

RETAIL ENTITLEMENT OFFER BOOKLET

FlexiGroup Limited ABN 75 122 574 583

1 for 4.46 accelerated pro rata non-renounceable entitlement offer of FlexiGroup Limited ordinary shares (New Shares) at an offer price of A\$2.20 per New Share

Offer closes at 5:00pm (AEDT) on Monday, 16 November 2015

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document which is made available in conjunction with a personalised Entitlement and Acceptance Form and both should be read in their entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission (**ASIC**).

Please call your professional adviser or the FlexiGroup Offer Information Line on 1300 853 481 at any time between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer Period if you have any questions.

CONTENTS

CLAUSE	PAGE
CHAIRMAN'S LETTER	4
KEY DATES FOR THE ENTITLEMENT OFFER	7
1. OVERVIEW OF THE ENTITLEMENT OFFER	8
2. HOW TO APPLY	11
3. AUSTRALIAN TAX IMPLICATIONS	17
4. ASX OFFER ANNOUNCEMENTS	19
5. IMPORTANT INFORMATION	43
6. GLOSSARY	47

This Offer Booklet contains certain forward looking statements. Forward looking statements should or can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “will”, “could”, “may”, “target”, “plan” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this Offer Booklet involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of FlexiGroup, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward looking statements may also be based on estimates and assumptions which are subject to change. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. These statements may assume the success of FlexiGroup’s business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond FlexiGroup’s control (including uncertainties described in the “Key Risks” section of the Investor Presentation), and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward looking statements and, except as required by law, FlexiGroup assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward looking statements in this Offer Booklet should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that FlexiGroup will achieve, or is likely to achieve, any particular results.

Investors should note that the past share price performance of FlexiGroup provides no guarantee or guidance as to future share price performance.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell,

or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States unless they have been registered under the U.S. Securities Act or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Chairman's Letter

4 November 2015

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Dear Shareholder,

On behalf of the directors of FlexiGroup Limited (**FlexiGroup**), I am pleased to invite you to participate in a 1-for-4.46 underwritten accelerated pro rata non-renounceable entitlement offer of new fully paid ordinary shares in FlexiGroup (**New Shares**) at an offer price of A\$2.20 (**Offer Price**) per New Share to raise approximately A\$150 million (**Entitlement Offer**). The Entitlement Offer was announced on 27 October 2015.

Purpose of the Entitlement Offer and use of proceeds

FlexiGroup has entered into an agreement to acquire a 100% equity interest in Fisher & Paykel Finance Holdings Limited, a New Zealand company (**Fisher & Paykel Holdings**) from Fisher & Paykel Appliances Holdings Limited. FlexiGroup will fund the acquisition through the Entitlement Offer and proposes to draw down from an extension of existing debt facilities and also raise the equivalent of NZ\$55 million through the issue of Perpetual Notes to AF Investments Limited.

Fisher & Paykel Finance Limited (**Fisher & Paykel Finance**), a wholly owned subsidiary of Fisher & Paykel Holdings, is one of New Zealand's largest non-bank consumer credit providers offering a broad suite of products including:

- **Q Card** - incorporates fixed instalment, flexible long term finance, and revolving credit options with a pre-approved credit limit, all on one card;
- **Farmers Finance** - revolving credit and flexible finance on Farmers Finance card or fixed instalment financing products, both of which are for use in Farmers stores and thousands of other stores nationwide;
- **Equipment Finance** - secured term loans and rental equipment finance for businesses to purchase machinery, plant and equipment; and
- **Insurance Services** – the provision and underwriting of credit repayment insurance and product protection policies.

The acquisition of Fisher & Paykel Holdings is consistent with our diversification strategy and is an example of a target that we consider to be value accretive, that provides additional scale in an existing segment or a highly scalable platform in a new segment of the market. We look forward to executing our strategic plan for Fisher & Paykel to generate value for shareholders.

The Entitlement Offer

Under the Entitlement Offer, eligible shareholders are entitled to acquire **1** New Share for every **4.46** existing fully paid ordinary shares in FlexiGroup (**Shares**) held at 7.00pm (AEDT) on **30 October 2015 (Record Date)**, at the Offer Price of A\$2.20 per New Share. The Offer Price represents a 11.5% discount to the theoretical ex-rights price (**TERP**).¹

¹ The theoretical ex-rights price (**TERP**) is the theoretical market price for shares in FlexiGroup immediately following the Entitlement Offer assuming the Entitlement Offer is fully subscribed, based on the 5-day volume weighted average price

New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue.

The Entitlement Offer comprises an institutional component, being the **Institutional Entitlement Offer** and a retail component, being the **Retail Entitlement Offer**. The Entitlement Offer is fully underwritten by Citigroup Global Markets Australia Pty Limited and CBA Equities Limited.

The Institutional Entitlement Offer was completed on Wednesday, 28 October 2015 and more than 99% of Eligible Institutional Shareholders took up their Entitlements under the Institutional Entitlement Offer.

Offer Booklet

This offer booklet (**Offer Booklet**) relates to the Retail Entitlement Offer. This Offer Booklet is important and requires your immediate attention. It is made available with your personalised Entitlement and Acceptance Form which contains details of your Entitlement and contains important information including:

- Key Dates for the Entitlement Offer;
- Instructions on How to Apply, setting out how to accept all or part of your Entitlement in the Retail Entitlement Offer if you choose to do so;
- ASX Offer Announcement and Investor Presentation.

The Retail Entitlement Offer closes at 5:00pm (AEDT) on Monday, 16 November 2015.

To participate, you need to ensure that you have completed your application by:

- paying Application Monies via BPAY® pursuant to the instructions that are set out on the Entitlement and Acceptance Form so that your payment via BPAY® has been received by FlexiGroup by 5:00pm (AEDT) on Monday, 16 November 2015;

OR

- lodging your Entitlement and Acceptance Form, together with payment of Application Monies, by cheque, bank draft or money order so that it is received by FlexiGroup (care of Link Market Services) by 5:00pm (AEDT) on Monday, 16 November 2015.

Please refer to the instructions in section 2 of this Offer Booklet for further information.

Your Entitlement can not be traded on ASX or any other exchange or privately transferred. If you do not take up some or all of your Entitlement, your rights will lapse.

(VWAP) of FlexiGroup shares prior to announcement of the equity raising on 27 October 2015. This is a theoretical calculation only and the actual market price may be higher or lower than this.

Additional New Shares

You may also apply for Additional New Shares in excess of your Entitlement up to a maximum of 50% of your Entitlement, at the Offer Price. The allocation of Additional New Shares will be subject to there being New Shares available to fill those allocations, and FlexiGroup retains the flexibility to scale back applications for Additional New Shares at its discretion.² Please refer to Section 2.3 of this Offer Booklet for further information.

Additional information

Further information on the Entitlement Offer is detailed in this Offer Booklet. You should read the entirety of this Offer Booklet carefully (including the "Key Risks" section of the Investor Presentation released to ASX on Tuesday, 27 October 2015) before deciding whether to participate in the Entitlement Offer.

If you have any further questions about the Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser, or you can call the FlexiGroup Offer Information Line on 1300 853 481 at any time between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer Period.

The board of directors of FlexiGroup looks forward to your participation in the Entitlement Offer.

Yours sincerely,



Andrew Abercrombie
Chairman

² Entitlements not taken up by The Abercrombie Group and its associates will not be available to fill allocations for Additional New Shares.

Key Dates for the Entitlement Offer

EVENT	DATE
Entitlement Offer Announced	Tuesday, 27 October 2015
Record Date to determine eligibility to participate in the Entitlement Offer	Friday, 30 October 2015
Retail Offer Booklet and Entitlement and Acceptance Form made available and Postcard for the Entitlement Offer despatched	Wednesday, 4 November 2015
Retail Offer Opens	Wednesday, 4 November 2015
Institutional Settlement Date	Thursday, 5 November 2015
Issue of New Shares under the Institutional Entitlement Offer	Friday, 6 November 2015
Retail Entitlement Offer Closes	Monday, 16 November 2015
Retail Settlement Date	Monday, 23 November 2015
Issue of New Shares under the Retail Entitlement Offer	Tuesday, 24 November 2015
Holding Statements Sent to Retail Shareholders Trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Wednesday, 25 November 2015

Note: The timetable above is indicative only and subject to change. FlexiGroup reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable laws. In particular, FlexiGroup reserves the right to extend the closing date of the Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Retail Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX. All references in this Offer Booklet are to Australian Eastern Daylight Time (**AEDT**).

Enquiries

If you have any questions, please call the FlexiGroup Offer Information Line on 1300 853 481 at any time between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer Period, or consult your stockbroker, accountant or other independent professional adviser.

1. OVERVIEW OF THE ENTITLEMENT OFFER

1.1 Entitlement Offer

The Entitlement Offer is an offer of approximately 68.2 million New Shares at the Offer Price of A\$2.20 per New Share. All Eligible Institutional Shareholders and all Eligible Retail Shareholders are entitled to subscribe for 1 New Share for every 4.46 Shares held at 7.00pm (AEDT) on the Record Date.

The Entitlement Offer is comprised of two parts:

- the **Institutional Entitlement Offer** – Eligible Institutional Shareholders were invited to take up their Entitlements. The Institutional Entitlement Offer closed on Wednesday, Wednesday, 28 October 2015;
- the **Retail Entitlement Offer** – Eligible Retail Shareholders are now being invited to take up all or part of their Entitlement. Eligible Retail Shareholders may also apply for Additional New Shares in excess of their Entitlement up to a maximum of 50% of their Entitlement.

The Retail Entitlement Offer closes at 5.00pm (AEDT) on Monday, 16 November 2015.

The Entitlement Offer is non-renounceable, which means that Entitlements are non-transferable and cannot be sold or traded.

New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue.

The Entitlement Offer is fully underwritten by Citigroup Global Markets Australia Pty Limited and CBA Equities Limited (the **Underwriters**).

1.2 Who is eligible to participate the Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for 1 New Share for every 4.46 Shares held as at the Record Date (7:00pm (AEDT) on 30 October 2015), at the Offer Price of A\$2.20 per New Share. Eligible Retail Shareholders may also apply for Additional New Shares in excess of their Entitlement up to a maximum of 50% of their Entitlement.

Eligible Retail Shareholders are those Shareholders who:

- (a) are not Eligible Institutional Shareholders or Ineligible Institutional Shareholders;
- (b) are registered as a holder of Shares as at the Record Date, being 7:00pm (AEDT) on **30 October 2015**;
- (c) as at the Record Date, have a registered address in Australia or New Zealand;
- (d) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- (e) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

FlexiGroup may (in its absolute sole discretion) extend the Retail Entitlement Offer to any institutional shareholder who was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Entitlement Offer (subject to compliance with applicable laws).

1.3 What is your Entitlement

Your Entitlement is set out on the personalised Entitlement and Acceptance Form made available with this Offer Booklet (accessible via the Offer Website or in hard copy upon request) and has been calculated as 1 New Share for every 4.46 Shares you held as at the Record Date, being 7:00pm (AEDT) on Friday, 30 October 2015. If the result is not a whole number your Entitlement will be rounded up to the nearest whole number. If you have more than one registered holding of Shares, you will have more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up; for example, you are not permitted to take up an Entitlement to the extent you are holding Shares for the account or benefit of a person in the United States (see definition of Eligible Retail Shareholders in section 1.2 of this Offer Booklet).

1.4 Can you trade your Entitlement

The Entitlements are personal and cannot be traded on ASX, transferred, assigned or otherwise dealt with. If you do not take up your entitlements by Friday, 13 November 2015, your rights will lapse.

By allowing your Entitlement to lapse you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. Your interest in FlexiGroup will also be diluted.

1.5 Reconciliation

The Entitlement Offer is a complex structure and in some instances investors may believe that they will own more Shares in FlexiGroup than they actually do on the Record Date. This results in a need for reconciliation. If reconciliation is required, it is possible that FlexiGroup may need to issue a small quantity of additional New Shares (**Top-Up Shares**) to ensure all Eligible Shareholders receive their full Entitlement.

These Top-Up Shares would be issued at the Offer Price.

1.6 Commencement of trading on ASX

Subject to approval being granted, trading of the New Shares is expected to commence on:

- Friday, 6 November 2015 for New Shares issued under the Institutional Entitlement Offer (on a normal settlement basis); and
- Wednesday, 25 November 2015 for New Shares issued under the Retail Entitlement Offer (on a normal settlement basis).

Holding statements will be despatched in accordance with the Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells

New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. FlexiGroup and the Underwriters disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by FlexiGroup, the Underwriters or the FlexiGroup share registry or otherwise.

