

ASX Release

29 October 2024

Annual General Meeting

Credit Corp Group Limited will today hold its Annual General Meeting (AGM).

A transcript of the Chair's AGM Address is attached to this announcement. Also attached is the proxy summary at the close of proxy voting.

A market update to be presented at the AGM has been released to the market concurrently.

This ASX release was authorised by the Company Secretary.

For more information, please contact:

Mr Michael Eadie
Company Secretary
Tel: +61 2 8651 5542
Email: meadie@creditcorp.com.au

Credit Corp 2024 AGM Chair's Address

Creating opportunity is about positioning Credit Corp to generate long term value regardless of changes in the external environment.

This has involved preparing for a range of external outcomes, with the objective of developing the capacity and resilience to manage challenges and seize opportunities. This approach has delivered sustained performance and the strategies and flexibility to respond to changing circumstances while laying the foundations for new sources of growth. It has not, however, insulated Credit Corp from short-term periods of underperformance.

In the final analysis, 2024 was a year of underperformance. While parts of the business performed well our assessment of the impact of a deterioration in the position of the US consumer produced a 44 per cent fall in Net Profit After Tax to \$50.7 million. Shareholders suffered a significantly reduced dividend and the Company's share price finished the year below where it started.

As a fellow investor, I share the disappointment felt by all shareholders. As Chair, however, I am proud of Credit Corp's achievements, including solid performances across our Australian and New Zealand businesses and improved execution in the US over the final quarter of the year. We have started 2025 with a sound platform for a return to growth and a positive outlook across all businesses.

The backdrop to Credit Corp's improved outlook has been a program of strategic diversification led by the board and management over many years. Each year Credit Corp's leadership has evaluated its strategic position, assessed the alternatives for growth and made commitments to develop and expand new businesses. Strategic resolve has combined with disciplined execution to create three businesses which are among the leaders in their respective markets.

While diversification has been critical to maintaining a growth outlook the board recognises the continued importance of the core business of Australian and New Zealand debt buying on which the foundations of Credit Corp have been built. The core business made a positive contribution to the Company's performance despite ongoing adverse market conditions.

Australian and New Zealand debt buying sale volumes remained low, producing a continued contraction in collections. The focus for this business has been on carefully managing costs to limit the impact of reduced collections on profits and maintaining standards to preserve the ability to expand should conditions recover. This has been achieved and the core business remains very competitive, recording the highest level of direct from issuer purchasing since 2020 and establishing a solid platform for the year ahead.

The core business also continued to serve as an excellent base for the development of resources critical to the growth of the Company as a whole. In 2024, this comprised of the transfer of key talent and the development of common systems. During the year 81 people were transferred or seconded to other segments. Improved digital and dialling technologies were implemented and these have subsequently been deployed across lending and collection services operations.

Despite recent challenges the US remains as Credit Corp's most significant growth opportunity. Purchasing was moderated as the focus shifted to operational improvement. A local leadership team was established, and an intensive programme of operational improvement was undertaken. While more work will be required the US concluded the year positively, reporting record quarterly collections over the three months to June 2024.

While the Company looks to capitalise on improved US buying conditions ongoing uncertainty means that operational improvement will remain the priority. Purchased Debt Ledger (PDL) prices have fallen to levels not seen for several years, while leading indicators suggest that supply may continue to increase. Collection outcomes have, however, not been as strong they have been in the past despite relatively solid macroeconomic statistics for the US. This has created the prospect that any rise in US unemployment may disproportionately impact collections. Sustained operational improvement will be necessary to address this uncertainty and facilitate more confident bidding for US PDLs.

The Australian lending business is poised to produce strong earnings growth. The category-leading Wallet Wizard cash lending product delivered record lending volume in 2024, growing the total loan book by 24 per cent to \$445 million. The expanded book will translate into significant revenue growth for the year ahead.

Maintaining a positive reputation as a responsible and compliant provider has been critical to Credit Corp's success to date. It has underpinned strong and growing client relationships, while insulating the Company from the costs of adverse stakeholder scrutiny.

Important reputational milestones were achieved in 2024. The Company maintained its industry leading external dispute resolution complaint rate in Australia. Consistent effort over many years was rewarded with Credit Corp's Australian debt buying business again being rated by important financial counselling stakeholders as having the best response to consumer hardship of any financial services provider in Australia. This recognition will be particularly significant over the coming year as elevated costs of living increasingly focus stakeholders on consumer hardship responses.

The resilience to learn from disappointments and secure an improved outlook is built by 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. Accountability to embrace and achieve 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.

This commitment to our values not only drives the actions of our people but also shapes the approach to leadership of the Board. Over the past three to four years, we have undertaken a comprehensive board renewal process, with the average tenure of non-executive directors, excluding myself, now less than three years. Last month we welcomed Sarah Brennan to the Board as a Non-Executive Director, and I have informed my fellow Board members that I intend to step down as Chair at the 2025 AGM, allowing time for an orderly transition to my successor.

I thank my fellow Directors, our CEO Thomas Beregi and his management team for leading through values and establishing a positive outlook for the future. On behalf of the Board and shareholders, I also thank all employees for their ongoing commitment and dedication to Credit Corp.

**Proxy Summary as at Proxy Close
 Annual General Meeting of Shareholders
 Tuesday 29 October 2024**

Resolution	For		Against		Proxy's discretion		Abstain ¹
2(a). To re-elect Mr. Eric Dodd as a Director of the Company	42,977,839	96.87%	1,164,620	2.62%	226,476	0.51%	14,526
2(b). To re-elect Mr. Phil Aris as a Director of the Company	44,107,169	99.39%	46,152	0.10%	226,476	0.51%	3,664
2(c). To re-elect Ms. Sarah Brennan as a Director of the Company	44,124,083	99.43%	26,611	0.06%	226,476	0.51%	6,291
3. To adopt the Remuneration Report for the year ended 30 June 2024	43,928,612	99.04%	212,412	0.48%	214,063	0.48%	27,975
4. Issue of Performance Rights under the Long-Term Incentive Plan in respect of the FY2025-27 performance period to the Managing Director of the Company	43,718,044	98.59%	412,945	0.93%	212,663	0.48%	39,410

(1): Votes by a person who abstains on an item are not counted in calculating the required majority on a poll.