



Credit Corp Group

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# FY2025 RESULTS



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# Leadership across the credit-impaired consumer segment...

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## Analytics and discipline

### US DEBT BUYING

- Large market opportunity
- Diversified purchasing across several sellers

## Operational excellence

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

## Responsibility & compliance

- Low regulator complaint rate

### TARGET

Long term growth

ROE 16% - 18%

Low gearing

### AUSTRALIAN / NZ LENDING

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

- Automated decisioning
- Collection strength
- High level of efficiency

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

### AUSTRALIAN / NZ DEBT BUYING

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

- High asset turnover<sup>1</sup>
- Low cost to collect<sup>2</sup>
- High performing on-shore and off-shore platforms
- Strong technology and use of data

- Low dispute rate
- \$1.3bn in ongoing repayment arrangements

1. FY25 ratio of cash collections from PDLs to average PDL carrying value in Australian Debt Ledger Purchasing segment of 0.8x

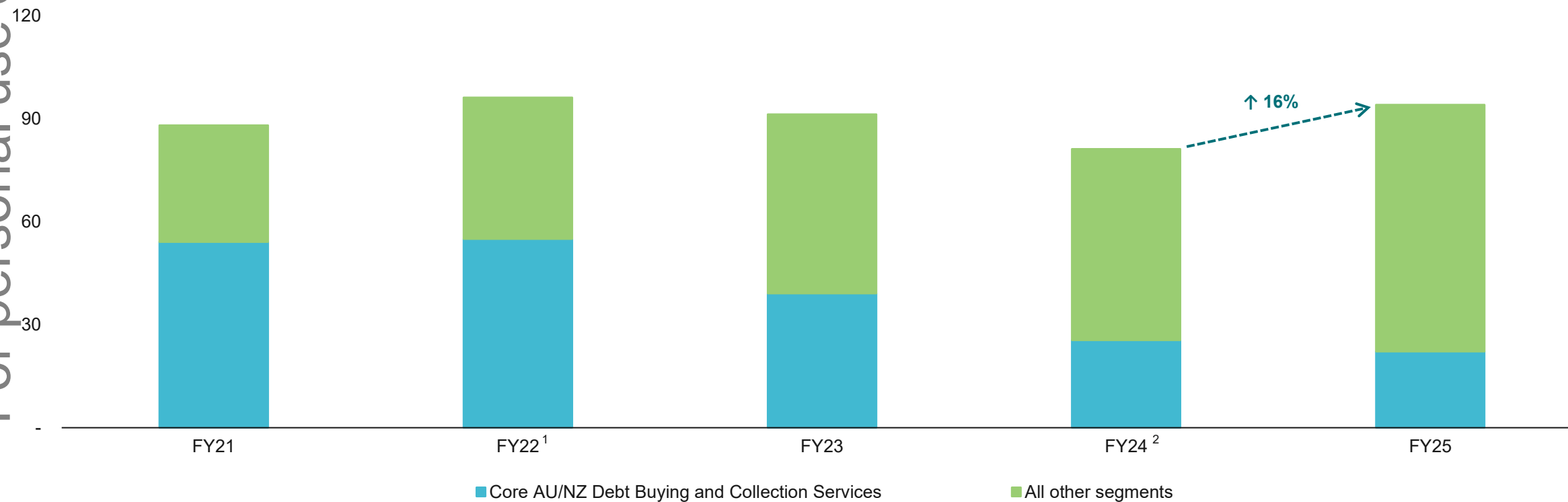
2. FY25 cash costs as a proportion of collections in the Australian Debt Ledger Purchasing segment of 45%

...has produced a solid recovery in FY25 and a platform for further growth...

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Contraction in AU/NZ debt buying has levelled off

NPAT (\$m)



1. Statutory NPAT of \$100.7 million includes \$4.5 million US PPP loan forgiveness which occurred in H1 FY22  
 2. Excludes impairment of US PDL book of \$65 million (pre-tax) and change in PDL life cycle gain of \$21.6 million (pre-tax)

# ...with lending and the US driving growth...

	FY24	FY25	Var %
Australian / NZ debt buying and collection services	\$231.9m <sup>1</sup>	\$219.9m	(5%)
US debt buying (pre-impairment)	\$108.6m <sup>1</sup>	\$125.9m	14% <sup>2</sup>
Australian / NZ lending	\$179.1m	\$199.8m	12%
<b>Revenue total</b>	<b>\$519.6m <sup>1</sup></b>	<b>\$545.6m</b>	<b>5%</b>
Australian / NZ debt buying and collection services	\$25.5m	\$22.2m	(13%)
US debt buying (pre-impairment)	\$14.4m <sup>1</sup>	\$17.6m	21% <sup>2</sup>
Australian / NZ lending	\$41.3m	\$54.3m	31%
<b>NPAT total pre-impairment</b>	<b>\$81.2m <sup>1</sup></b>	<b>\$94.1m</b>	<b>16%</b>
US PDL impairment	(\$45.6m)	-	-
Change in PDL life cycle	\$15.1m	-	-
<b>NPAT total</b>	<b>\$50.7m</b>	<b>\$94.1m</b>	<b>86%</b>
EPS (basic)	74.5c	138.2c	<b>86%</b>
<b>Dividend</b>	<b>38.0c</b>	<b>68.0c</b>	<b>79%</b>

1. Excluding impairment of US PDL book of \$65 million (pre-tax) and change in PDL life cycle gain of \$21.6 million (pre-tax)