1.7 Ineligible Retail Shareholders

All Shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders or Ineligible Institutional Shareholders are ineligible Retail Shareholders (**Ineligible Retail Shareholders**). Ineligible Retail Shareholders will not be entitled to participate in the Retail Entitlement Offer.

FlexiGroup has determined that it would be unreasonable on this occasion to extend the Retail Entitlement Offer to Ineligible Retail Shareholders, having regard to the number of securities held by Ineligible Retail Shareholders, the number and value of New Shares that they would be offered and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Retail Shareholders in those places.

1.8 Rights of FlexiGroup and the Underwriters

(a) Adjusting Entitlements

FlexiGroup reserves the right (in its absolute sole discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

(b) Oversubscription

If any Shareholder subscribes under the Entitlement Offer for New Shares in excess of its Entitlement which exceeds 50% of its Entitlement then, in the absolute discretion of FlexiGroup and the Underwriters, the relevant Shareholder may be required to transfer to the Underwriters the excess New Shares at the Offer Price of A\$2.20. If necessary, the relevant Shareholder will be required to transfer existing Shares held by them or to purchase Shares on market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for New Shares in excess of its Entitlement and any actions it is required to take in this regard.

(c) Acknowledgement

By accepting their Entitlement, Shareholders irrevocably acknowledge and agree to do any of the above as required by FlexiGroup and the Underwriters in their absolute discretion. Shareholders also acknowledge that:

- there is no time limit on the ability of FlexiGroup and the Underwriters to require any of the actions set out above; and
- where FlexiGroup and the Underwriters exercise their right to correct a Shareholder's Entitlement, the Shareholder is treated as continuing to accept or not take up any remaining Entitlement.

2. HOW TO APPLY

2.1 What you may do – choices available

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the “Key Risks” section of the Investor Presentation.

If you are an Eligible Retail Shareholder, you may do any one of the following:

- take up all of your Entitlement (see section 2.2 of this Offer Booklet);
- take up all of your Entitlement and apply for Additional New Shares in excess of your Entitlement (see section 2.3 of this Offer Booklet);
- take up part of your Entitlement (see section 2.4 of this Offer Booklet); or
- not take up your Entitlement (see section 2.5 of this Offer Booklet).

You should note that if you do not take up all or part of your Entitlement, your percentage shareholding in FlexiGroup will be diluted.

2.2 If you wish to take up all of your Entitlement

If you decide to take up **all** of your Entitlement and you wish to pay by cheque, bank draft or money order you should:

- complete the personalised Entitlement and Acceptance Form by following the instructions set out on the personalised Entitlement and Acceptance Form (accessible via the Offer Website or in hard copy upon request);
- attach payment for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement) to the form; and
- return the Entitlement and Acceptance Form together with payment to the Registry so that it is received by 5:00pm (AEDT) on 16 November 2015.

If you wish to take up **all** of your Entitlement and you wish to pay by BPAY® you should make your payment by BPAY® for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement) so that it is received by 5:00pm (AEDT) on 16 November 2015.

If you choose to pay by BPAY® you are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

If you take up and pay for your Entitlement before the closing date of the Retail Entitlement Offer of 5:00pm (AEDT), Monday 16 November 2015, you will be allotted your New Shares on 24 November 2015. FlexiGroup's decision on the number of New Shares allotted to you will be final.

2.3 If you wish to apply for Additional New Shares in excess of your Entitlement

Eligible Retail Shareholders may also apply for Additional New Shares in excess of their Entitlement, up to a maximum of 50% of their Entitlement. If you wish to do so, you should follow the payments instructions set out in section 2.2)

Please note that Additional New Shares will only be allocated to you if there is a sufficient number of New Shares available³ by reason of other Eligible Retail Shareholders not taking up their Entitlements in full or there are sufficient New Shares which would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer. FlexiGroup reserves the right to allot any Additional New Shares or scale back your application for Additional New Shares in its absolute discretion. If you apply for Additional New Shares there is no guarantee that you will be allocated any Additional New Shares. FlexiGroup's decision on the number of Additional New Shares to be allocated to you will be final.

Amounts received by FlexiGroup for New Shares in excess of your Entitlement will be treated as an application for as many Additional New Shares as your overpayment will pay for in full at the Offer Price up to a maximum of 50% of your Entitlement.

Application amounts received for New Shares in excess of the number of New Shares allocated to you will be refunded to you in accordance with the payment instructions on the FlexiGroup register for payment of dividends. You will be sent the applicable refund on or around Wednesday, 25 November 2015. It is not practicable to refund amounts of less than \$1.00 and these amounts will be donated to a charity chosen by FlexiGroup. No interest will be paid on any refunded amount.

2.4 If you wish to take up part of your Entitlement

If you decide to take up **part** of your Entitlement and reject the balance and you wish to pay by cheque, bank draft or money order you should:

- complete the personalised Entitlement and Acceptance Form by following the instructions set out on the personalised Entitlement and Acceptance Form (accessible via the Offer Website or in hard copy upon request), indicating the number of New Shares you wish to take up. This will be less than your Entitlement as specified on the Entitlement and Acceptance Form;
- attach payment for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself) to the form; and
- return the Entitlement and Acceptance Form to the Registry so that it is received by 5:00pm (AEDT) on Monday, 16 November 2015.

If you wish to take up **part** of your Entitlement and reject the balance and you wish to pay by BPAY® you should make your payment by BPAY® for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself).

If you choose to pay by BPAY® you are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

If you take up and pay for part of your Entitlement before the closing date of the Retail Entitlement Offer of 5:00pm (AEDT), Monday, 16 November 2015, you will be allotted your New Shares on 24 November 2015. FlexiGroup's decision on the number of New Shares allotted to you will be final.

³ Entitlements not taken up by The Abercrombie Group and its associates will not be available to fill allocations for Additional New Shares.

2.5 If you do not wish to take up your Entitlement

If you do not wish to take up your Entitlement you should do nothing.

2.6 Payment

(a) General

The Offer Price of A\$2.20 per New Share accepted is payable on acceptance of your Entitlement.

You can pay in the following ways:

- BPAY®; or
- cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued.

Application Monies received from Eligible Retail Shareholders will be held in the FlexiGroup Entitlement Offer Account solely for the purpose of holding the Application Monies.

FlexiGroup reserves the right to cancel the Entitlement Offer at any time prior to the allocation of New Shares under the Institutional Entitlement Offer. If the Entitlement Offer is cancelled, all Application Monies will be refunded without interest. To the fullest extent permitted by law, each Eligible Retail Shareholder agrees that any Application Monies paid by them to FlexiGroup will not entitle them to any interest against FlexiGroup and that any interest earned in respect of Application Monies will belong to FlexiGroup. This will be the case, whether or not all or none (if the Entitlement Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

Any Application Monies received for more than your final allocation of New Shares will be refunded (except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by FlexiGroup). No interest will be paid on any Application Monies received or refunded.

(b) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique reference number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Reference Number on your Entitlement and Acceptance Form. If you have multiple holdings and receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, please only use the Reference Number specific to the Entitlement on that Form. If you do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of your Entitlements, your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the statements on that personalised Entitlement and Acceptance Form; and

- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5:00pm (AEDT) on Monday, 16 November 2015 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

(c) Payment by cheque, bank draft or money order

Your cheque, bank draft or money order must be:

- for an amount equal to A\$2.20 multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution; and
- payable to “FlexiGroup Limited – Entitlement Offer” and crossed “Not Negotiable”.

If you wish to pay by cheque, bank draft or money order, you must also complete your personalised Entitlement and Acceptance Form (a hard copy of which can be requested via the FlexiGroup Offer Information Line on 1300 853 481 at any time between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer period) in accordance with the instructions set out on that form and return it to the Registry accompanied by a cheque, bank draft or money order.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and you will be taken to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

2.7 Mail and hand delivery

Shareholders who make payment via cheque, bank draft or money order should send their completed personalised Entitlement and Acceptance Form together with Application Monies to:

By mail:

FlexiGroup Limited
c/o Link Market Services Limited
Locked Bag A14 Sydney
South NSW 1235

By hand:

FlexiGroup Limited
c/o Link Market Services Limited
Level 12, 680 George St
Sydney NSW 2000

2.8 Effect of Participating in Entitlement Offer

By completing and submitting your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate in the Entitlement Offer, you:

- (a) declare that:

- (i) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
 - (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer;
 - (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (b) acknowledge that:
- (i) once FlexiGroup receives the Entitlement and Acceptance Form with the requisite Application Monies or your payment by BPAY®, you may not withdraw it except as allowed by law;
 - (ii) you have read and understood this Offer Booklet and the personalised Entitlement and Acceptance Form; and
 - (iii) the information contained in this Offer Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (c) agree to:
- (i) apply for, and be issued with up to, the number of New Shares that you apply for at the Offer Price of A\$2.20 per New Share; and
 - (ii) be bound by the terms of this Offer Booklet and the provisions of FlexiGroup's constitution;
- (d) authorise FlexiGroup to register you as the holder of New Shares and authorise FlexiGroup and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of FlexiGroup's share registry by using the contact details set out in the personalised Entitlement and Acceptance Form;
- (e) represent and warrant that:
- (i) the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Offer Booklet or making an application for New Shares; and
 - (ii) you are an Eligible Retail Shareholder.

By completing and submitting your Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY® or otherwise applying to participate in the Retail Entitlement Offer you will also be treated as:

- (a) having represented and warranted that:
- (i) you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
 - (ii) you and each person on whose account you are acting are not engaged in the business of distributing securities;

- (iii) you and each person on whose account you are acting have not and will not send any materials relating to the Entitlement Offer, including this Offer Booklet and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States; and
- (b) acknowledge on your own behalf and on behalf of each person on whose account you are acting that:
 - (i) you are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (ii) you understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States;
 - (iii) you are subscribing for or purchasing the Entitlements or the New Shares outside the United States in an 'offshore transaction' (as defined in Rule 902(h) under the US Securities Act) in compliance with reliance on Regulation S under the US Securities Act;
 - (iv) you have not and will not send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
 - (v) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person.

3. AUSTRALIAN TAX IMPLICATIONS

This section summarises the general Australian taxation implications of the Retail Entitlement Offer for Australian resident Eligible Retail Shareholders who hold their Shares on capital account for Australian income tax purposes.

These comments do not apply to:

- Eligible Retail Shareholders who are not residents of Australia for tax purposes, or
- Eligible Retail Shareholders who carry on a business of life insurance or hold their Shares on revenue account (rather than on capital account) or as trading stock for Australian income tax purposes, or
- an Entitlement in respect of Shares previously acquired under an employee share scheme, or
- an Entitlement, or New Shares, covered by an election to apply the fair value method or financial reports method in the taxation of financial arrangements rules in the income tax law; or
- an oversubscription for New Shares, as described in paragraph 1.8(b) of this booklet.

These comments are general in nature. The tax implications of the Retail Entitlement Offer will depend upon each Eligible Retail Shareholder's specific circumstances. Accordingly, all Eligible Retail Shareholders should seek their own independent taxation advice before reaching any conclusions as to the possible taxation consequences of the Retail Entitlement Offer. Neither FlexiGroup, nor any of its officers, nor its taxation adviser, nor any other advisor to FlexiGroup, accepts any liability or responsibility in respect of any statement concerning the taxation consequences of the Retail Entitlement Offer.

These comments are based on the law and administrative practice as at the time of issue of the Offer Booklet.

(a) Issue of Entitlements

The issue of an Entitlement should not of itself result in an amount being included in the assessable income of an Eligible Retail Shareholder.

(b) Acceptance of Entitlements

Eligible Retail Shareholders to whom this commentary applies should not make any capital gain or loss, or derive assessable income, from exercising their Entitlements or subscribing for New Shares.

(c) New Shares

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

On a future disposal of New Shares, Eligible Retail Shareholders may make a capital gain or capital loss for Australian tax purposes, depending on whether the capital proceeds from that disposal are more than the "cost base" of the New Shares (in which case a capital gain will arise) or less than

the "reduced cost base" of the New Shares (in which case a capital loss will arise). The cost base of the New Shares will initially be equal to the Offer Price paid by the Eligible Retail Shareholder for the New Shares plus certain non-deductible incidental costs incurred in acquiring them. The "reduced cost base" of the New Shares may not be the same as, and may be less than, the cost base of the New Shares.

