

Credit Corp 2023 AGM Chair's Address

Creating opportunity encapsulates Credit Corp's approach to generating long-term value.

It means having the strategies and flexibility to maintain performance while laying the foundations for new sources of growth, regardless of external conditions. It is about a relentless focus on providing customers with responsible pathways to resolve existing credit obligations and gain access to uniquely affordable personal finance. Despite adverse conditions, I am pleased to report that Credit Corp continued to create opportunity in 2023.

The backdrop to Credit Corp's 2023 performance was the strategic diversification of Credit Corp led by the board and management over many years.

Each year the Company's leadership has evaluated its strategic position, assessed the alternatives for growth and made commitments to develop and expand new businesses. The acquisition of Collection House Limited during the year created one of the largest collection services businesses in Australia and New Zealand, bringing in some large and growing clients. Strategic resolve and the flexibility to respond to changing external conditions has combined with disciplined execution to create three businesses which are leaders in their respective markets.

Each of Credit Corp's businesses confronted challenging conditions in 2023. Credit Corp navigated these conditions to post a solid earnings result, while continuing to develop opportunities for growth into the future.

Notwithstanding the challenges faced over 2023, the Company continued to invest in creating opportunities for future growth. Investments were made in enhancing automation and digital collections within the debt buying businesses. An exciting digital credit card pilot was launched, adding to Credit Corp's suite of offerings and expanding its addressable market.

At the same time as delivering on the earnings commitment made to shareholders at the start of the year, and continuing to lay the foundations for future growth, Credit Corp maintained its focus on providing customers with responsible solutions.

The company established over 261,000 affordable repayment plans with customers and continued to provide consumers with amongst the cheapest and most responsible cash loans available in the credit-impaired consumer finance market. Credit Corp again produced one of the lowest rates of external ombudsman and regulatory complaints in its segments of the market.

Performing across a range of conditions requires a positive culture. The values of transparency, accountability and discipline define the culture at Credit Corp.

Transparency to honestly appraise business prospects, identify shortcomings and set a plan of action while keeping stakeholders informed on a timely basis. Accountability to embrace challenging goals. Discipline to follow through with the right execution to deliver long-term outcomes. It is the day-to-day application of these values by Credit Corp's people that underpins the actions and outcomes that are creating opportunity.

In the context of culture and values, I want to briefly touch on last week's announcement of an impairment and earnings downgrade for the Company's US business. While the substance of the announcement was disappointing it is pleasing to recognise the transparency and accountability

shown in the way the issue has been managed. Evidence of a potential deterioration in collection conditions was communicated to shareholders and the market in August. When the issue persisted and began to produce a variance to collection expectations the impact on the Company's accounts and outlook was quantified, and communicated to all stakeholders. Having dealt with the matter transparently Credit Corp can now move forward with initiatives to manage the underlying issue.

As part of maintaining a positive culture, Credit Corp has undertaken a carefully managed process of board renewal over recent years. During 2023, two proven leaders in financial services, Lyn McGrath and Brad Cooper were appointed as non-executive directors. Both bring to the Board particular expertise in the consumer finance sector, an area becoming increasingly important to Credit Corp's growth.

As part of this process, Richard Thomas retired from the board after more than 16 years of exemplary service to the Company. Richard held the role of acting Chair during a critical inflection point for Credit Corp, and laid the foundations for the Company's success over subsequent years. Richard oversaw a period of extraordinary growth during his tenure and his strategic acumen and practical insights from having led consumer finance businesses in both Australia and the US played a critical role in the organic development of the consumer lending and US debt buying businesses over the last decade. I thank Richard for his important contribution.

We also say farewell to Leslie Martin who retires from the Board today after more than 9 years of service to the Company. Leslie's international and domestic banking experience and strategic leadership have been invaluable to the development of Credit Corp. During this time, the consumer lending and US debt-buying activities have significantly grown to now comprise the majority of Credit Corp's earnings. It has been a pleasure serving on the Board alongside Leslie, and on behalf of my fellow Directors, I'd like to thank her for her significant contribution and wish her all the best in her retirement and other endeavours post Credit Corp.

I also thank my fellow Directors, our CEO Thomas Beregi and his management team. In truly embodying our values - transparency, accountability and discipline – their leadership is instrumental in shaping the culture which continues to underpin the company's success.

On behalf of the Board and shareholders, I thank all employees for their ongoing commitment, effort and dedication to Credit Corp.