2. Constant currency basis

## ...and a positive response to market conditions

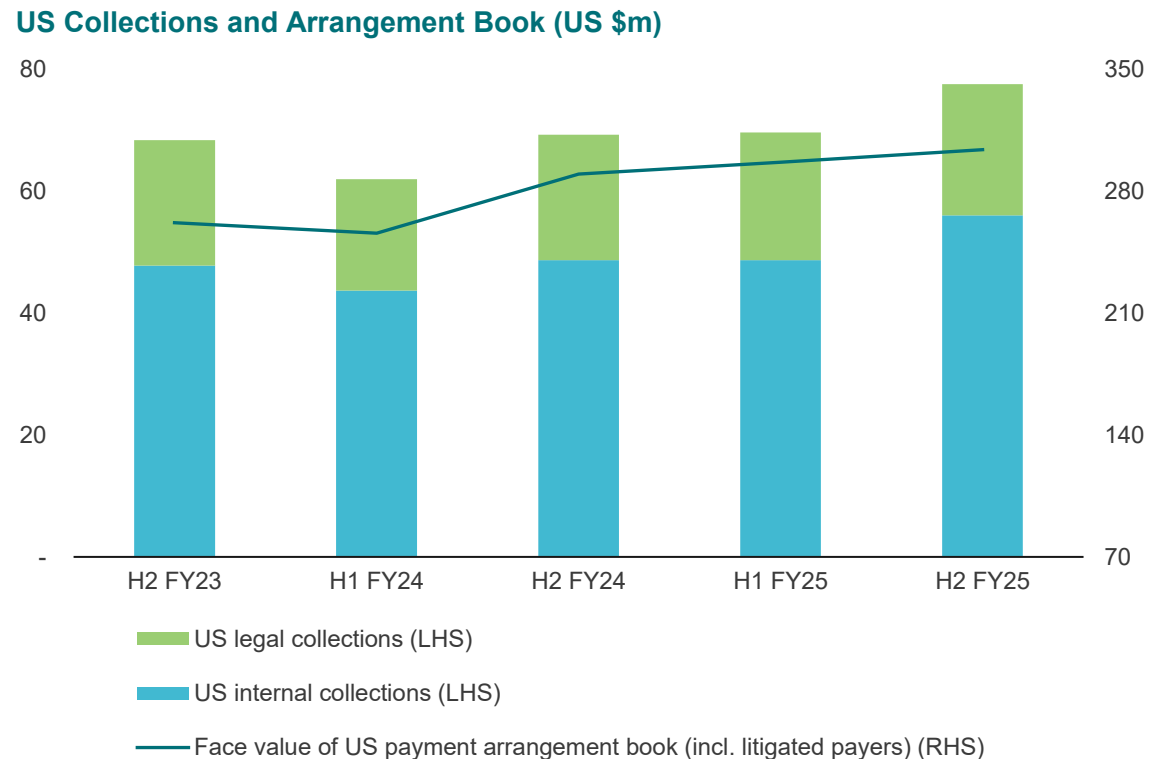
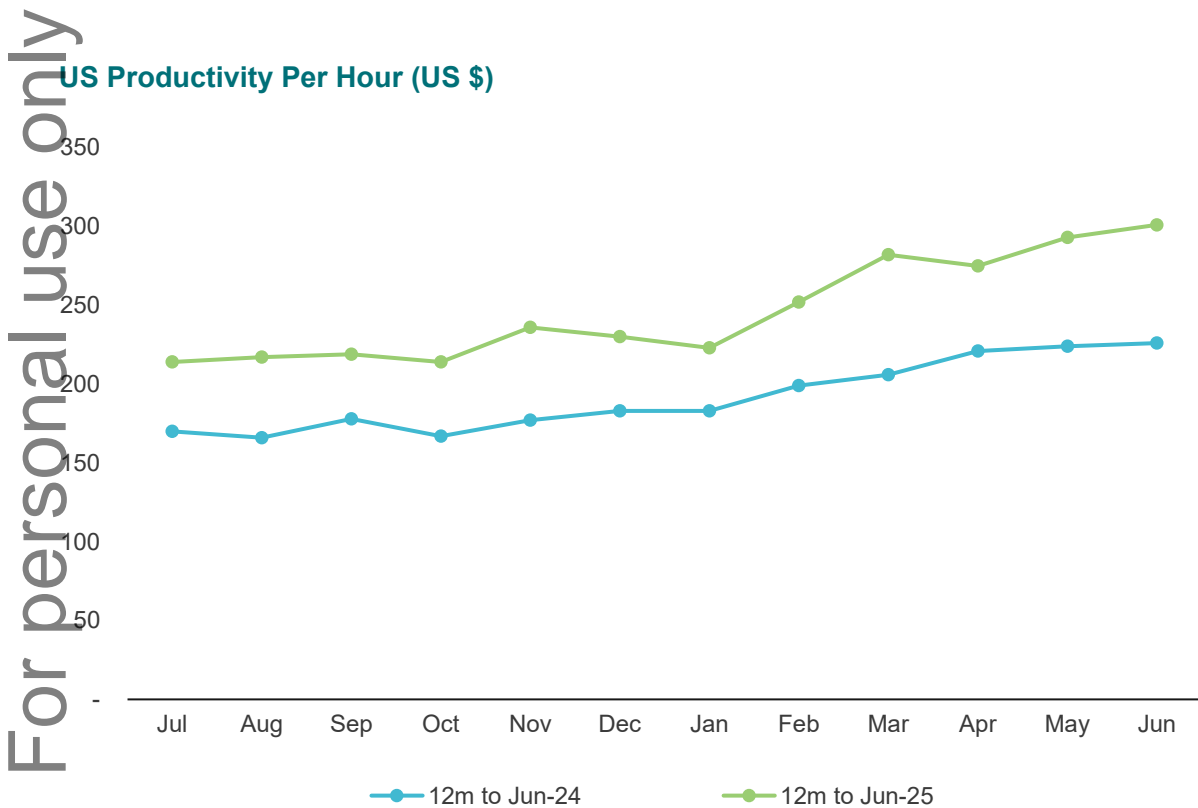
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Segment	Assessment of current conditions	Response
<b>US debt buying</b>	<ul style="list-style-type: none"> <li>• Growth in sale volumes moderating as aggregate unsecured credit and charge-off rates reach peaks <sup>1</sup></li> <li>• Pricing remains steady</li> <li>• Despite uncertainty, collection conditions remain consistent with those experienced since mid-2023</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on shorter duration, lower balance credit card receivables to mitigate risk</li> <li>• Diversify purchasing relationships to reduce concentration risk</li> <li>• Continue program of operational improvement</li> </ul>
<b>Australian / NZ lending</b>	<ul style="list-style-type: none"> <li>• Reduced consumer demand for credit across sub-prime sector since mid-2024</li> </ul>	<ul style="list-style-type: none"> <li>• Increase focus on returning customers</li> <li>• Refresh marketing activity</li> <li>• Expand addressable market with release of Wizit digital credit card from pilot</li> <li>• Explore opportunities to resume growth in auto lending</li> </ul>
<b>Australian / NZ debt buying</b>	<ul style="list-style-type: none"> <li>• Sale volumes showing modest growth <sup>2</sup></li> <li>• Intensified competition arising from the injection of private credit into the market</li> <li>• Large former seller taking initial steps for re-entry into debt sale</li> </ul>	<ul style="list-style-type: none"> <li>• Manage cost to maintain returns</li> <li>• Finalise consolidation of collection services systems to improve margins and enhance competitiveness</li> </ul>