If an Eligible Retail Shareholder is an individual, trust or complying superannuation fund, the Eligible Retail Shareholder should be entitled to a CGT discount on the disposal of New Shares if, before being disposed of, the New Shares were held for at least 12 months (which, in the view of the Taxation Office, does not include the dates of acquisition and disposal of the New Shares). New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Shareholder accepted the Entitlement Offer in respect of the New Shares. The applicable CGT discount (ie, the amount by which a capital gain is reduced for tax purposes) is 50% for individuals and trustees and 33% for complying superannuation funds. The CGT discount is not available to a company other than a company acting in the capacity of a trustee.

If a capital loss arises on the disposal of New Shares, the capital loss can only be used to offset capital gains. i.e. the capital loss cannot be offset against ordinary income. However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, provided certain utilisation tests are satisfied.

(d) Lapse of Entitlements

If an Eligible Retail Shareholder allows an Entitlement to lapse, no capital gain or loss should arise for the Eligible Retail Shareholder.

(e) Other Australian Taxes

No Australian GST or stamp duty should be payable in respect of the grant or exercise of the Entitlements, or the acquisition of New Shares.

4. ASX OFFER ANNOUNCEMENTS

Sydney – 27 October 2015

**ACQUISITION OF FISHER & PAYKEL FINANCE FOR A\$275 MILLION¹ (NZ\$294 MILLION)
LAUNCH OF FULLY UNDERWRITTEN NON-RENOUNCEABLE ENTITLEMENT OFFER**

Highlights

- Transformational acquisition of Fisher & Paykel Finance, a leading provider of non-bank consumer credit in New Zealand with over 430,000 active card holders
- Fisher & Paykel Finance has strong business momentum with receivables of NZ\$662 million and new business volumes of NZ\$617 million, as of 30 June 2015
- Significant opportunity to have an Australia-New Zealand interest free cards offering to create scale and drive value for retail partners
- Further diversification of FlexiGroup creating operational scale, with combined group across Australia and New Zealand with over A\$2 billion in receivables
- Acquisition is expected to be high single digit Cash EPS accretive on a pro-forma basis, including expected synergies²
- Attractive acquisition structure with significant deferred consideration
- Upfront cash consideration to be funded through A\$150 million fully underwritten accelerated non-renounceable entitlement offer, expansion of existing corporate debt facilities and surplus cash
- Founder and Chairman Andrew Abercrombie, who owns 25.4% of FXL, to take up a total of 71% of full entitlement (c.A\$27 million)
- FlexiGroup reaffirms FY16 Cash NPAT guidance of A\$92 million-A\$94 million (excluding Fisher & Paykel Finance acquisition)

FlexiGroup Limited (“FlexiGroup” or “The Group”) (ASX:FXL) today announced it has entered into an agreement to acquire Fisher & Paykel Finance (“F&P Finance”), a leading provider of non-bank consumer credit in New Zealand, from Fisher & Paykel Appliances for A\$275 million. The acquisition price represents an acquisition multiple of 8.8x pro-forma FY15 Cash NPAT (taking into account expected synergies under FXL ownership) and 2.9x book value².

Established in 1973, F&P Finance is New Zealand’s leading independent non-bank finance business with receivables of NZ\$662 million. It has a high quality portfolio of brands including Q Card and Farmers Finance Card, more than 12,000 partnerships and 430,000 active cardholders.

Consideration for the acquisition will comprise an upfront cash consideration of NZ\$250 million (A\$234 million), and deferred consideration of NZ\$65 million (A\$61 million) including a vendor finance component. Total purchase price has net present value of NZ\$294 million (A\$275 million)². The upfront consideration will be funded through a mix of a A\$150 million fully underwritten accelerated non-renounceable entitlement offer, to be launched today, expansion of existing corporate debt facilities to A\$187.5 million provided by three Australian major bank lenders and surplus cash.

The acquisition is expected to be high single digit Cash EPS accretive to FlexiGroup on a pro-forma basis, including expected synergies².

FlexiGroup Acting Chief Executive Officer David Stevens said "Fisher & Paykel Finance is a very high quality asset that FlexiGroup worked hard to secure because it compliments and offers synergy to FlexiGroup’s existing card business.

¹ Based on AUD/NZD exchange rate of 1.0691 which is used throughout this announcement.

² Refer to accompanying Investor Presentation for further detail on calculation of adjusted purchase price, Cash EPS accretion and acquisition multiples.

“Cards are a scale driven business and F&P Finance has over 430,000 active card holders, providing FlexiGroup with a Trans-Tasman interest free cards offering, and a compelling proposition for our retail partners.

“This is a transformational deal for FlexiGroup on many levels that positions us as one of the leading non-bank financial services providers across Australia and NZ. We have acquired a unique portfolio of card brands and strong partner relationships across numerous industries.

“The financial metrics are compelling with clearly identified synergies and an attractive transaction funding structure in place, including a deferred consideration component.

“Fisher & Paykel Finance will significantly enhance the scale of FlexiGroup’s NZ operations, provide access to new industry channels both in NZ and Australia, and opportunities for customer growth.”

The transaction is subject to Overseas Investment Office and Reserve Bank of New Zealand approvals. All lenders to F&P Finance have provided the necessary change of control approvals. Subject to receipt of outstanding approvals, the transaction is expected to close in early calendar 2016.

Equity Raising – Non-renounceable Entitlement Offer

FlexiGroup will today launch a 1 for 4.46 pro-rata accelerated non-renounceable entitlement offer to raise approximately A\$150 million (“Entitlement Offer”).

The Entitlement Offer comprises an institutional component and a retail component. New shares issued under the Entitlement Offer will rank equally with existing FlexiGroup shares in all respects.

The Offer Price of A\$2.20 per new share represents a:

- 11.5% discount to the Theoretical Ex-Rights Price (“TERP”)
- 13.7% discount to the last closing price of FlexiGroup shares on 26 October 2015

FlexiGroup's largest shareholder, Chairman Andrew Abercrombie, has given an irrevocable undertaking to participate in the Entitlement Offer for a total of ~A\$27 million, representing 71% of his full entitlement.

The other FlexiGroup directors have stated they intend to participate in the Entitlement Offer for some or all of their respective pro-rata entitlements to the extent their financial circumstances permit.

FlexiGroup was advised on this acquisition by Citi. Other advisors and due diligence providers included PwC and Ashurst for Australia and Mayne Wetherell, Schmidt & Co and KPMG for New Zealand. The entitlement offer is fully underwritten by Citi and CBA.

Full Year FY16 Guidance

FlexiGroup today also reaffirmed full year FY16 Cash NPAT guidance, with the Group remaining on track for FY16 Cash NPAT of A\$92 million-A\$94 million (excluding F&P Finance acquisition).

Dividend guidance is also reaffirmed, with FY16 dividend expected at the lower end of 50-60% of Cash NPAT.

Governance and Leadership

The process of recruiting a new CEO is progressing well with a number of high-quality candidates.

The Group continues to conduct a search for further independent non-executive directors.

For further information:

Investors / Analysts

David Stevens
Acting CEO and Chief Financial Officer
T: 02 8905 2178

Media

Michelle Smith or Peter Brookes, Citadel-MAGNUS
T: +61 2 8234 0100



ABOUT FLEXIGROUP

FlexiGroup is a diversified financial services group providing “no interest ever”, leasing, vendor finance programs, interest free and Visa cards, mobile broadband, lay-by and other payment solutions to consumers and businesses.

Through its network of over 12,000 merchant, vendor and retail partners the Group has extensive access to four key markets, Business to Consumer, Business to Business, Retail to Consumers (and small business customers) and online.

Performance has been characterised by solid profitable growth as the company has expanded and diversified its business through organic growth, acquisition and product innovation. This diversification strategy has been extended to the large \$45bn credit card market with the acquisition of Lombard and Once Credit businesses.

FlexiGroup operates in Australia, New Zealand and Ireland within a diverse range of industries including: home improvement, solar energy, fitness, IT, electrical appliance, navigation systems, trade equipment and point of sale systems. Services are offered through five business units: Certegy (no interest ever & lay-by), Consumer & SME Leasing - Australia, New Zealand Leasing, Flexi Enterprise (vendor leasing programs) and Australian Interest Free Cards (Lombard and Once).

The Board of FlexiGroup is chaired by Andrew Abercrombie who is the founding director and 25% shareholder in FlexiGroup. The Board also includes John Skippen, former Finance Director of Harvey Norman Holdings Limited and Rajeev Dhawan, a partner of Equity Partners.

Acquisition of Fisher & Paykel Finance and Entitlement Offer

27 October 2015

David Stevens
Acting CEO and Chief Financial Officer

Andrew Abercrombie
Chairman and Founding Director

FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Disclaimer

IMPORTANT: You are advised to read the following carefully before making any use of the information contained in this presentation.

This presentation has been prepared by FlexiGroup Limited ABN 75 122 574 583 ("FlexiGroup" or the "Company").

This presentation has been prepared in relation to the acquisition of Fisher & Paykel Finance Holdings Ltd ("F&P Finance"), a private investment holding company incorporated in New Zealand owned by the Haier Group ("Acquisition") and a pro-rata accelerated non-renounceable entitlement offer of new shares in FlexiGroup ("New Shares") to fund (in part) the Acquisition, to be made to:
– Eligible institutional shareholders of FlexiGroup ("Institutional Entitlement Offer"); and
– Eligible retail shareholders of FlexiGroup ("Retail Entitlement Offer"),
under section 708AA of the Corporations Act 2001 (Cth) ("Corporations Act"), as modified by Australian Securities and Investments Commission (ASIC) Class Order CO [08/35] (together, the "Entitlement Offer").

Summary Information

This presentation contains summary information about the Company and its activities which is current as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. This presentation should be read in conjunction with FlexiGroup's other periodic and continuous disclosure announcements which are available at www.asx.com.au.

Not financial or product advice

This presentation is not financial product or investment advice or a recommendation to acquire FlexiGroup shares, nor is it legal, accounting or tax advice. This presentation will not be lodged with the Australian Securities and Investments Commission ("ASIC"). This presentation has been prepared without taking into account the objectives, financial situation or needs of individuals. You are solely responsible for forming your own opinions and conclusions on such matters and the market and for making your own independent assessment of the information in this presentation. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate to their jurisdiction. FlexiGroup is not licensed to provide financial product advice in respect of FlexiGroup shares. Cooling off rights do not apply to the acquisition of FlexiGroup shares.

Financial Data

All dollar values are in Australian dollars (\$ or AUD) unless otherwise stated and financial data is presented as at or for the full year ended 30 June 2015 unless stated otherwise.

Investors should note that this presentation contains pro forma financial information. In particular, a pro forma balance sheet has been prepared by adjusting the audited balance sheet of FlexiGroup as at 30 June 2015 and the unaudited balance sheet of F&P Finance as at 30 June 2015 to reflect the impact of the Acquisition and the Entitlement Offer.

This presentation includes unaudited financial information for F&P Finance that has been prepared by F&P Finance management and has been adjusted by FXL management based on their due diligence, where appropriate, and based on F&P Finance management estimates as at 30 June 2015. Investors should note that this information has not been audited and is based on management estimates and not on financial statements prepared in accordance with applicable statutory requirements. This presentation does not include any financial statements of F&P Finance. While this presentation includes a pro forma balance sheet of FlexiGroup as at 30 June 2015 to reflect the impact of the Acquisition (that includes adjusted unaudited management accounts for F&P Finance as at 30 June 2015) and the Entitlement Offer, the pro forma financial information has been prepared by FlexiGroup in accordance with the measurement and recognition requirements, but not the disclosure requirements, of applicable accounting standards and other mandatory reporting requirements in Australia. The pro forma historical financial information included in the information does not purport to be compliance with Article 11 of Regulation S-X of the rules and regulations of the US Securities and Exchange Commission. Financial information in relation to the assets to be acquired pursuant to the Acquisition has been derived from unaudited financial statements and other unaudited financial information made available by F&P Finance in connection with the Acquisition. Such financial information does not purport to comply with Article 3-05 of Regulation S-X.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

2

Disclaimer (Cont'd)

Financial Data (Cont.)

Investors should also note that FlexiGroup's results are reported under Australian International Financial Reporting Standards, or AIFRS. FPF's results are reported under New Zealand International Financial Reporting Standards, or NZ IFRS.

Investors should also be aware that certain financial data included in this presentation including EBITDA, EPS, gearing, net debt, NPAT cash conversion, interest cover ratio and measures described as "normalised" are "non-IFRS financial information" under Regulatory Guide 230 (Disclosing non-IFRS financial information) published by the Australian Securities and Investments Commission ("ASIC") or "non-GAAP financial measures" within the meaning of Regulation G of the US Securities Exchange Act of 1934. The disclosure of such non-GAAP financial measures in the manner included in the presentation may not be permissible in a registration statement under the US Securities Act of 1933 ("US Securities Act"). The non-IFRS financial information and these non-GAAP financial measures do not have a standardised meaning prescribed by AIFRS and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with AIFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial measures included in this presentation. FlexiGroup's definition of such non-IFRS measures are included in footnotes throughout this presentation, where applicable.

