

30 November 2021

Credit Corp to acquire assets of Radio Rentals from Thorn Group and revises 2022 guidance

Credit Corp Group Limited (Credit Corp) announces today that it has entered into a binding agreement to acquire the assets of the Radio Rentals appliance leasing business from ASX listed Thorn Group Limited (Thorn) for a total consideration of approximately \$60 million.

The total consideration is subject to completion adjustments and will be funded from existing cash reserves. The transaction is expected to complete in December 2021.

Most of the consideration is attributable to the existing lease receivables book, which is expected to produce Credit Corp's targeted investment return. In addition to the existing lease receivables, Credit Corp is acquiring the intellectual property, systems and supply chain arrangements of the, now online, Radio Rentals business. The acquisition of part of these assets is initially in the form of an economic participation.

Post-closing, the business operations will transition to Credit Corp. A number of Thorn staff will initially support the transition and thereafter many are expected to be offered employment with Credit Corp.

Mr. Thomas Beregi, CEO of Credit Corp, commented that Credit Corp had plans to commence operations in the online retail by instalment segment and the Radio Rentals acquisition provided an excellent platform from which to accelerate those ambitions. "Credit Corp provides the cheapest and most sustainable finance to the Australian credit impaired consumer market and our entry into this new segment will be consistent with that approach" he said.

Revised 2022 guidance

The transaction lifts Credit Corp's investment and earnings guidance for 2022, while providing additional momentum for increased growth in 2023.

Revised 2022 guidance is summarised as follows:

	Previous Guidance (4 November 2021)	Revised Guidance (30 November 2021)
PDL acquisitions	\$220 - \$240m	\$280 - \$300m
Net lending volumes	\$45 - \$55m	\$45 - \$55m
NPAT	\$85 - \$95m	\$92 - \$97m
EPS	126 - 141 cents	137 - 144 cents

This ASX release was authorised by the Company Secretary.

For more information, please contact:

*Mr Thomas Beregi
Chief Executive Officer*

Tel: +61 2 8651 5777

Email: tberegi@creditcorp.com.au

Mr Michael Eadie

Chief Financial Officer

Tel: +61 2 8651 5542

Email: meadie@creditcorp.com.au