1. Charge-off rates presently 4.7%. Source: Charge-Off Rates on Credit Cards, All Commercial Banks, Federal Reserve Economic Data (<https://fred.stlouisfed.org/series/CORCCACBN>)

2. Aggregate interest-bearing credit card balances still 29% below pre-Covid levels despite some recent growth. Source: Credit and Charge Cards (Seasonally Adjusted Series - C1), Reserve Bank of Australia (<https://www.rba.gov.au/statistics/tables/>)

# Continued improvement in US operational performance...

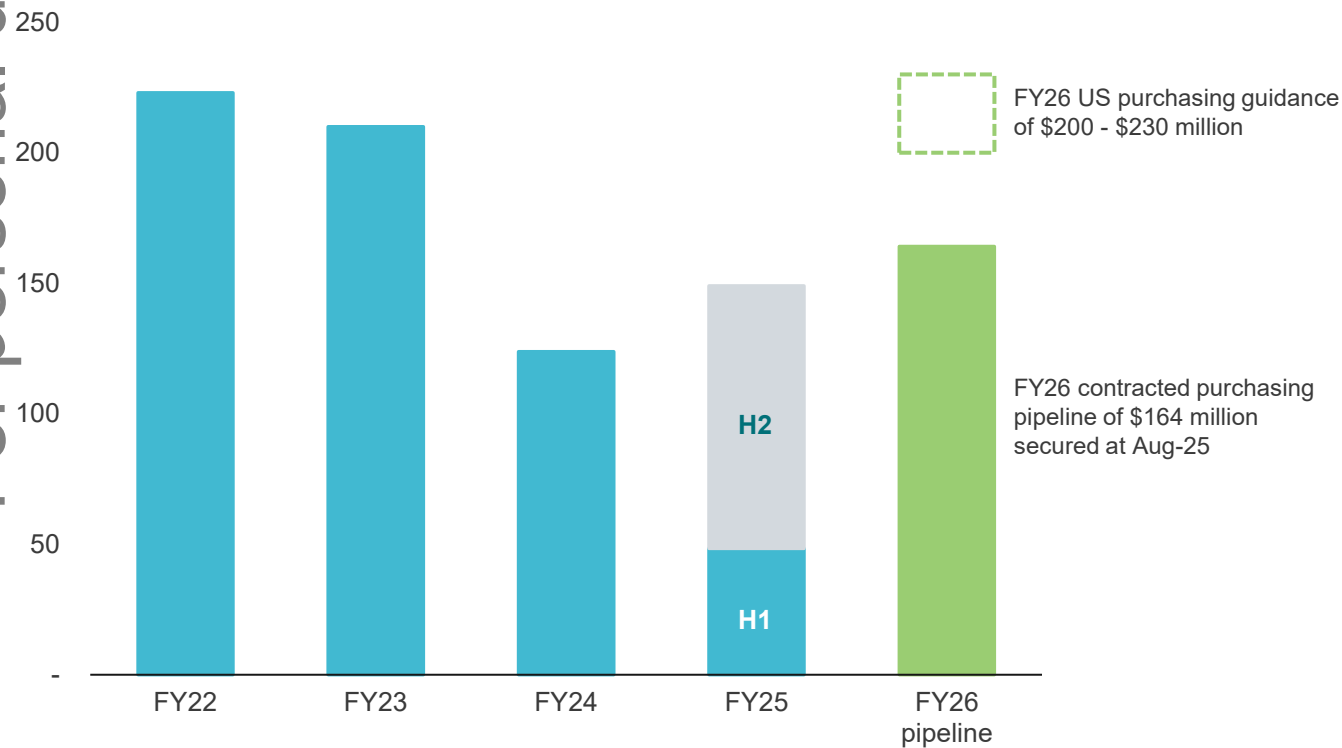


...has enabled a step-up in investment...