Effect of Rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

Past Performance

Past performance and pro forma historical information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Historical information including past share price performance in this presentation relating to FlexiGroup is information that has been released to ASX. For further information please see past announcements released to ASX.

Underwriters' Disclaimers

Neither the underwriters, nor any of their respective affiliates or related bodies corporate, nor any of their respective directors, officers, partners, employees, agents or advisers ("Underwriter Parties") have caused, permitted or authorised the issue, submission, despatch or provision of this presentation. For the avoidance of doubt, the Underwriter Parties have not made or purported to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. To the maximum extent permitted by law, the Underwriter Parties exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and the information in this presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. The Underwriter Parties make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this presentation and take no responsibility for any part of this presentation or the Entitlement Offer. The Underwriter Parties make no recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning the Entitlement Offer.

Future Performance

The presentation includes certain "forward-looking statements". Such "forward-looking statements" include statements relating to the timing and outcome of the Acquisition and the capital raising, FlexiGroup's strategies and plans and any indications of, and guidance on, future events, future earnings and the future financial performance and financial position of F&P Finance and FlexiGroup. Forward looking statements can generally be identified by the use of words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" or other similar expressions.

The forward-looking statements in this presentation speak only as at the date of this presentation. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, FlexiGroup disclaims any obligation or undertaking to provide any updates or revisions to any forward looking statements in this presentation. Any forward looking statements in this presentation involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies and other factors, including the risks described in this presentation under "Key Risks". Such risks may be outside the control of, and are unknown to, FlexiGroup and its officers, employees, agents or associates. Any forward looking statements included in this presentation are provided as a general guide only. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.



FLEXIGROUP^{ASX}

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

3

Disclaimer (Cont'd)

Investment Risk

An investment in FlexiGroup shares is subject to investment and other known and unknown risks, some of which are beyond the control of FlexiGroup. FlexiGroup does not guarantee any particular rate of return or the performance of FlexiGroup, nor does it guarantee the repayment of capital from FlexiGroup or any particular tax treatment. In considering an investment in FlexiGroup shares, investors should have regard to (amongst other things) the "Key Risks" section in this presentation.

Not an Offer

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other disclosure or offering document under Australian law (and will not be lodged with ASIC) or any other law.

The presentation is not and should not be considered an offer or invitation to acquire New Shares or any other financial product in any jurisdiction and neither this presentation nor anything in it shall form any part of any contract for the acquisition of FlexiGroup shares. The distribution of this presentation in jurisdictions outside Australia and New Zealand may be restricted by law and you should observe any such restrictions.

In particular, this presentation is not an offer of securities or a solicitation of an offer to purchase securities in the United States. Securities may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements of the US Securities Act. The offer and sale of the FlexiGroup securities in the equity raising described in this presentation have not and will not be registered under the US Securities Act and the securities may not be offered or sold except in transactions that are exempt from, or not subject to, the registration requirements of the US Securities Act.

Disclaimer

Except as required by law, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, reliability or correctness of the Information, opinions and conclusions, or as to the reasonableness of any assumption contained in this document. Statements made in this presentation are made only at the date of the presentation. The information in this presentation remains subject to change without notice. The Company reserves the right to withdraw or vary the timetable for the Entitlement Offer without notice.



FLEXIGROUP^{ASX}

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

4

Acquisition Summary

Acquisition

- Unique opportunity for FlexiGroup to acquire Fisher & Paykel Finance (F&P Finance) from Fisher & Paykel Appliances
- F&P Finance is a leading provider of non-bank consumer credit in New Zealand (receivables of NZ\$662m, 430,000 active cardholders), with respected brands including Q Card and Farmers Finance Card
- Upfront cash consideration of NZ\$250m (**A\$234m**) with NZ\$65m (A\$61m) deferred consideration / vendor finance⁽¹⁾
 - NZ\$10m (A\$9m) deferred consideration payable in 2 years
 - NZ\$55m (A\$52m) perpetual note (held by vendor)
- Total purchase price has net present value of NZ\$294m (**A\$275m**)⁽²⁾

Strategic Rationale

- Agreement signed to acquire the leading independent non-bank finance business in New Zealand with high quality portfolio of brands and customers/merchants
 - Q Card and Farmers Finance Card comprise 21% of New Zealand credit card holders and are accepted by >12,000 partners across New Zealand
- Significant opportunity to have an AU/NZ interest free cards offering to create scale and drive value to our retail partners
- Opportunity for meaningful cost synergies including consolidation of FlexiGroup and F&P Finance's operations
- Further diversifies FlexiGroup and creates incremental operational scale consolidating FlexiGroup's leading position across Australia and New Zealand – combined group will have over A\$2 billion in receivables
- Financially compelling transaction expected to create significant value for FlexiGroup shareholders

1. Based on AUD/NZD exchange rate of 1.0691 which is used from hereon in this presentation.
2. See slide 24 for further detail on calculation of adjusted purchase price.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

5

Acquisition Summary (Cont'd)

Financial Impact

- Attractive acquisition structure with significant deferred consideration
- Upfront cash consideration to be funded through A\$150m fully underwritten accelerated non-renounceable entitlement offer, expansion of existing corporate debt facilities and surplus cash
- High single digit Cash EPS-accretive to FlexiGroup in FY16 pro-forma for the acquisition of F&P Finance, assuming 12 months of ownership and including full impact of synergies⁽¹⁾
- FY15 Cash NPAT⁽²⁾ acquisition multiple of 9.9x (pre-synergies) / 8.8x (including-synergies) and 2.9x book value⁽³⁾⁽⁴⁾
- Founder and Chairman Andrew Abercrombie, FlexiGroup's largest shareholder (representing approximately 25.4% of FlexiGroup's current issued share capital), has given an irrevocable undertaking to participate in the Entitlement Offer for a total of ~A\$27m / 71% of his full entitlement
- FlexiGroup has hedging arrangements to manage FX exposure between announcement and completion

Timing and Outlook

- Transaction subject to Overseas Investment Office (OIO) and RBNZ approvals with expected close in early calendar 2016
- Core business continues to perform with FlexiGroup reaffirming FY16 Cash NPAT guidance of A\$92m-A\$94m (excluding F&P Finance acquisition)⁽⁵⁾

1. EPS is inclusive of TERP adjustment and based on midpoint of FlexiGroup Cash NPAT guidance for FY16 of A\$92m-A\$94m.
2. Cash NPAT excludes amortisation of acquired intangibles and deal acquisition costs.
3. Based on FY15 (June Y/E) Cash NPAT of NZ\$29.6m, book value of NZ\$103.2m and adjusted purchase price of NZ\$294m (see slide 24 for further detail on calculation of adjusted purchase price). Acquisition multiple of 8.8x LTM FY15 Cash NPAT (post-synergies) based on FY15 (June Y/E) Cash NPAT of NZ\$33.4m post-synergies.
4. F&P Finance financials based on adjusted unaudited management accounts, as at 30 June 2015. Adjustments made to align with FXL accounting policies, normalise effect of abnormal and one-off items, exclude contribution from discontinued business and interest expense on intercompany loans which will be repaid on completion date.
5. Deal-related advisory costs will have an impact on 1H16 statutory NPAT however will be excluded from Cash NPAT.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

6

Overview of F&P Finance

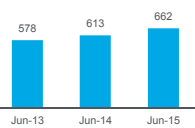
F&P Finance is a leading New Zealand non-bank consumer finance provider with over 430,000 active cardholders across the Farmers Finance and Q Card brands

Overview

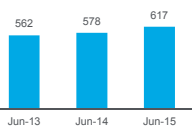
- Provided financial products and services to New Zealanders for over 40 years
- Receivables of NZ\$662m⁽¹⁾
- ~430,000 card holders and >12,000 partnerships⁽¹⁾⁽²⁾
- Diversified and stable funding structures in place with healthy tenure and headroom for growth
- 230 staff headquartered in Auckland, New Zealand
- Business focused on credit cards and point of sale finance – no reliance on F&P appliances

Strong Receivables and Volume Growth

Receivables (NZ\$m)

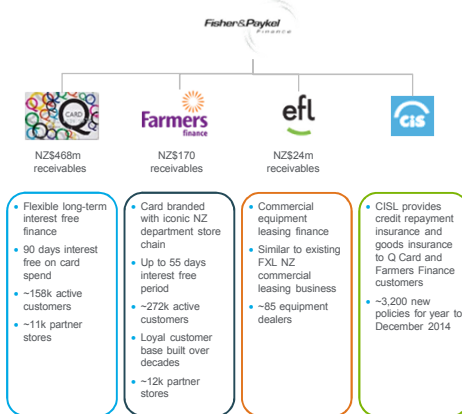


New Business Volumes (NZ\$m)



1. As at 30 June 2015.
2. Partnerships include retail stores and professional service providers.

Business Structure



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

7

Acquiring Leading Portfolio of Card Brands and Partner Relationships

Leading Portfolio of Partners

- >12,000 partnerships with the top 5 partners comprising ~22% of volumes
- Strong overlap with existing FlexiGroup merchants

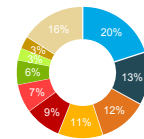
Example Partners⁽¹⁾



1. This list is not exhaustive.

Broad Range of Partner Industries

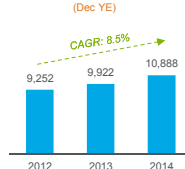
Q Card Volumes by Industry (LTM Dec-14)



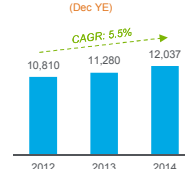
- Appliances, Electronics and Telecoms
- Travel and Leisure Services
- Department Stores
- DIY Hardware and Building
- Furniture and Bedding
- Flooring and Soft Furnishings
- Healthcare
- Sport and Camping
- Automotive, Tyres and Fuel
- Other

Historical Growth in Q Card and Farmers Partners

Q Card Partners (Dec YE)



Farmers Partners (Dec YE)



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

8

Unique Opportunity to Consolidate Position in New Zealand Market

The acquisition of F&P Finance provides a clear entry point into the New Zealand consumer finance market, with complementary product offerings and attractive New Zealand macro dynamics

Acquisition Represents a Unique Opportunity in NZ

- FlexiGroup is the natural owner of F&P Finance
- Unique opportunity to acquire leading and well established consumer finance player in New Zealand
- Complementary portfolio of retail partners with significant overlap (e.g. JB Hi-Fi, Dick Smith, Michael Hill and Flight Centre)
- Increases NZ from 5% to 38% of volumes⁽¹⁾
- Increases NZ from 12% to 38% of receivables⁽¹⁾

Comparison of Product Lines (Pre- and Post-Acquisition)

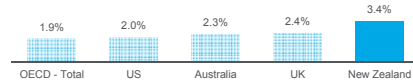
End Users of Products	FLEXIGROUP ^x (Pre-acquisition)		FLEXIGROUP ^x + Fisher & Paykel ¹ (Post-acquisition)	
	Australia	New Zealand	Australia	New Zealand
Consumers / households	U	U	U	U
SMEs	U	U	U	U
Enterprises	U	U	U	U

1. Based on 12 months to 30 June 2015.
2. OECD forecasts for 2015 (as at June 2015).
3. Active cardholders are defined as having an open master account, an active card and / or balance and / or has made a payment / purchase in the last 12 months.

