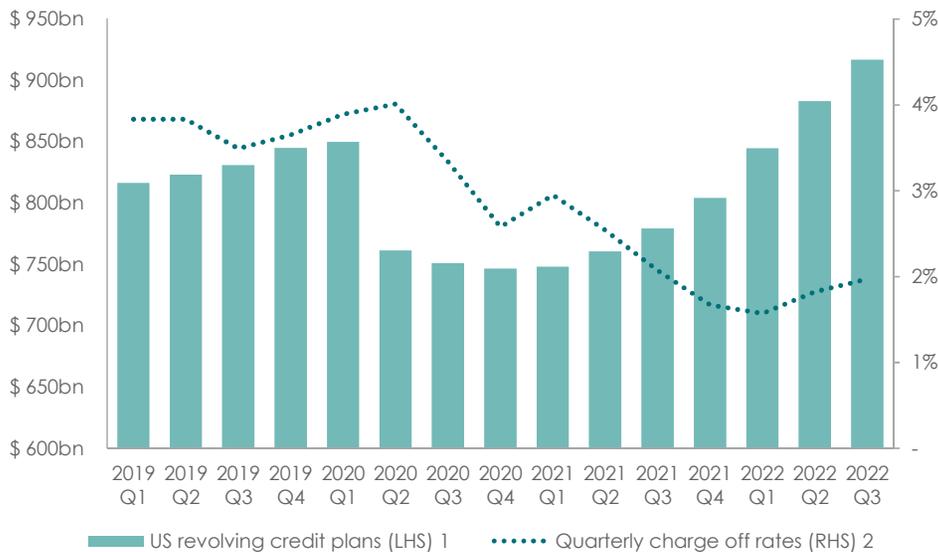
1. RBA interest bearing consumer credit card balances from C1 <https://www.rba.gov.au/statistics/tables/>.

2. AUS bank credit card 90+ days past due from: ANZ - <https://www.anz.com/content/dam/anzcom/shareholder/2022-Half-Year-results-investor-discussion-pack.pdf>,
 CBA - <https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/results/FY22/CBA-FY22-Results-Presentation.pdf>
 NAB - <https://www.nab.com.au/content/dam/nab/documents/reports/corporate/2022-half-year-investor-presentation.pdf>.

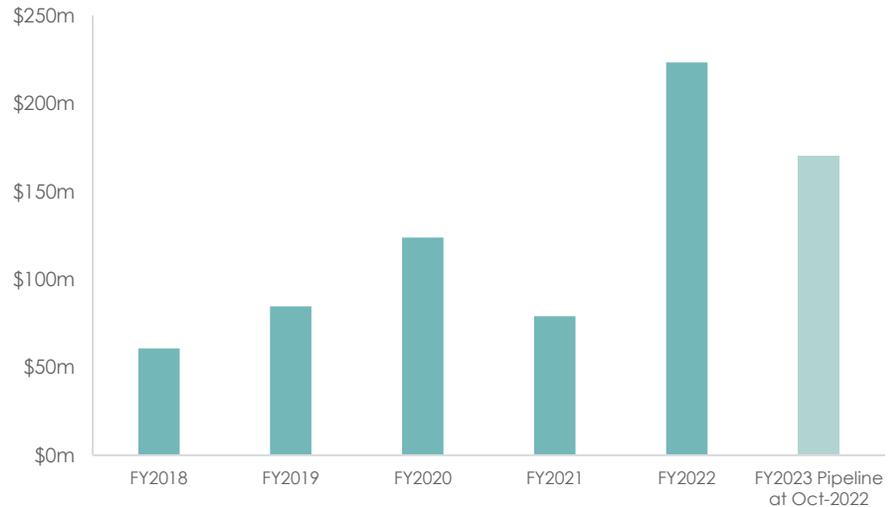
... the prospect of rapidly rising US PDL supply is increasing...