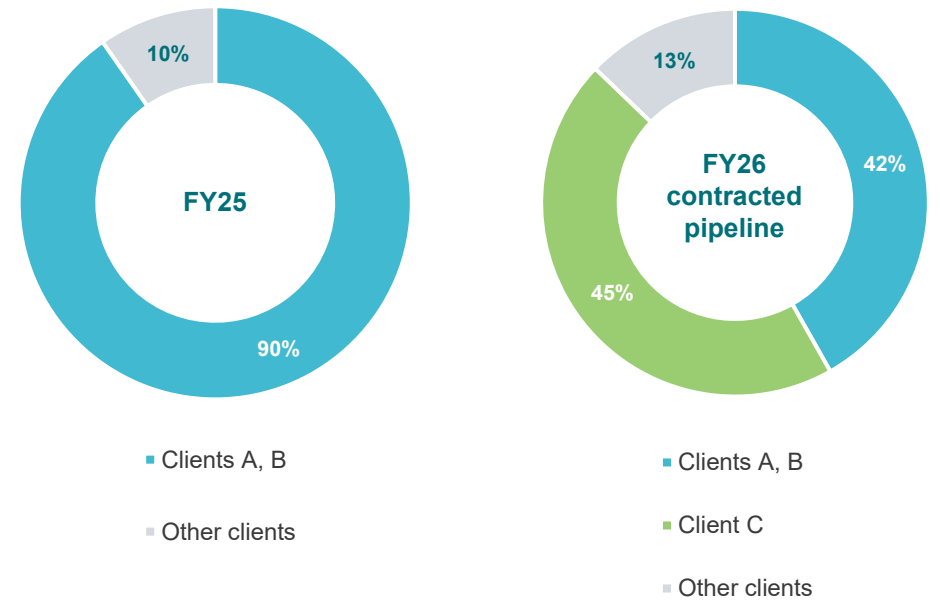
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- Secured a record FY26 pipeline
- Diversification of investment
- Focus on lower balance credit cards with shorter collection duration

US PDL Investment Volumes (\$m)