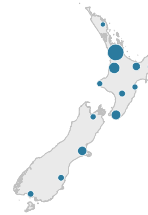
Attractive New Zealand Macro Dynamics

- New Zealand is outperforming its OECD peers in terms of economic growth and its strong performance is forecast to continue
- Business and consumer confidence remain high, supporting continued growth in electronic card transactions and consumer spend

GDP Growth Comparison (2015)⁽²⁾



Diverse Geographic Distribution



430,000 active F&P Finance cardholders⁽³⁾ with a regional distribution that closely follows that of the New Zealand population

	North Island	South Island
Census	76%	24%
Farmers Finance	74%	26%
Q Cardholders	83%	17%

FLEXIGROUP^x

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

9

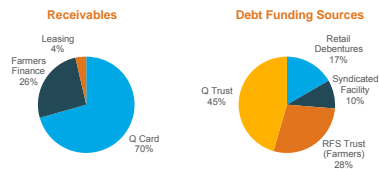
F&P Finance Funding Overview

F&P Finance has a diverse and well established funding structure with headroom for growth

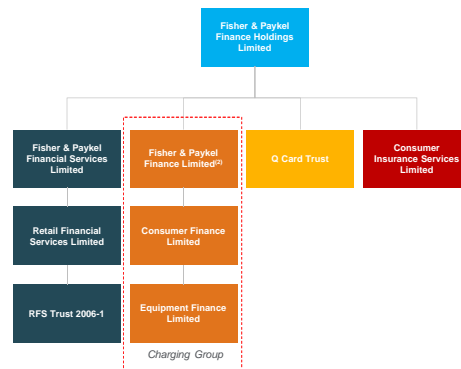
F&P Finance Funding Overview

- F&P Finance's current funding structure is comprised of syndicated bank facility, Q Card Trust, RFS 2006-1 Trust (Farmers Finance receivables) and retail debentures
- Lenders to F&P Finance have unanimously approved a change of control
- F&P Finance manages interest rate risk in several ways, including interest rate swaps to hedge exposure

Diverse Funding Sources⁽¹⁾



Funding Structure



1. As at 30 June 2015.
2. Licenced Non-Bank Deposit Taker

FLEXIGROUP^x

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

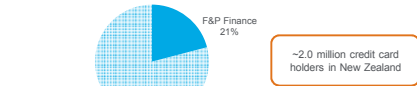
10

Potential to Leverage FlexiGroup Expertise to Support F&P Finance

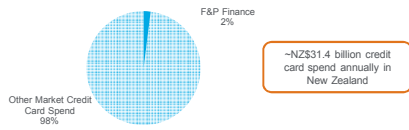
There is significant opportunity for FlexiGroup to drive credit card spend and market penetration for F&P Finance

Significant Market Penetration Opportunity

1 F&P Finance currently has relationships with 21% of New Zealand cardholders



2 F&P Finance only captures 2% of New Zealand credit card spend



3 Significant opportunity to drive market penetration under FlexiGroup ownership

Potential Upside

• Current disparity between 21% penetration of New Zealand credit card holders and 2% of credit card spend presents significant opportunity to increase share in credit card spend across both card products

• Migrate from existing closed loop product structure to new scheme card (Mastercard) to significantly increase card acceptance across domestic, international and online merchants whilst maintaining flexible long term interest free finance options as a key card feature

Q Card

• Increased acceptance will drive move to 'front of wallet' and increase usage on everyday items

• Leverage Certegy expertise to increase penetration of long term interest free finance in home improvement sectors



Farmers Finance Card

• Reinvigoration of Farmers Finance Card product and upgrade of card features

• Enhanced new customer origination process through utilisation of established Q Card and FXL technology

• Significant enhancements to product aimed at driving increased card spend and utilisation



FLEXIGROUP

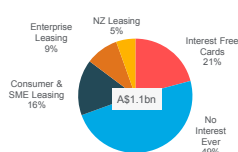
NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

11

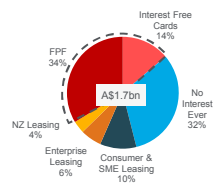
Post acquisition FlexiGroup will have receivables over A\$2.0bn in Australia and NZ

Pro Forma New Business Volumes

Pre-Acquisition (Jun-15)



Post-Acquisition (Jun-15)



Observations

• Enhanced scale of operation in New Zealand

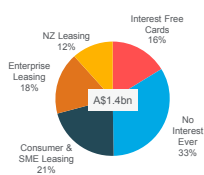
• Significant expansion of interest free cards segment across Australia and New Zealand

• Interest free cards represents an attractive growth opportunity and complementary business line for FlexiGroup

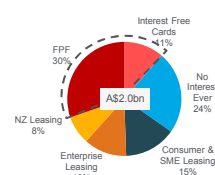
• Continues diversification of FlexiGroup product mix

Pro Forma Receivables

Pre-Acquisition (Jun-15)



Post-Acquisition (Jun-15)



• Post acquisition FlexiGroup will have receivables of over A\$2.0bn across Australia and New Zealand

• ~40% of FlexiGroup receivables are now represented by interest free cards segment

FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

12

Anticipated Synergies, Integration Plan and Side-by-Side

Anticipated Synergies

- The acquisition is expected to deliver in excess of A\$5m (NZ\$5.3m) of annual synergies (pre-tax) from the first full year of ownership⁽¹⁾
 - Predominantly through the rationalisation of costs and via leveraging FlexiGroup collections processes and debt sales expertise
 - Integration of "EFL" and existing FXL NZ commercial leasing businesses
- Additional unquantified upside revenue opportunity exists through scheme card and reinvigoration of Farmers Finance Card product

Integration Plan

- F&P Finance to be operated as a standalone business and will become an additional reporting segment of FlexiGroup
- Acquisition and integration to be overseen by David Stevens
- Greg Shepherd to be retained as CEO of F&P Finance

Side-by-side Comparison

	A\$m (LTM Jun-15) ⁽²⁾	FLEXIGROUP ^X	F&P Finance ⁽¹⁾
P&L	Portfolio Income	340.8	129.6
	Net Portfolio Income	273.2	98.0
	Cash NPAT	90.1	27.7
BIS	Volume	1,136	577
	Receivables	1,428	619
Operating Metrics	Net Portfolio Income / ANR	19.9%	16.4%
	Cost to Income Ratio	41%	47%
	Impairments / ANR	3.3%	2.3%
	Cash NPAT / ANR	6.8%	4.6%

- First full year of ownership refers to FY17 (June YE).
- F&P Finance financials based on adjusted unaudited management accounts as at 30 June 2015.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

13

Attractive Transaction Funding Structure

- Upfront cash consideration of NZ\$250m (A\$234m) and associated costs of NZ\$16m (A\$15m)⁽¹⁾
- Upfront consideration will be funded through a mix of A\$150m fully underwritten accelerated non-renounceable entitlement offer and expansion of corporate debt facilities to A\$187.5m provided by three Australian major bank lenders
- Perpetual note of NZ\$55m with zero coupon interest for first 2 years (see slide 23 for further detail)
- Deferred consideration of NZ\$10m payable in cash 2 years from completion (to be funded by surplus cash)

Uses of Funds	NZ\$m	A\$m	%	Sources of Funds	NZ\$m	A\$m	%
Upfront Consideration	NZ\$250m	A\$234m	94%	Entitlement Offer	NZ\$160m	A\$150m	60%
Costs Associated with the Acquisition ⁽¹⁾	NZ\$16m	A\$15m	6%	Acquisition Debt	NZ\$101m	A\$94m	38%
				Existing Cash in Business	NZ\$5m	A\$5m	2%
Total Uses	NZ\$266m	A\$249m	100%	Total Sources	NZ\$266m	A\$249m	100%

- Includes the transaction and other costs associated with the acquisition, extended debt facility and entitlement offer.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

14

Pro Forma Capital Structure and Debt Metrics

Debt Acquisition Funding

- FlexiGroup has extended its debt facilities to A\$187.5m, fully underwritten by three major Australian bank lenders
- FlexiGroup remains appropriately geared with pro forma recourse Debt/Equity at 23% and Debt/NTA at 72% whilst maintaining balance sheet flexibility via ~A\$48m available undrawn limit in the corporate facility⁽¹⁾
- Strong FY15 pro forma interest coverage of 18.6x expected to reduce gearing over the short term
- SPV borrowings are non-recourse to FlexiGroup

Pro Forma Capital Structure

Summarised Balance Sheet	FlexiGroup Standalone (Jun-15)		Pro Forma (Jun-15) ⁽²⁾	
	excl.	incl.	excl.	incl.
	Secured Lending	Secured Lending	Secured Lending	Secured Lending
Cash and Equivalents ⁽³⁾	130.3	130.3	177.9	177.9
Net Receivables	175.6	1,405.1	232.9	2,007.2
Other Assets	55.8	55.8	59.9	59.9
Goodwill and Intangibles	195.0	195.0	404.3	404.3
Total Assets	556.7	1,786.2	875.0	2,649.3
Borrowings	45.0	1,300.9	139.1	1,939.7
Loss Reserve	-	(26.4)	-	(26.4)
Other Liabilities	101.2	101.2	138.9	138.9
Total Liabilities	146.2	1,375.7	278.0	2,052.2
Equity	410.5	410.5	597.0	597.0
Debt / NTA	21%	n/a	72%	n/a
Debt / Equity	11%	n/a	23%	n/a

1. Pro-forma Jun-15.
2. F&P Finance financials based on adjusted unaudited management accounts as at 30 June 2015.
3. Cash and Equivalents includes cash relating to Insurance Securities.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

15

Outlook

Reaffirm full year FY16 guidance on Cash NPAT and dividend

Full Year FY16 Guidance

- Remain on track for FY16 Cash NPAT guidance of A\$92m-A\$94m (excluding F&P Finance acquisition)
- Dividends expected at lower end of 50-60% of Cash NPAT
- FlexiGroup will update the market post completion of F&P Finance acquisition (upon satisfaction of OIO and RBNZ approvals)

Governance and Leadership

- Process of recruiting new CEO progressing well with a number of high-quality candidates
- Key executive leadership team each have significant experience with FlexiGroup
- The Group continues to conduct a search for further independent non-executive directors



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

16

Equity Raising Summary

Offer Size	<ul style="list-style-type: none"> 1 for 4.46 pro-rata accelerated non-renounceable entitlement offer to raise ~A\$150m ~ 68.2 million new FlexiGroup ordinary shares to be issued (~22% of issued capital)
Offer Price	<ul style="list-style-type: none"> A\$2.20 per new share (Offer Price) <ul style="list-style-type: none"> 11.5% discount to the TERP⁽¹⁾ / 13.7% discount to last closing price⁽²⁾ of A\$2.55 per share
Offer Structure	<ul style="list-style-type: none"> Institutional Entitlement Offer open from 27 October to 28 October 2015 New Shares equivalent to the number of New Shares not taken up and those that would have been offered to ineligible institutional shareholders will be offered to existing institutional shareholders and new institutional investors concurrently with the Institutional Entitlement Offer Retail Entitlement Offer opens 4 November and closes 16 November 2015 Eligible Retail Shareholders will be able to apply for additional shares up to a maximum of 50% of their entitlement Fully underwritten by Citi and CBA
Shareholder and Director Commitments	<ul style="list-style-type: none"> Founder and Chairman Andrew Abercrombie, FlexiGroup's largest shareholder (representing approximately 25.4% of FlexiGroup's current issued share capital) has given an irrevocable undertaking to participate in the Entitlement Offer for a total of ~A\$27m / 71% of his full entitlement The other FlexiGroup directors have stated they intend to participate in the Entitlement Offer for some or all of their respective pro-rata entitlements to the extent their financial circumstances permit
Existing Options and Performance Rights	<ul style="list-style-type: none"> Existing option holders and holders of performance rights will not be entitled to participate in the Entitlement Offer in respect of their options or performance rights The terms of the existing options and performance rights will be varied as permitted by the ASX Listing Rules
Ranking of New Shares	<ul style="list-style-type: none"> New shares will rank equally with existing FlexiGroup shares
Record Date	<ul style="list-style-type: none"> 7pm (Sydney time) on Friday 30th October 2015

1. The Theoretical Ex-Rights Price (TERP) is the theoretical price at which FlexiGroup should trade immediately after the ex-date for the entitlement offer. The TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date entitlement offer will depend on many factors and may not equate to the TERP.
2. As at close 28 October 2015.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

17

Entitlement Offer Timetable

Event	Date
Trading halt, institutional entitlement offer opens	Tuesday, 27 October 2015
Institutional entitlement offer closes	Wednesday, 28 October 2015
Existing shares recommence trading on ASX	Thursday, 29 October 2015
Record date	Friday, 30 October 2015
Retail entitlement offer opens	Wednesday, 4 November 2015
Retail offer booklet despatched to eligible retail shareholders	Wednesday, 4 November 2015
Settlement of the institutional entitlement offer	Thursday, 5 November 2015
Issue and quotation of new shares under the institutional entitlement offer	Friday, 6 November 2015
Retail entitlement offer closes	Monday, 16 November 2015
Settlement of the retail entitlement offer	Monday, 23 November 2015
Issue and quotation of new shares under the retail entitlement offer	Tuesday, 24 November 2015
New shares under the retail entitlement offer commence trading on ASX on a normal settlement basis	Tuesday, 24 November 2015

Note: The above timetable is indicative only and subject to change. All references are to Sydney time. FlexiGroup reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