- The US consumer is 'leveraging up' and charge-offs are growing

US REVOLVING CREDIT MARKET



US PURCHASING (A\$m)

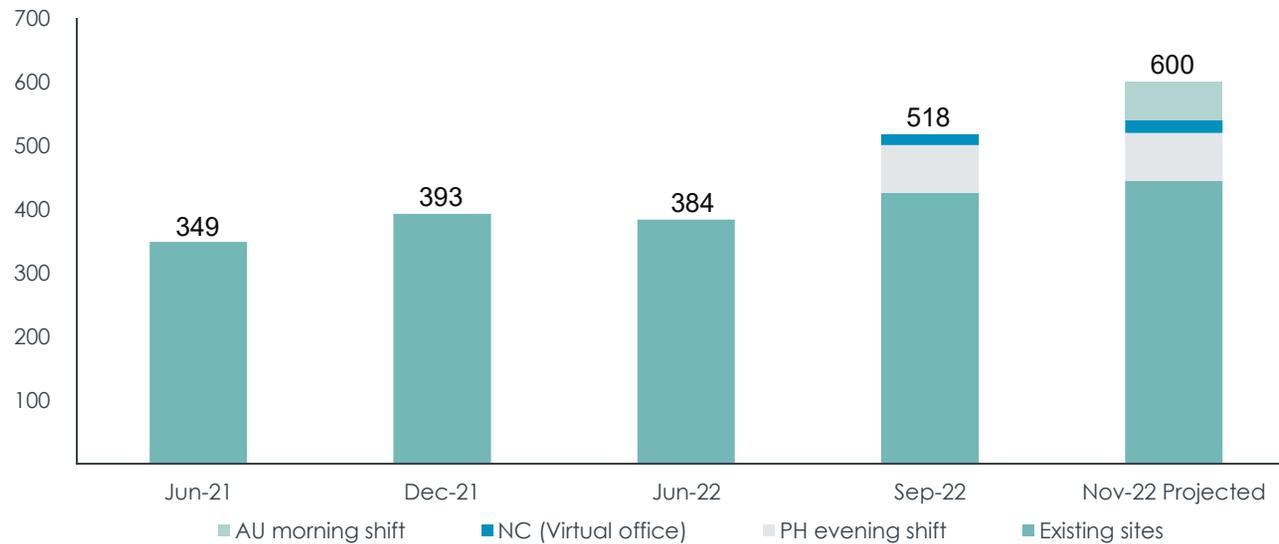


1. Total Revolving Credit Outstanding, Federal Reserve Economic Data <https://fred.stlouisfed.org/series/CCLACBW027SBOG>.
 2. Charge-Off Rate on Credit Card Loans, All Commercial Banks, Federal Reserve Economic Data <https://fred.stlouisfed.org/series/CORCCACBN>.
 3. US outstanding unsecured credit balances <https://www.federalreserve.gov/releases/g19/current/>.

...and we have found ways to grow resourcing to meet the opportunity

- US labour market challenges overcome through:
 - Commencement of North Carolina 'virtual site'
 - Philippines evening shift
 - Australian morning shift

US HEADCOUNT



Operational performance is on track...

- 
 - AU/NZ
 - Collections reflect 25% decline in trailing 12 month purchasing over pcp
 - Recent secondary purchase will support collections over the balance of the year

- 
 - US
 - Payers book growth points to the initial impact of the step-up in headcount

AU/NZ debt buying



| | Q1 FY2023 | Δ Q1 2022 |
|-----------------------------------|----------------|-----------|
| Collections | \$87m | (7%) |
| Productivity | \$309 per hour | (2%) |
| Operations headcount ¹ | 785 | (5%) |
| Payers book ¹ | \$1,414m | (7%) |

US debt buying



| | Q1 FY2023 | Δ Q1 2022 |
|-----------------------------------|-----------------------------|-------------------|
| Collections | \$43m | 4% ² |
| Productivity | \$308 per hour ² | (2%) ² |
| Operations headcount ¹ | 365 | 7% |
| Payers book ¹ | \$316m | 12% ² |

1. As at September 2022
2. Constant currency basis

...and we continue to invest in further drivers of growth

- ▪ US consumer lending
 - Initial pilot learnings assessed
 - Product re-build to be completed by Q2