Composition of US PDL Investment

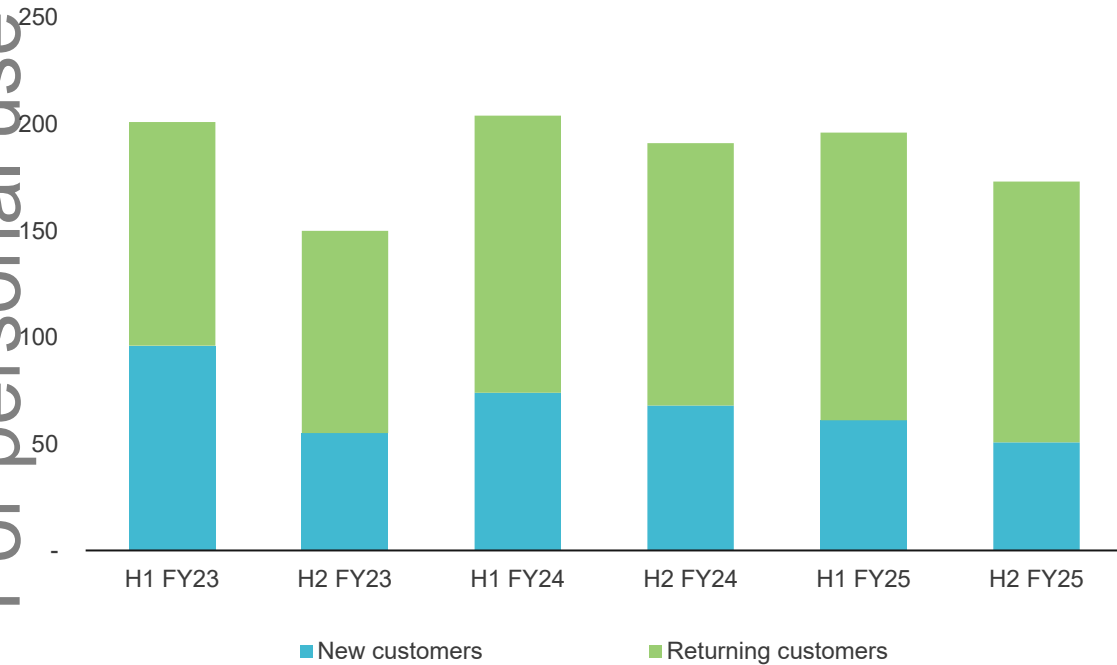


# Consumer lending volumes have held up despite weakened demand...

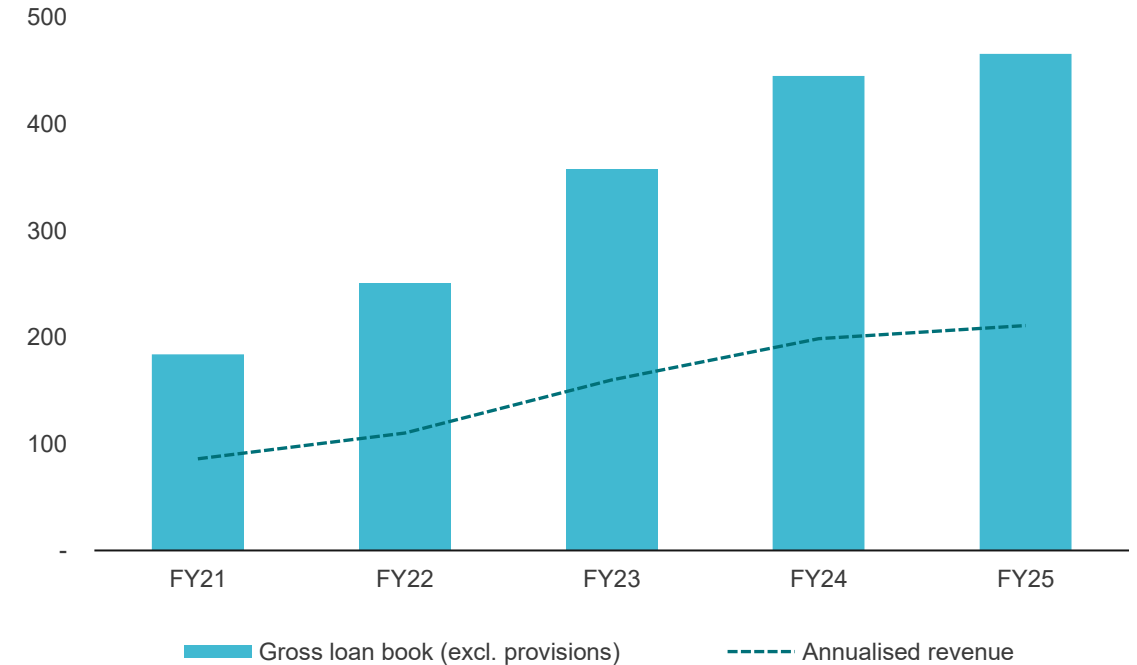
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Refreshed marketing has helped to drive share

Lending Volumes (\$m)



Consumer Lending Book and Annualised Revenue (\$m)



## ...with newer products set to sustain book growth

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### Segment

### Status

wizit

- Marketing channel tests in Q4 FY25 produced strong volumes at an acceptable cost of acquisition
- Product economics are achieving targeted returns
- Product released from pilot for FY26
- Potential to be a book of \$100 - \$200 million in medium-term

CARSTART

- Book at Jun-25 is \$45 million and \$14 million of loans were written in FY25
- Used car prices still remain above trigger point to support pro-forma economics and allow for an acceleration of book growth
- Alternative strategies for growth under consideration



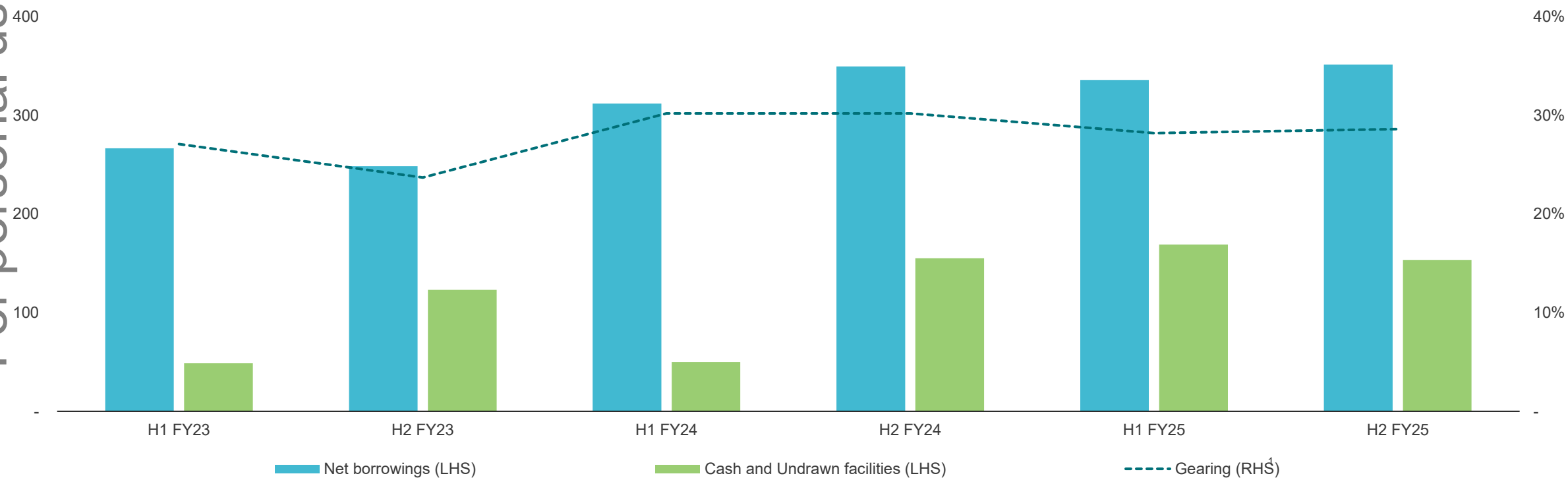
- UK sub-prime consumer lending market presents a strong opportunity with excess consumer demand
- Credit Corp has secured the acquisition of a small licensed 'shell' and, pending regulatory approvals, will commence lending in H1 FY26

# Strong capital position maintained with excess capital of \$150 million...

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- Gearing remains conservative
- Capacity to accelerate investment and seize opportunities

Cash Facilities (\$m) and Gearing (%)



1. Calculated as net borrowings as a % of carrying value of financial assets

## ...and guiding for strong investment and profit growth in FY26

- Record US investment anticipated with 70 per cent of the midpoint already under contract
- Midpoint of the \$100 - \$110 million NPAT guidance range represents growth of 12 per cent over FY25