18

Summary

Key Messages

- Transformational acquisition of a leading provider of non bank consumer credit in NZ with over 430,000 active card holders, volumes of NZ\$617m and receivables of NZ\$662m as of 30 June 2015
- F&P Finance has a highly capable management team and strong business momentum
- Significant opportunity to align AU & NZ interest free cards businesses to create scale and drive value for retail partners
- Further diversification of FlexiGroup creating operational scale, with over A\$2 billion in receivables
- Opportunity to leverage proven FXL integration capabilities - Telecom Rentals NZ acquired April 2015 successfully integrated
- High single digit Cash EPS-accretive to FlexiGroup in FY16 pro-forma for the acquisition of F&P Finance, assuming 12 months of ownership and including full impact of synergies
- Funded through A\$150m fully underwritten accelerated non-renounceable entitlement offer, and expansion of corporate debt facilities to A\$187.5m
- Founder and Chairman Andrew Abercrombie, who owns 25.4% of FXL, to take up a total of 71% of entitlement at ~A\$27m
- FlexiGroup reaffirms FY16 Cash NPAT guidance of A\$92m-A\$94m (excluding F&P Finance acquisition)



FLEXIGROUP^x

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

19

Appendices

FLEXIGROUP^x

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Appendix A

Key Financial Assumptions



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

21

Pro Forma Balance Sheet

A\$m	FlexiGroup	FFP ⁽¹⁾	FFP ⁽¹⁾	Capital raising	Acquisition and other	Pro forma balance
	Jun-15 (A\$m)	Jun-15 (NZ\$m)	Jun-15 (A\$m)	adjustments	adjustments ⁽²⁾	sheet
						Jun-15 (A\$m)
Assets						
Cash at Bank	130.3	49.1	45.9	144.7 ⁽²⁾	(149.4) ⁽⁴⁾	171.5
Insurance Securities	-	6.8	6.4	-	-	6.4
Gross Loans and Receivables	1,426.0	661.7	619.0	-	-	2,047.0
Allowance for losses	(23.9)	(18.1)	(16.9)	-	-	(39.6)
Net Receivables	1,402.1	643.7	602.1			2,007.2
Other Receivables	46.4	2.9	2.7	-	-	49.1
Inventory	4.2	-	-	-	-	4.2
Plant and Equipment	5.2	1.5	1.4	-	-	6.6
Goodwill	150.4	-	-	-	198.1	348.5
Other Intangible Assets	44.6	12.0	11.2	-	-	55.8
Total Assets	1,786.2	715.9	669.6	144.7	48.7	2,649.3
Liabilities						
Q Trust	-	265.0	247.9	-	-	247.9
RFST	-	164.4	153.8	-	-	153.8
Retail Debentures	-	96.9	90.7	-	-	90.7
FFP Syndicated Facility	-	56.0	52.4	-	-	52.4
FXL SPV / Securitised Debt	1,255.9	-	-	-	-	1,255.9
FXL Corporate Debt	45.0	-	-	-	-	139.1
Borrowings	1,300.9	522.3	500.7		94.1	1,337.7
Loss Reserves	(26.4)	-	-	-	-	(26.4)
Net Borrowings	1,274.5	522.3	500.7		94.1	1,311.3
Payables	35.7	-	-	-	-	35.7
Current Tax Liability	9.2	2.8	2.6	-	-	11.8
Derivative Financial Instruments	7.3	-	-	-	-	7.3
Contingent and Deferred Consideration	5.9	-	-	-	9.4 ⁽⁵⁾	15.3
Net Deferred Tax Liabilities	37.6	6.0	5.6	-	-	43.2
Accrued Interest	-	-	-	-	-	-
Provisions and Other Liabilities	6.5	21.6	20.1	-	-	25.6
Total Liabilities	1,375.7	612.7	573.1	-	103.5	2,052.2
Net Assets	410.5	103.2	96.5	144.7	(54.7)	597.0
Equity						
Ordinary Equity and Retained Profits	410.5	103.2	96.5	144.7 ⁽²⁾	(106.2)	545.6
Perpetual Note	-	-	-	-	51.4	51.4
Total Equity	410.5	103.2	96.5	144.7	(54.7)	597.0

- F&P Finance financials based on adjusted unaudited management accounts as at 30 June 2015.
- Reflects offer proceeds of A\$150.0m net of estimated equity raising transaction costs of A\$5.3m.
- No adjustments have been made to the value of F&P Finance's assets and liabilities to reflect the impact of acquisition accounting. The difference between (a) the purchase price and (b) the fair value of F&P Finance identifiable assets acquired and the liabilities assumed has been treated as goodwill by FlexiGroup.
- Reflects the cash consideration for the F&P Finance acquisition of NZ\$250m (A\$234m) and other deal-related costs, net of cash received from additional corporate debt.
- Reflects the deferred consideration of NZ\$10m payable after two years at face value. In accordance with Australian Accounting Standards, FlexiGroup will discount the deferred consideration using the appropriate discount rate during acquisition accounting.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

22

Perpetual Note Overview

Consideration includes a NZ\$55m perpetual note between FlexiGroup and Haier Group (ultimate vendor). The perpetual note will be classified as equity and ranks below existing corporate debt facilities

Issuer	FlexiGroup Limited
Holder	AF Investments Limited (ultimate holder - Haier Group, owner of Fisher & Paykel Appliances)
Size	NZ\$55m (converted to AUD on the business day prior to completion)
Legal Form	Perpetual, callable note
Legal Maturity	Perpetual
Early Redemption	Option of Issuer to redeem. If redeemed within 4 years of issue, previously unpaid coupons that would have accrued over the whole 4 years become immediately payable
Coupons	Coupons accrue at the relevant Coupon Rate but payment or capitalisation of coupons is at the Issuer's sole discretion
Dividend / Capital Management Restrictions	During the 5 years following Completion, must pay or capitalise all relevant coupons in order to pay dividends or undertake most capital management initiatives. All coupons accruing after 5 years following Completion must be paid in order to pay dividends or undertake most capital management initiatives
Coupon Rate (annual)	Years 1 & 2 – 0% Year 3 – 4% Year 4 – 6% Year 5 – 8% Year 6 – 10% with step up after year 6 by 2% per annum each year
Repayment Amount	Face value, capitalised and accrued interest.
Ranking	Subordinated to corporate debt facilities
Assignability	During the 5 years following completion, only transferrable to Haier Group Corporation or any of its wholly-owned subsidiaries. After 5 years, that restriction is removed.
Conversion Rights	Only on FXL Change of Control event: if FXL does not redeem the notes (refer above), Holder can convert the initial face value of the notes into 28.5 million FXL shares (subject to customary adjustment in the event of any capital management by FXL). Any capitalised or accrued coupon must be paid in cash within 5 business days of the conversion.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

23

Adjusted Purchase Price Calculation

- Upfront cash consideration of NZ\$250m (A\$234m)
- NZ\$10m (A\$9m) deferred consideration payable in 2 years and NZ\$55m (A\$52m) perpetual note (held by vendor)
- Adjusted purchase price of NZ\$294m (A\$275m)

Adjusted Purchase Price		Transaction Metrics		Price / Cash NPAT	Price / Book
Price Including Deferred Consideration and Perpetual Note	NZ\$315.0m	Adjusted Purchase Price		NZ\$294.2m	
Adjustment for Deferred Consideration⁽¹⁾	NZ\$(1.7)m	Cash NPAT / Book Value (Jun-15)	NZ\$29.6m	NZ\$103.2m	
Adjustment for Perpetual Note⁽²⁾	NZ\$(14.1)m	Acquisition Multiple	9.9x	2.9x	
Excess Cash in Business⁽³⁾	NZ\$(5.0)m	Synergy Adjusted Cash NPAT⁽⁴⁾	NZ\$33.4m	NA	
Adjusted Purchase Price	NZ\$294.2m	Synergy Adjusted Acquisition Multiple	8.8x	NA	

- Acquired NTA of ~NZ\$93m (A\$87m) – implied goodwill and intangibles of ~NZ\$222m (A\$208m) at completion

1. NZ\$1.7m calculated as the difference between the value of deferred consideration (NZ\$10m) and the present value of NZ\$10m payable in 2 years time at indicative 10% discount rate (NZ\$8.3m).
 2. NZ\$14.1m calculated for illustrative purposes as the difference between the value of the perpetual note (NZ\$55m) and the present value of NZ\$55m plus capitalized interest payable (if FXL exercise its option to redeem in five years time) at indicative 10% discount rate (NZ\$40.9m). Consistent with Australian Accounting Standards FlexiGroup will account for the perpetual note at face value of NZ\$55m as shown in the pro forma balance sheet on page 22.
 3. Represents excess cash of NZ\$5m on FFF's balance sheet which is expected on completion.
 4. Assumed pre-tax synergies of c. NZ\$5.3m assuming effective 28% New Zealand tax rate.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

24

Appendix B

Key Risks



Key Risks

- There are a number of risks, both specific to FlexiGroup and of a general nature, which may affect the future operating and financial performance of FlexiGroup, its investment returns and the value of its shares. Many of the circumstances giving rise to these risks are beyond the control of FlexiGroup.
- This section describes certain specific areas that are believed to be the major risks associated with an investment in FlexiGroup. Each of the risks described below could, if they eventuate, have a material adverse effect on FlexiGroup's operating and financial performance. You should note that the risks in this section are not exhaustive of the risks faced by a potential investor in FlexiGroup. You should consider carefully the risks described in this section, as well as other information in this presentation, and consult your financial or other professional adviser before making an investment decision.

General Risks

Share Price Risk	<ul style="list-style-type: none">• There are general risks associated with an investment in the share market. As such, the value of New Shares may rise above or fall below the offer price, depending on the financial position and operating performance of FlexiGroup and other factors. Further, the market price of FlexiGroup shares will fluctuate due to various factors, many of which are non-specific to FlexiGroup, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, investor perceptions and volatility in global markets. In the future, these factors may cause FlexiGroup shares to trade at a lower price.
Taxation	<ul style="list-style-type: none">• Future changes in taxation law in Australia, New Zealand and in other jurisdictions, including changes in interpretation or application of the law by the courts or taxation authorities in Australia or other jurisdictions, may impact the future tax liabilities of FlexiGroup or may affect taxation treatment of an investment in FlexiGroup shares, or the holding or disposal of those shares.
Accounting Standards	<ul style="list-style-type: none">• FlexiGroup prepares its general purpose financial statements in accordance with AIFRS and with the Corporations Act. Australian Accounting Standards are subject to amendment from time to time, and any such changes may impact on FlexiGroup's statement of financial position or statement of financial performance.
Asset Impairment	<ul style="list-style-type: none">• Under AIFRS, FlexiGroup is required to review the carrying value of its assets annually or whenever there is an indication of impairment. If there is any indication of impairment, then the assets recoverable amount is estimated. Changes in key assumptions underlying the recoverable amount of certain assets of FlexiGroup (or of F&P Finance post-acquisition) could result in an impairment of such assets, which may have a material adverse effect on FlexiGroup's financial performance and position.



Key Risks (Cont'd)

General Risks (Cont'd)

Exchange Rates and New Zealand exposure	<ul style="list-style-type: none"> FlexiGroup is exposed to movements in exchange rates. FlexiGroup's financial statements are expressed and maintained in Australian dollars. Following the Acquisition, FlexiGroup will have significantly increased exposure to New Zealand. A substantial portion of FlexiGroup's income post-acquisition will be earned in New Zealand dollars. Exchange rate movements affecting these currencies may impact the profit and loss account or assets and liabilities of FlexiGroup and F&P Finance, to the extent the foreign exchange rate risk is not hedged or not appropriately hedged.
Domestic and Global Economic Conditions	<ul style="list-style-type: none"> Any deterioration in the global economy or the jurisdictions in which FlexiGroup operates in may have a material adverse effect on the performance of FlexiGroup's business, particularly matters which adversely affect the key indicators of consumer sentiment, economic growth and unemployment rates. Particularly, significantly higher unemployment, higher interest rates may result in lower retail spending, an increase in loan default rates or reduced demand for credit, all of which would adversely impact on FlexiGroup's earnings.

