



Company	Credit Corp Group
Code	CCP
Meeting	AGM
Date	4 November 2021
Venue	Online
Monitor	Sue Howes assisted by Patricia Beal

Number attendees at meeting	Meeting attendance was 88
Number of holdings represented by ASA	71
Value of proxies	\$6.9m
Number of shares represented by ASA	0.2m (equivalent to 12th largest holder in Top 20 list)
Market capitalisation	\$2,205m – on day of meeting
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Eric Dodd – Chairman and Michael Eadie - CFO

Things are starting to return to normal

The Chairs address covered the year in review. The CEO's address covered operational issues, first quarter results and gave a guidance update.

The main take-aways from these two presentations were:

- The Board is transitioning through a renewal process with Don McLay retiring in November and an active recruitment process in train;

- Market share has been retained in shrinking market largely due to operating model that results in low dispute rate;
- First quarter has seen a recovery in debt ledger supply and a return to more normal labour and credit markets;
- The balance sheet allows the company to be ready for opportunities as they arise;
- They have been running a buy-now-pay-later pilot as well as a consumer lending pilot in the US.
- Guidance range hasn't altered, but company now envisages they will report in the top half of the range.

The meeting was well-run and ample time was given to the range of questions asked as well as voting.

Questions were asked by ASA, members of Team Invest and a range of individual shareholders. The questions covered:

- Board renewal – the Chair indicated a search firm is actively searching, (Long Term Chair) Mr McLay's retirement was announced for 18 November. Mr Aris has joined, the current Chair (E Dodd) will remain in place to ensure continuity;
- Pilots – criteria for moving out of pilot phase, ability to achieve economic loss ratio whilst maintaining interest rate below safe harbour provisions for consumer lending;
- Competition – fintechs – usually operate prior to the point the client is moved to CCP, consumer lending in US – most have shop fronts to underwrite, and they usually 'interact' only via software, in contrast to CCP's personal approach – critical issue is can they use online application to effectively underwrite, consumer demand is rationale behind pilots;
- Remuneration (questions by both ASA and Team Invest)– company is happy with the full cash STI and the settings on the LTI;
- COVID-19 – paradoxically not positive for the business as has increased repayments and reduced new business;
- Consumer representatives – encounter regularly and engage with same end point in mind;
- Impairment reversal – assumptions made when impairment taken have largely played out in the last year and not sufficient change yet to change these.

Results were generally 98%+ for all resolutions except remuneration, which had just under a 5% vote against.