	<b>FY26 Guidance</b>
<b>Ledger investment</b>	\$280 - \$330 million
<b>Gross lending</b>	\$350 - \$390 million
<b>NPAT</b>	\$100 - \$110 million
<b>EPS (basic)</b>	147 - 162 cents



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# APPENDICES: KEY OPERATING METRICS



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# Appendix 1: Operating cash flow and gearing



Operating cash flow and gearing	FY22	FY23	FY24	FY25
PDL collections	\$535.2m	\$493.8m	\$463.7m	\$478.6m
Lending income	\$93.7m	\$147.8m	\$179.1m	\$199.8m
Other income	\$38.3m	\$50.3m	\$92.8m	\$80.3m
Interest expense / income	(\$4.7m)	(\$15.6m)	(\$23.8m)	(\$32.9m)
Operating expenses including taxation	(\$275.8m) <sup>1</sup>	(\$290.6m)	(\$319.5m)	(\$339.5m)
PDL acquisitions, net lending and capex	(\$490.8m)	(\$471.0m)	(\$442.3m)	(\$335.2m)
<b>Net operating (free) cash flow</b>	<b>(\$104.1m)</b>	<b>(\$85.3m)</b>	<b>(\$50.0m)</b>	<b>\$51.1m</b>
PDL carrying value	\$637.3m	\$762.1m	\$780.7m	\$826.1m
Consumer loans net carrying value	\$198.4m	\$284.5m	\$358.5m	\$381.2m
Net cash / (borrowings)	(\$98.9m)	(\$248.4m)	(\$349.7m)	(\$344.1m)
<b>Net borrowings / carrying value (%)</b>	<b>11.8%</b>	<b>23.7%</b>	<b>30.7%</b>	<b>28.5%</b>

1. Includes outlay of \$63 million for the acquisition of Radio Rentals assets in Dec-21

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## Appendix 2: AU/NZ & US Debt buying operational metrics

AU/NZ Debt Buying	FY25	Δ FY24
Collections	\$251m	(5%)
Productivity	\$316	1%
Operations headcount <sup>1</sup>	574	(6%)
Payers book (face value) <sup>1</sup>	\$1,255m	(5%)

US Debt Buying	FY25	Δ FY24
Collections	\$228m	12% <sup>2</sup>
Productivity	\$377	28% <sup>2</sup>
Operations headcount <sup>1</sup>	462	(13%)
Payers book (face value) <sup>1</sup>	\$470m	5% <sup>2</sup>