Specific Risks

Strength of Retail and Retail Financing Sector	<ul style="list-style-type: none"> FlexiGroup's business is influenced by the general state of the retail sector and a reduction in retail spending, particularly on goods financed by FlexiGroup, may have a negative impact on the new business volume and hence FlexiGroup's financial position. Consumer sentiment towards retail financing may also drive business volume, and negative consumer sentiment will impact FlexiGroup's financial position.
Market Risk	<ul style="list-style-type: none"> Market risk is the risk of an adverse event in financial markets causing a loss of earnings to FlexiGroup.
Liquidity Risk	<ul style="list-style-type: none"> Liquidity risk is the possibility of FlexiGroup being unable to meet its financial commitments when they fall due as a result of mismatches in its cash flows from financial transactions. The availability of funding from uncertain financial markets may increase liquidity risks.
Managing Growth	<ul style="list-style-type: none"> As FlexiGroup and its operations expand, FlexiGroup will be required to continue to improve, and where appropriate, upscale its operational and financial systems, procedures and controls and expand, retain, manage and train its employees. There is a risk of a material adverse impact on FlexiGroup if it is not able to manage its expansion and growth efficiently and effectively.
Acquisition Activities	<ul style="list-style-type: none"> From time to time FlexiGroup evaluates acquisition opportunities. Any acquisition would lead to a change in the sources of FlexiGroup's earnings and could increase the volatility of its earnings. Integration of new businesses into FlexiGroup may be costly and may not generate expected earnings and may occupy a large amount of management's time. There is no guarantee that future potential acquisitions will be available on favourable terms or that they will be successfully integrated.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

27

Key Risks (Cont'd)

Specific Risks (Cont'd)

Dependence on Key Management Personnel	<ul style="list-style-type: none"> The operating and financial performance of FlexiGroup is largely dependent on its ability to retain and attract key management personnel. Whilst FlexiGroup makes every effort to retain key management personnel, there can be no guarantee that it will be able to do so. Any loss of key management personnel could materially adversely affect FlexiGroup's business, operating and financial performance.
Regulatory Risk	<ul style="list-style-type: none"> FlexiGroup and F&P Finance each operate in highly regulated industries. Changes in law or regulation in a market in which FlexiGroup or F&P Finance operates could materially impact their business, operating and financial performance. FlexiGroup's and F&P Finance's business, operating or financial performance may also be adversely affected by the impact of laws on the enforceability of their loans (or related securities). For example, changes to the law of penalties could result in contractual provisions such as late payment, dishonour and over-limit fees being unenforceable, and FlexiGroup and F&P Finance's loans (or related security) could be adversely affected in other ways by non-compliance with laws or regulatory requirements. Such events or circumstances may materially adversely affect their business, operating or financial performance either directly or indirectly (for example through liabilities they may have to their respective third party funders or funding vehicles) in connection with the origination and servicing of loans. FlexiGroup's business activities in Australia are primarily regulated by ASIC under the Corporations Act 2001 (Cth), the Australian Securities and Investment Act 2001 (Cth), the National Consumer Credit Protection Act 2009 (National Credit Act) and the National Credit Code. There is a risk that FlexiGroup could face legal or regulatory sanctions or reputational damage as a result of any failure to comply with applicable laws, regulations, codes of conduct and applicable standards. A breach of any of these could result in fines, penalties, the payment of compensation or the cancellation or suspension of FlexiGroup's ability to carry on certain of its activities or businesses. This could materially adversely affect FlexiGroup's business, operating and financial performance. In particular, FlexiGroup is regulated by the National Credit Act and the National Credit Code in relation to its consumer leasing business. The National Credit Act imposes a number of obligations on FlexiGroup. For example, FlexiGroup has to comply with statutory obligations in relation to responsible lending, disclosure and enforcement. Over the past 12 months in particular, ASIC has had an industry wide focus on compliance with responsible lending requirements. As part of that process, FlexiGroup has been and continues to be in correspondence with ASIC in relation to its responsible lending practices. This process may result in a range of outcomes, including agreements being reached or undertakings being given to ASIC in respect of changes to FlexiGroup's responsible lending practices, which may impact on FlexiGroup's business, operating and financial performance. FlexiGroup proactively tracks the external regulatory environment in which it operates to ensure that it is able to manage a constructive dialogue with and can respond proactively to the key strategies and priorities of its primary regulators.
Changes in Technology	<ul style="list-style-type: none"> Technology plays an important role in the delivery of services to customers in a cost effective manner. FlexiGroup's ability to compete effectively in the future will, in part, be driven by its ability to maintain (including update where required) and secure an appropriate technology platform for the efficient delivery of its products and services. F&P plans to focus on investing in core IT systems and digital capability to support future business growth.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

28

Key Risks (Cont'd)

Specific Risks (Cont'd)

Industry Competition	<ul style="list-style-type: none"> There is substantial competition within the specialty finance sector in which FlexiGroup operates. The effect of competitive market conditions may adversely impact the earnings and assets of FlexiGroup. In particular, any reduction in fees or interest rate margins in line with, or to remain competitive with, the sector in which FlexiGroup operates, could materially adversely affect FlexiGroup's financial performance.
Corporate Debt Refinancing Risk	<ul style="list-style-type: none"> Certain of FlexiGroup's debt facilities will need to be refinanced at various maturity dates. The inability to refinance these facilities on satisfactory terms could adversely affect FlexiGroup's financial performance and prospects. To the extent that additional equity or debt funding is not available from time to time on acceptable terms, or at all, FlexiGroup may not be able to take advantage of acquisition and other growth opportunities, develop new ideas or respond to competitive pressures.
Credit Risk	<ul style="list-style-type: none"> Credit market conditions and the operating and financial performance of FlexiGroup will affect borrowing costs as well as the company's capacity to repay, refinance or increase its corporate debt. FlexiGroup is subject to covenants in its corporate debt facilities, including liquidity and leverage tests. If FlexiGroup were to breach any of these covenants, its corporate debt could be immediately declared repayable and there is no guarantee that FlexiGroup would have sufficient cash flow or be able to source refinancing on acceptable terms.
Funding Risk	<ul style="list-style-type: none"> FlexiGroup's platform comprises a mix of financing sources. Across the various markets that FlexiGroup operates in, it depends upon these sources to fund its operations and therefore faces funding risks. A loss of or adverse impact on or in relation to one or more of its funding sources, if it is unable to access alternative sources of funding, could limit FlexiGroup's ability to write new business or to write business on terms which are competitive, or to refinance existing facilities, all of which could materially adversely affect FlexiGroup's business, operating and financial performance.
Litigation and Claims	<ul style="list-style-type: none"> As with all businesses, FlexiGroup is exposed to potential legal and other claims or disputes in the course of its business, including contractual disputes, work health and safety claims and other liability claims in relation to the services that it provides. FlexiGroup takes legal advice in respect of such claims and, where relevant, makes provisions and disclosure regarding such claims in its consolidated financial statements. Although FlexiGroup seeks to minimise the risk of such claims arising, and their impact if they do arise, such claims will arise from time to time and could materially adversely affect FlexiGroup's business, operating and financial performance.
Future Payment of Dividends	<ul style="list-style-type: none"> The payment of dividends on FlexiGroup's shares is dependent on a range of factors including the profitability of its group, the availability of cash, capital requirements of the business and obligations under debt instruments. Any future dividend levels will be determined by the FlexiGroup board having regard to its operating results and financial position at the relevant time. That said, there is no guarantee that any dividend will be paid by FlexiGroup or, if paid, that they will be paid or franked at previous levels.
Risks associated with not taking up new shares under the Entitlement Offer	<ul style="list-style-type: none"> You should note that if do not take up all or part of your entitlement, then your percentage shareholding in FlexiGroup will be diluted by not participating to the full extent in the Entitlement Offer. Before deciding whether to take up New Shares under the Entitlement Offer, you should seek independent advice.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

29

Key Risks (Cont'd)

Acquisition-Specific Risks

Completion risks	<ul style="list-style-type: none"> Completion of the acquisition is conditional on certain matters including (1) Overseas Investment Act (OIA) approval; (2) Reserve Bank of New Zealand (RBNZ) consent in accordance with the Non-bank Deposit Takers Act (NBDT Act); (3) RBNZ satisfaction that Consumer Insurance Services Limited (CISL) will continue to meet the criteria set out in the Insurance (Prudential Supervision) Act 2010 entitling CISL to remain licensed pursuant to that Act. If these conditions are not satisfied or waived by the parties, the acquisition will not complete. In addition, FlexiGroup is able to withdraw from the acquisition if a material adverse change occurs in the target group's funding (subject to payment of a break fee). Where the acquisition is not completed, FlexiGroup will assess the most appropriate way to return proceeds (net of transaction costs) to shareholders on its register at that time the return of proceeds is made. There is no prescribed period within which the consent of RBNZ under the NBDT Act and the OIA approval must be given. It is expected that those approvals will take at least 3 months and there is a risk that they will take longer. RBNZ can also impose any terms and conditions on its consent as it sees fit.
Reliance on information provided	<ul style="list-style-type: none"> FlexiGroup undertook a due diligence process in respect of F&P Finance, which relied in part on the review of financial and other information provided by the vendors or F&P Finance. Despite taking reasonable efforts, FlexiGroup has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, FlexiGroup has prepared (and made assumptions in the preparation of) the unaudited financial information relating to F&P Finance on a stand-alone basis and also to FlexiGroup post acquisition of F&P Finance included in this Presentation in reliance on the information provided by the vendors of F&P Finance. If any such information provided to and relied upon by FlexiGroup in its due diligence process and in its preparation of this Presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of F&P Finance and the combined group may be materially different to the expectations reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition have been identified. Therefore there is a risk that unforeseen issues and risks may arise which also have a material impact on FlexiGroup.
Integration risks	<ul style="list-style-type: none"> The acquisition will require the integration of the F&P Finance business with FlexiGroup. Integration costs associated with the Acquisition will be funded through cash generated from the Entitlement Offer. However, there is a risk that the integration process will be more complex than currently anticipated, encounter unexpected challenges or issues, take longer than expected, divert management attention or not deliver the expected benefits and synergies, any of which may materially adversely affect FlexiGroup's business, operating and financial performance.
Assumption of Liabilities	<ul style="list-style-type: none"> If the acquisition of F&P Finance completes, FlexiGroup may become directly or indirectly liable for any liabilities that F&P Finance has incurred in the past, and for which the market standard protection (in the form of insurance, representations and warranties and indemnities) negotiated by FlexiGroup prior to its agreement to acquire F&P Finance turns out to be inadequate in the circumstances. Such liability may materially adversely affect FlexiGroup's business, operating and financial performance post-acquisition.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

30

Key Risks (Cont'd)

Acquisition-Specific Risks (Cont'd)

<p>Analysis of Acquisition Opportunity</p>	<ul style="list-style-type: none"> FlexiGroup has undertaken financial, business and other analysis of F&P Finance in order to determine its attractiveness to FlexiGroup and whether to pursue the acquisition. It is possible that such analyses, and the best estimate assumptions made by FlexiGroup, draws conclusions and forecasts that are inaccurate or which are not realised in due course. To the extent that the actual results achieved by F&P Finance are different than those indicated by FlexiGroup's analysis, there is a risk that the profitability and future earnings of the operations of the combined group may be materially different from the profitability and earnings expected as reflected in this Presentation.
<p>Debt Funding Risk</p>	<ul style="list-style-type: none"> FlexiGroup has undrawn capacity within its existing facility and has approval to increase that capacity for the purposes of funding the acquisition. In the unlikely event that formal documentation to increase the existing facility capacity is not executed, or any of the conditions to draw down under the facility are not satisfied, FlexiGroup may need to find alternative funding which may not be provided on equivalent terms or be available at all. This may have an adverse impact on FlexiGroup's ability to fund the proposed acquisition.
<p>Commercial Agreements</p>	<ul style="list-style-type: none"> The majority of F&P Finance's agreements with merchants, dealers and brokers can be terminated on between one to six months' notice and number do not confer exclusively benefits on F&P Finance. If a material number of these contracts were to be terminated and not replaced in the future, this may materially adversely affect FlexiGroup's business, operating and financial performance.
<p>Equity Funding and Underwriting Risk</p>	<ul style="list-style-type: none"> FlexiGroup has entered into an underwriting agreement under which the underwriters have agreed to fully underwrite the Offer, subject to the terms and conditions of the underwriting agreement between the parties. If certain conditions are not satisfied or certain events occur, the underwriters may terminate the underwriting agreement. Conditions include the acquisition agreement or the terms of Mr Abercrombie's commitment being terminated or varied in a material respect without the prior written consent of the underwriters, or an event occurring which amounts to the funding arrangements not being available to fund the acquisition. Other customary termination events apply, such as FlexiGroup ceasing to be admitted to the official list of ASX, ASX refusing to grant quotation to the new shares issued under the Offer, the S&P/ASX 200 closing below certain thresholds during the offer period, a statement contained in the Offer materials is or becomes misleading or deceptive or the Offer materials omit any information they are required to contain, FlexiGroup or its directors or officers engaging in fraudulent conduct or activity or material adverse change occurring in the assets, liabilities, financial position, results, condition, operations or prospects of FlexiGroup and F&P Finance. Termination of the underwriting agreement would have an adverse impact on the proceeds raised under the Offer and FlexiGroup's sources of funding for the acquisition and FlexiGroup would be required to seek alternative funding. Whilst FlexiGroup believes this would be possible there is no guarantee that alternative funding could be sourced either at all or on satisfactory terms and conditions.