- ▪ Auto lending
 - Record monthly volumes
 - Strong broker take-up

- ▪ Other lending
 - BNPL (Wizpay) pilot operational with 750 merchants
 - Revolving credit product due for Q3 pilot commencement
 - Sale of goods by instalment (Radio Rentals) pilot relaunch in Q2

- ▪ Collection services
 - Collection House entity acquisition
 - Doubling in group servicing revenue
 - New client relationships

FY2023 guidance refined

| | FY2023 initial guidance | FY2023 refined guidance |
|-------------------|--------------------------------|--------------------------------|
| Ledger investment | \$220 - \$260 million | \$240 - \$260 million |
| Net lending | \$50 - \$60 million | \$50 - \$60 million |
| NPAT | \$90 - \$97 million | \$90 - \$97 million |
| EPS (basic) | 133 - 143 cents | 133 - 143 cents |



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Appendices: Key Operating Metrics

Appendix 1: Pricing discipline and accuracy

Appendix 2: Collections life cycle

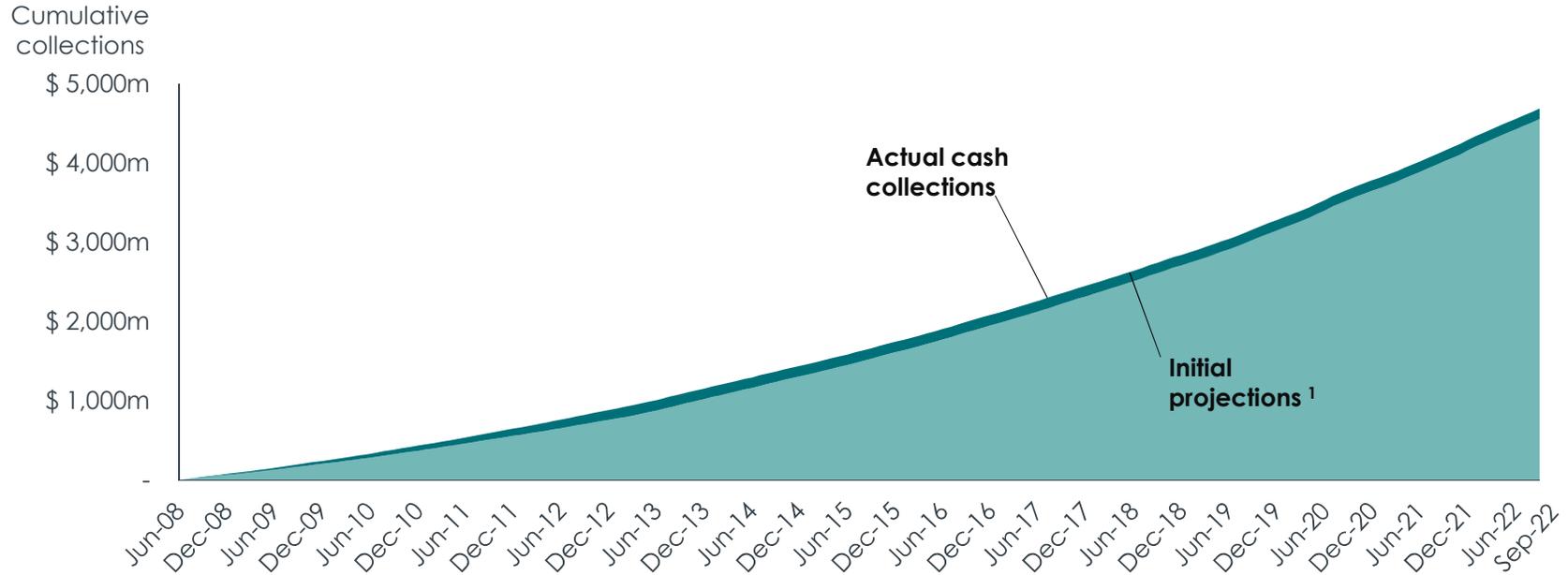
Appendix 3: Productivity

Appendix 4: Payers base

Appendix 5: Operational and total headcount

Pricing discipline and accuracy

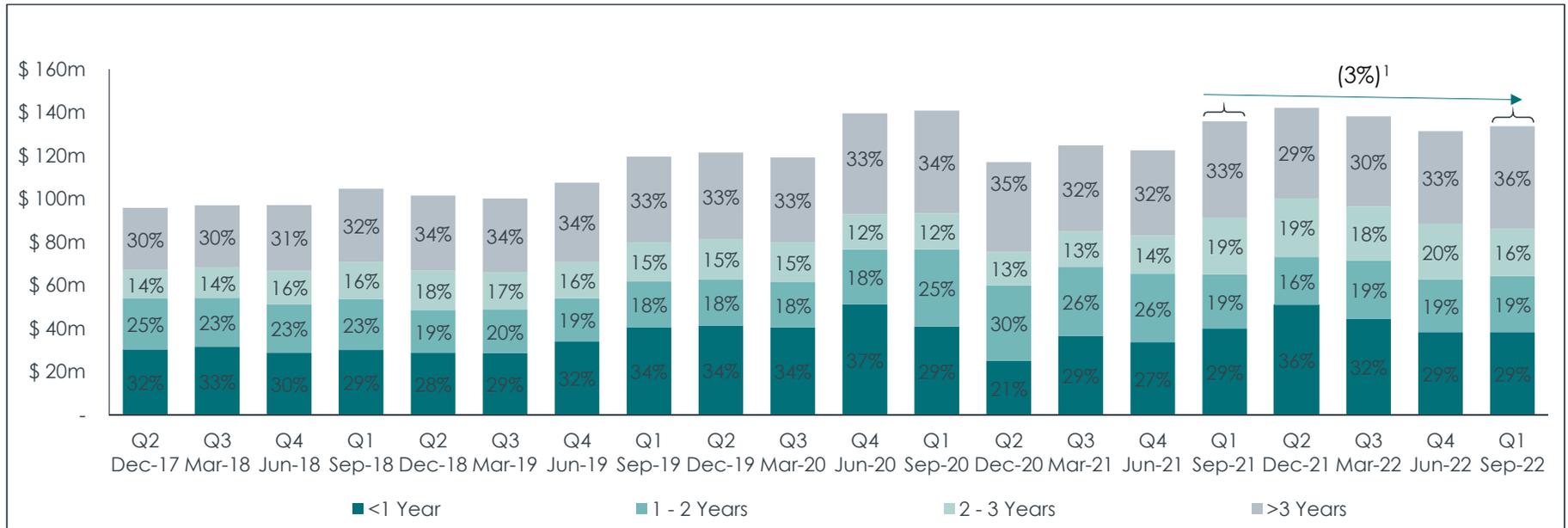
PRICING DISCIPLINE AND ACCURACY



1. For all PDLs held at June 2008, initial projections represent the forecast at June 2008

Collections life cycle

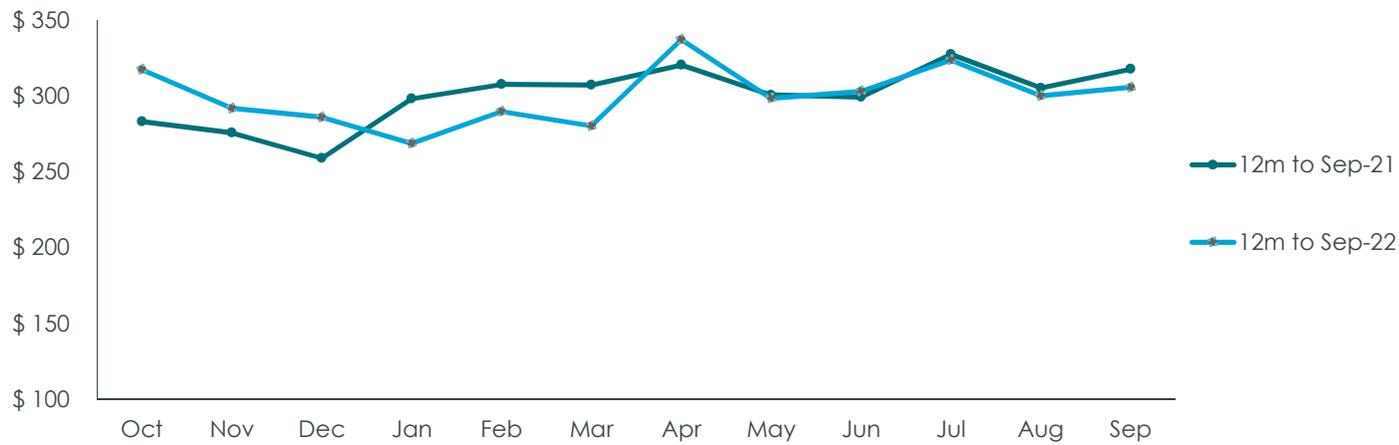
PDL COLLECTIONS BY VINTAGE



1. Comparatives restated on a constant currency basis

APPENDIX 3 Productivity

PDL COLLECTIONS PER HOUR



YTD Sep -2022 average

FY2023: \$309¹

FY2022: \$323

1. Constant currency basis

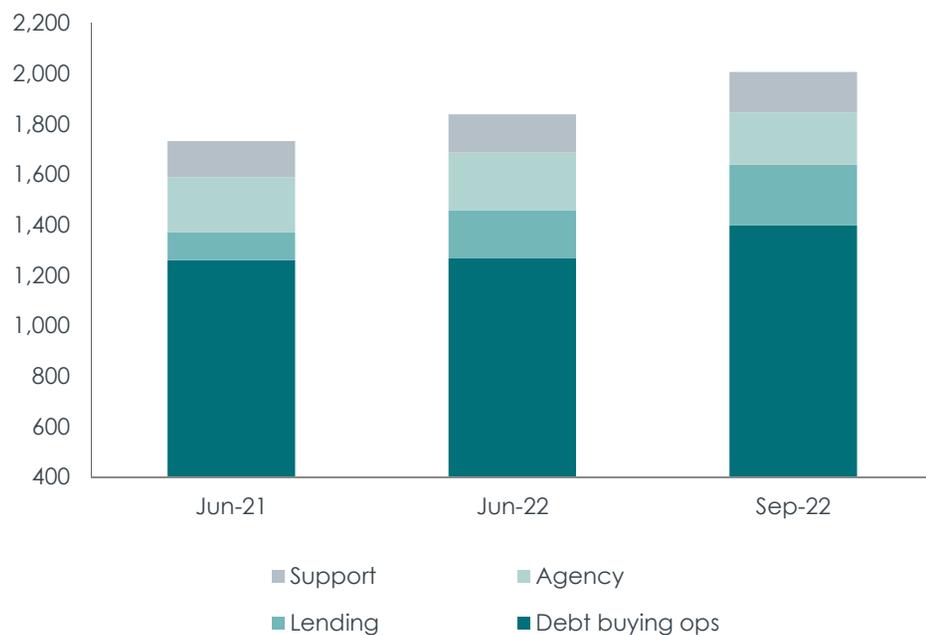
Payers base

PORTFOLIO SUMMARY: AU/NZ DEBT BUYING ONLY

| Total portfolio | Dec-20 | Jun-21 | Dec-21 | Jun-22 | Sep-22 |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| Face value | \$8.6b | \$8.5b | \$7.9b | \$7.6b | \$7.4b |
| Number of accounts | 1,392,000 | 1,326,000 | 1,252,000 | 1,236,000 | 1,190,000 |
| Payment arrangements | | | | | |
| Face value | \$1,550m | \$1,600m | \$1,555m | \$1,433m | \$1,415m |
| Number of accounts | 219,000 | 217,000 | 243,000 | 204,000 | 203,000 |
| % of PDL collections | 82% | 83% | 84% | 85% | 87% |

Operational and total headcount

PERIOD END HEADCOUNT (FTE)



PERIOD END HEADCOUNT (FTE)

| | Jun-21 | Jun-22 | Sep-22 |
|------------------------|--------------|--------------|--------------|
| Debt buying operations | 1,261 | 1,296 | 1,287 |
| Agency | 218 | 229 | 242 |
| Lending | 111 | 162 | 228 |
| Support | 143 | 153 | 176 |
| Total | 1,733 | 1,840 | 1,993 |
| Support % | 8% | 8% | 9% |