1. As at Jun-25

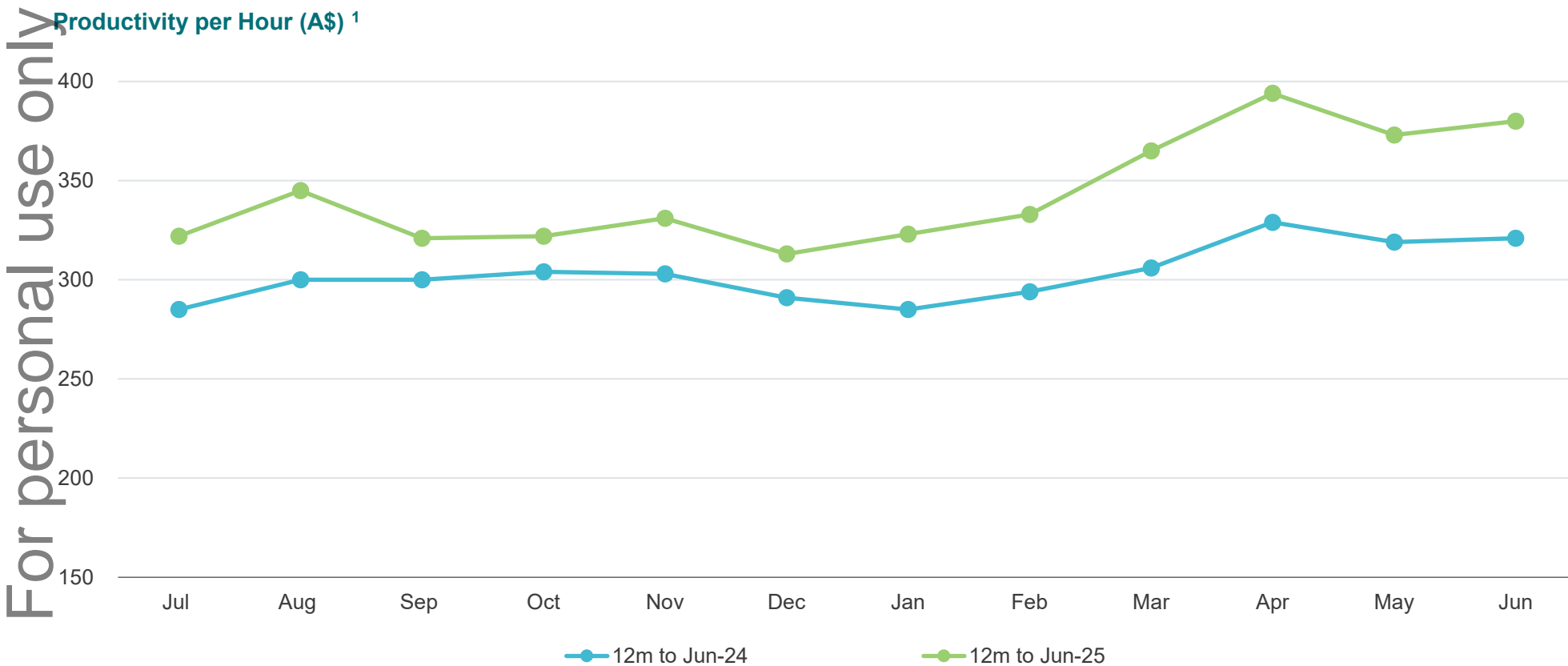
2. Constant currency basis

## Appendix 3: Payers base

### Portfolio summary: Debt buying

	Combined AU/NZ/US						
Total portfolio	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	Jun-25
Face value	\$11.8b	\$12.7b	\$12.8b	\$12.9b	\$13.0b	\$12.8b	\$13.0b
Number of accounts	2,863,000	2,993,000	2,952,000	2,904,000	2,820,000	2,740,000	2,710,000
<b>Payment arrangements</b>							
Face value	\$1,742m	\$1,727m	\$1,725m	\$1,709m	\$1,760m	\$1,735m	\$1,725m
Number of accounts	264,000	266,000	274,000	273,000	280,000	283,000	292,000

# Appendix 4: Productivity



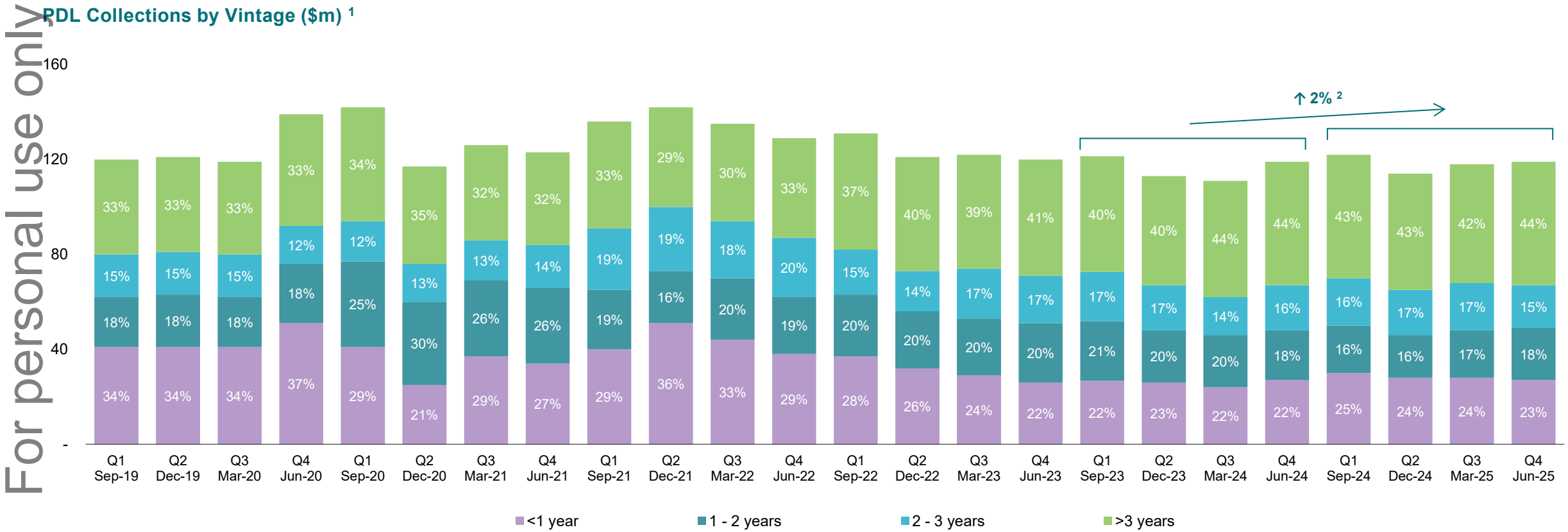
**Full year Jun-25 average <sup>2</sup>**