Key Risks (Cont'd)

Acquisition-Specific Risks (Cont'd)

<p>Acquisition Accounting</p>	<ul style="list-style-type: none"> In accounting for the acquisition in the pro-forma historical combined balance sheet, FlexiGroup assumed that the book value of the assets and liabilities of F&P Finance represents their fair value as at 30 June 2015. The excess of total consideration paid over F&P Finance net assets at 30 June 2015 is considered goodwill. FlexiGroup will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of F&P Finance post-acquisition, which may give rise to a materially different fair value allocation to that used for purposes of the pro-forma financial information set out in this presentation. Such a scenario will result in a reallocation of the fair value of assets and liabilities acquired to or from goodwill and also an increase or decrease in depreciation and amortisation charges in the combined group's income statement (and a respective increase or decrease in net profit after tax).
<p>Post Acquisition Performance</p>	<ul style="list-style-type: none"> If the acquisition completes many of the risks identified in this section in respect of FlexiGroup will also apply to F&P Finance and FlexiGroup's ownership of F&P Finance.



Appendix C

Foreign Jurisdictions



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

33

Foreign Jurisdictions

General	<ul style="list-style-type: none">This document does not constitute an offer of entitlements ("Entitlements") or new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.
European Economic Area – Germany and Netherlands	<ul style="list-style-type: none">The information in this document has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.An offer to the public of Entitlements and New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:<ul style="list-style-type: none">to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); orto any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.
France	<ul style="list-style-type: none">This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The Entitlements and the New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.This document and any other offering material relating to the Entitlements and the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Entitlements and the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

34

Foreign Jurisdictions (Cont'd)

Hong Kong

- **WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).
- No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Entitlements or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.
- The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

- The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations"). The Entitlements and the New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(l) of the Prospectus Regulations.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

35

Foreign Jurisdictions (Cont'd)

Italy

- The offering of the Entitlements and the New Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to these securities may be distributed in Italy and these securities may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998, as amended ("Decree No. 58"), other than:
 - to qualified investors ("Qualified Investors"), as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999, as amended ("Regulation No. 11971"); and
 - in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971.
- Any offer, sale or delivery of the Entitlements or the New Shares or distribution of any offer document relating to these securities in Italy (excluding placements where a Qualified Investor solicits an offer from the issuer) under the paragraphs above must be:
 - made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 (as amended) and any other applicable laws; and
 - in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.
- Any subsequent distribution of the Entitlements and the New Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such securities being declared null and void and in the liability of the entity transferring the securities for any damages suffered by the investors.

New Zealand

- This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").
- The Entitlements and the New Shares in the entitlement offer are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the FMC Act and the Securities Act (Overseas Companies) Exemption Notice 2013.
- Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:
 - is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
 - meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
 - is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
 - is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
 - is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.



FLEXIGROUP^X

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

36

Foreign Jurisdictions (Cont'd)

<p>Norway</p>	<ul style="list-style-type: none"> This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007. The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).
<p>Singapore</p>	<ul style="list-style-type: none"> This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. Neither this document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

37

Foreign Jurisdictions (Cont'd)

<p>Switzerland</p>	<ul style="list-style-type: none"> The Entitlements and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Entitlements and the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. These securities will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. Neither this document nor any other offering or marketing material relating to the Entitlements and the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Entitlements and New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). This document is personal to the recipient only and not for general circulation in Switzerland.
<p>United Kingdom</p>	<ul style="list-style-type: none"> Neither the information in this Presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000 ("FSMA")) has been published or is intended to be published in respect of the entitlements or the New Shares. This Presentation is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the entitlements and the New Shares may not be offered or sold in the United Kingdom by means of this Presentation, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This Presentation should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply. In the United Kingdom, this Presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this Presentation relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Presentation or any of its contents.



FLEXIGROUP

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

38



5. IMPORTANT INFORMATION

5.1 Responsibility for Offer Booklet

This Offer Booklet (including the ASX Offer Announcements and the personalised Entitlement and Acceptance Form made available with the Offer Booklet) has been prepared by FlexiGroup. This Offer Booklet is dated 4 November 2015 (other than the ASX Offer Announcements, which were published on the ASX website on Tuesday, 27 October 2015).

No party other than FlexiGroup has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by FlexiGroup, or its related bodies corporate in connection with the Entitlement Offer.

5.2 Status of Offer Booklet

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues to be offered without a prospectus.

Neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC. This Offer Booklet is not a prospectus under the Corporations Act and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in FlexiGroup. They do not contain all the information which would be required to be disclosed in a prospectus.

As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on FlexiGroup and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to this Offer Booklet, the Investor Presentation and other announcements made available at <http://www.asx.com.au/>.

This Offer Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. FlexiGroup is not licensed to provide financial product advice in respect of the New Shares. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

5.3 Offer Booklet availability

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Offer Booklet during the period of the Entitlement Offer by accessing the ASX website or accessing the FlexiGroup website at www.flexigroup.com.au. Persons who access the electronic version of this Offer Booklet should ensure that they download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the ASX website and the FlexiGroup website will not include a personalised Entitlement and Acceptance Form.

A personalised Entitlement and Acceptance Form can be accessed online via the Offer Website or requested by calling the FlexiGroup Offer Information Line on 1300 853 481 at any time between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer Period.

This Offer Booklet and the personalised Entitlement and Acceptance Form may not be distributed or released to, or relied upon by, persons in the United States or that are acting for the account or benefit of a person in the United States.

5.4 Notice to nominees

If FlexiGroup believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer from FlexiGroup. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not) and Ineligible Institutional Shareholders.

Persons acting as custodians or nominees must not apply for New Shares on behalf of, or for the account or benefit of, a person in the United States and must not send any document relating to the Retail Entitlement Offer to, any person that is in the United States or that is acting for the account or benefit of any person in the United States.

FlexiGroup is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

5.5 No cooling off

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

5.6 Privacy Statement

If you complete an application for New Shares, you will be providing personal information to FlexiGroup (directly or through Link Market Services Limited). FlexiGroup collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and Link Market Services Limited.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact Link Market Services Limited at the relevant contact numbers set out in the Corporate Directory of this Offer Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if the information required on the

Entitlement and Acceptance Form is not provided, FlexiGroup may not be able to accept or process your application.

5.7 Governing Law

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

5.8 Foreign Jurisdictions

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

The Entitlements and the New Shares are not being offered to the public within New Zealand other than to existing Shareholders of FlexiGroup with registered addresses in New Zealand to whom the offer of the Entitlements and New Shares is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares or otherwise permit the public offering of the New Shares in any jurisdiction other than Australia and New Zealand.

This Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Any non-compliance with these restrictions may contravene applicable securities laws.

See the "Foreign Jurisdictions" section of the Investor Presentation for more information.

5.9 Underwriting

The Entitlement Offer is fully underwritten by Citigroup Global Markets Australia Pty Limited and CBA Equities Limited. A summary of some of the circumstances in which the Underwriting

Agreement may be terminated is set out in the "Key Risks – Equity Funding and Underwriting Risk" section of the Investor Presentation.

5.10 **Disclaimer of representations**

Except as required by law, and only to the extent so required, none of FlexiGroup, or any other person, warrants or guarantees the future performance of FlexiGroup or any return on any investment made pursuant to this Offer Booklet.

6. GLOSSARY

ABN means Australian Business Number.

Additional New Shares means New Shares in excess of an Eligible Shareholder's Entitlement.

Acquisition means the acquisition of a 100% interest in Fisher & Paykel Finance Holdings Limited.

AEDT means Australian Eastern Daylight Time.

Application Monies means the amount specified in the personalised Entitlement and Acceptance Form, being the consideration for New Shares under the Retail Entitlement Offer.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it on which FlexiGroup Shares are quoted.

ASX Offer Announcements means the ASX announcements reproduced in section 4 of the Offer Booklet, being the announcement to ASX on Tuesday, 27 October 2015 of the launch of the Entitlement Offer, the Investor Presentation and the announcement to ASX on Friday, 30 October 2015 of the successful completion of Institutional Entitlement Offer.

CGT means capital gains tax.

Corporations Act means the Corporations Act 2001 (Cth).

Eligible Institutional Shareholder means institutional shareholders who were successfully invited to participate in the Institutional Entitlement Offer (as determined by the Underwriters).

Eligible Retail Shareholders has the meaning given in section 1.2 of the Offer Booklet.

Entitlement and Acceptance Form means the personalised form, made available online on the Offer Website and in hard copy upon request, to be used to make an application in accordance with the instructions set out on that form.

Entitlement means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 4.46 Shares held at the Record Date.

Entitlement Offer means the underwritten accelerated pro rata non-renounceable entitlement offer of 1 New Share for every 4.46 Shares held at the Record Date at an Offer Price of A\$2.20 per New Share.

Fisher & Paykel Finance means Fisher & Paykel Finance Limited.

Fisher & Paykel Holdings means Fisher & Paykel Finance Holdings Limited.

FlexiGroup means FlexiGroup Limited ACN 122 574 583.

GST means goods and services tax.

HIN means Holder Identification Number.

Ineligible Institutional Shareholder means institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer (as determined by the Underwriters).

Ineligible Retail Shareholders has the meaning given in section 1.7 of this Offer Booklet.

Institutional Entitlement Offer means the entitlement offer made to Eligible Institutional Shareholders and successfully completed on 28 October 2015.

Institutional Trading Date means the date on which New Shares are issued under the Institutional Entitlement Offer.

Investor Presentation means the FlexiGroup Investor Presentation released to ASX on Tuesday, 27 October 2015 and included in section 4 of this Offer Booklet.

Launch Date means the date on which the Entitlement Offer is launched being Tuesday, 27 October 2015.

Link Market Services Limited means Link Market Services Limited ACN 083 214 537.

Listing Rules means the official listing rules of the ASX.

New Shares means the fully paid ordinary shares in FlexiGroup offered under Entitlement Offer.

Offer Booklet means this offer booklet in relation to the Retail Entitlement Offer, including the ASX Offer Announcements reproduced in section 2 and the personalised Entitlement and Acceptance Form accompanying the offer booklet.

Offer Price means A\$2.20 being the price payable per New Share under the Entitlement Offer.

Offer Website means the website dedicated to the Entitlement Offer accessible via <https://events.miraqle.com/Flexigroup-Offer>.

Perpetual Notes means the perpetual notes convertible into ordinary shares in FlexiGroup which are proposed to be issued by FlexiGroup.

Record Date means 7:00pm (AEDT) on Friday, 30 October 2015.

Registry means Link Market Services Limited.

Retail Allotment Date means the date on which New Shares are issued under the Retail Entitlement Offer.

Retail Entitlement Offer means the fully underwritten accelerated pro rata non-renounceable entitlement offer of 1 fully paid ordinary shares for every 4.46 existing Shares held at the Record Date at an Offer Price of A\$2.20 made to Eligible Retail Shareholders.

Share means a fully paid ordinary share in FlexiGroup.

Shareholder means a holder of a Share.

SRF means Shareholder Reference Number.

TERP means the theoretical ex-rights price.

TFN means tax file number.

Top Up Shares has the meaning ascribed in section 1.5.

Underwriters means Citigroup Global Markets Australia Pty Limited and CBA Equities Limited.

Underwriting Agreement means the underwriting agreement between FlexiGroup and the Underwriters under which the Underwriters has underwritten the Entitlement Offer.

U.S. Securities Act means the United States Securities Act 1933 (as amended).

VWAP means the volume weighted average price.

Corporate Directory

FLEXIGROUP LIMITED
ACN 122 574 583

REGISTERED OFFICE
Level 8, 201 Pacific Highway
St Leonards NSW 2065
Australia

LEGAL ADVISER TO FLEXIGROUP LIMITED
Ashurst
Level 11, 5 Martin Place
Sydney NSW 2000
Australia

UNDERWRITER
Citigroup Global Markets Australia Pty Limited
Citigroup Centre
Level 23, 2 Park Street
Sydney NSW 2000

and

CBA Equities Limited
Level 23, Darling Park, Tower 1, 201 Sussex St
Sydney NSW 2000

SHARE REGISTRY
Link Market Services Limited
Level 12, 680 George St
Sydney NSW 2000
Australia
02 8280 7100 (within Australia)
+61 2 8280 7100(outside Australia)

WEBSITE
Corporate information and the FlexiGroup Annual Report can be found via FlexiGroup's website at www.flexigroup.com.au.

FlexiGroup Offer Information Line
1300 853 481

Open between 8:30am and 5:30pm (AEDT) on Monday to Friday during the Retail Entitlement Offer Period