FY25: \$344

FY24: \$303

1. Combined AU/NZ and US segment productivity  
 2. Constant currency basis

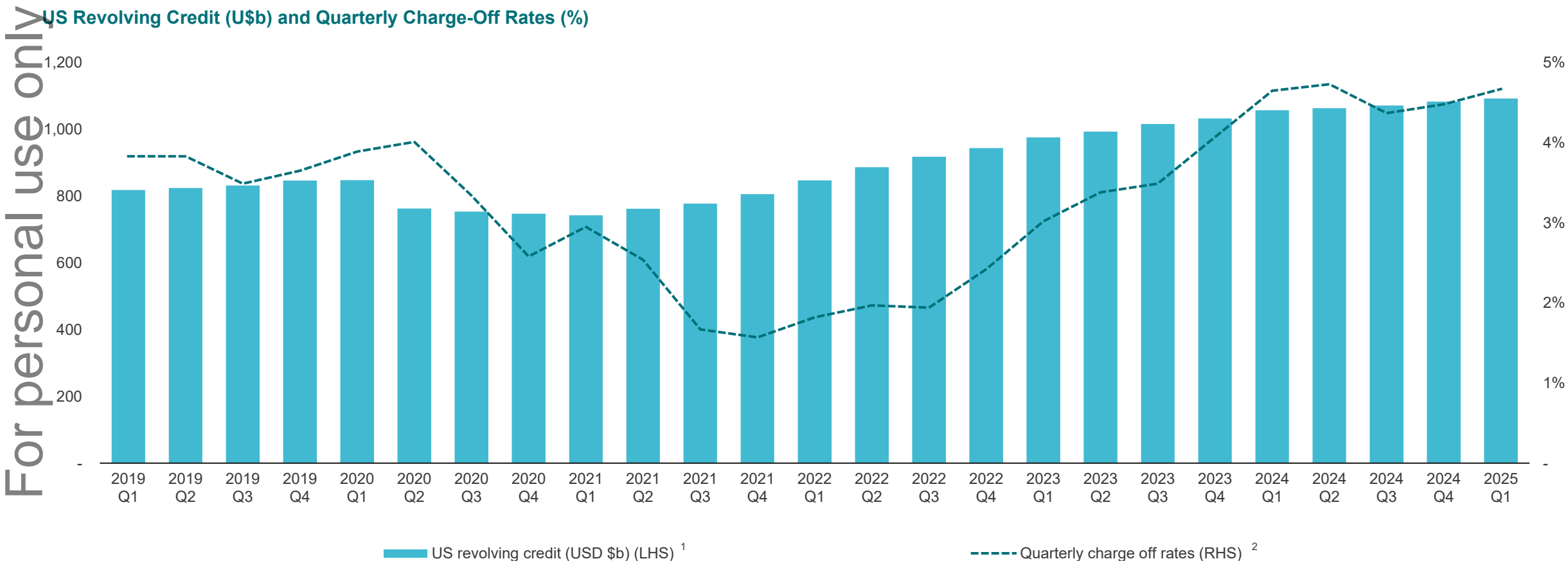
# Appendix 5: Collections life cycle



1. Combined AU/NZ and US PDL collections

2. Increase of 2% in FY25 vs FY24

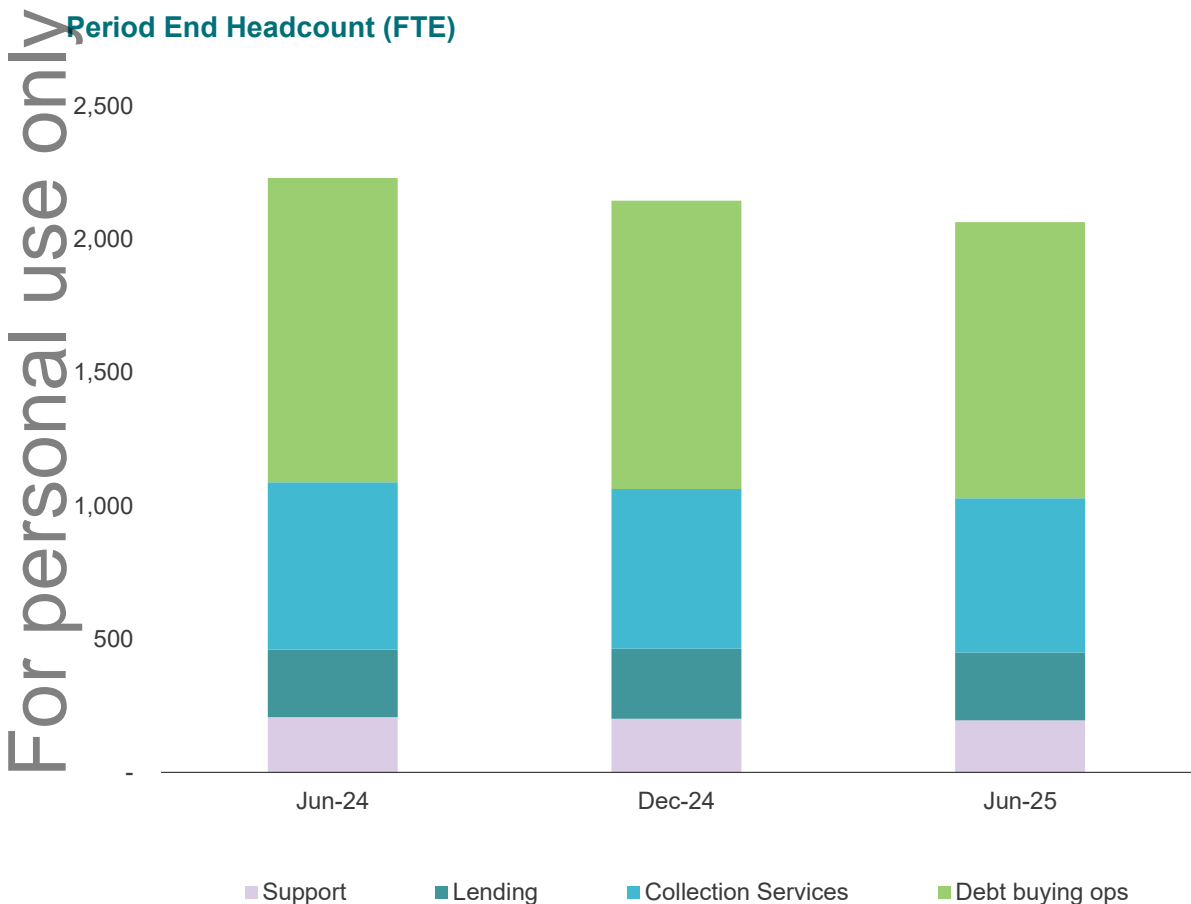
# Appendix 6: US revolving credit and quarterly charge-off rates



1. Total Revolving Debt Outstanding, Federal Reserve Economic Data (<https://fred.stlouisfed.org/series/CCLACBW027SBOG>)

2. Charge-Off Rates on Credit Cards, All Commercial Banks, Federal Reserve Economic Data (<https://fred.stlouisfed.org/series/CORCCACBN>)

# Appendix 7: Operational and total headcount



	Jun-24	Dec-24	Jun-25
Debt buying operations	1,142	1,082	1,036
Collection services	628	599	579
Lending	254	263	255
Support	207	201	195
<b>Total</b>	<b>2,231</b>	<b>2,145</b>	<b>2,065</b>
<b>Support %</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>

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