



**LOVE
FOR HUMM™
TAKES OFF //**

-
- 01. Strategy update and rebrand**
 - 02. FY20 Group Financials**
 - 03. Execution and next steps**
 - 04. Appendices**

Agenda //

Strategy update and rebrand //

FY20 achievements //

Double digit volume growth

Across our simplified lines of business

37% consumer growth in FY20

570,000 new retail customers and 5,000 new retailers

9x customer usage p.a. and growing

Significant increase in engagement with 600k app downloads and growing

eComm growth of 127% YoY in BNPL

Delivering a seamless digital experience to our customers

\$10m reduction in underlying costs¹

Realising benefits of reduced complexity



'Buy anywhere, pay later' product launched in February 2020

1. On an annualised basis.

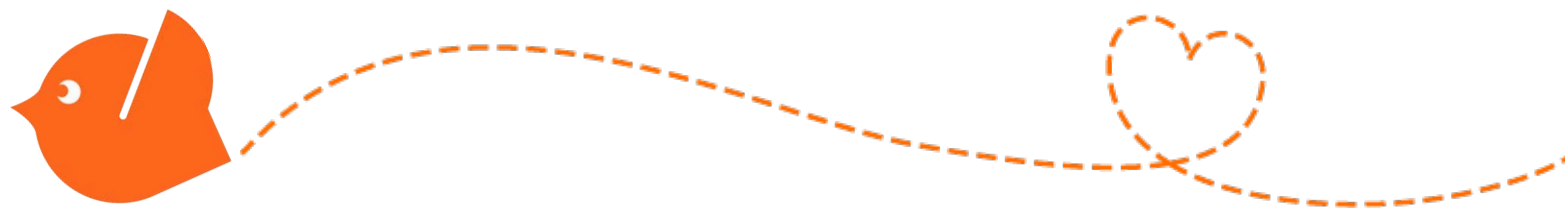
Today //

- >> **Unifying and rebranding flexigroup** to our most recognised brand as the final step in our simplification journey.
- >> **Announcing an equity raising** to provide balance sheet flexibility and enable **profitable** and **sustainable growth**.
- >> Undertaking a **strategic review** of our high performing **FlexiCommercial** division to **unlock its full potential** and focus on a simplified business.

**Both the flexigroup
brand and our flagship
consumer brands will
now be united under
one name...**

hummmTM

Unified //



Today marks a further simplification milestone to unify the proposition of interest free instalment payments for consumers and SMEs.

We have a clear and differentiated proposition:

Interest free buying power for everything, everywhere and for everybody.

Humm™ secures leadership

>>

One year since launching, the **humm™** brand is a leader in transactions over \$1,000 with strong and profitable customer growth.

New frontier

>>

Our aim is to lead a new frontier by pushing into new, empowering and evolving solutions to drive the way our customers live, shop and budget.

Rebranding

>>

Announcing that **flexigroup** and our flagship products will be rebranded and brought under our most recognised and loved brand: **humm™**.

Unified ecosystem

>>

The unified **humm™** ecosystem is powered by a common credit and insights engine, enabling us to continually enhance and adapt our platform.

Note: The rebranding of **flexigroup** to **humm™** will be subject to a shareholder vote which will take place at the FY20 AGM. **flexigroup** has reserved the ASX ticker 'HUM'.



A leader in buy now pay later (BNPL) and interest free finance, currently operating in Australia, New Zealand and Ireland.

Australia BNPL

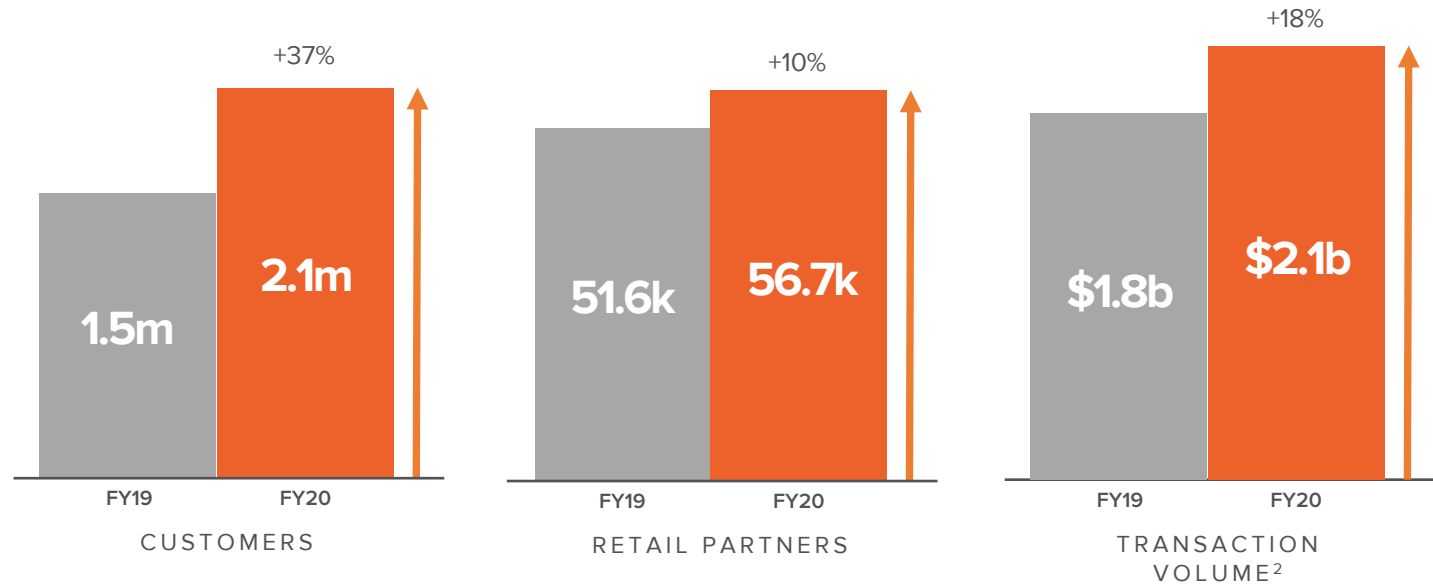
3rd

Largest player in BNPL¹

17.5%

Market Share in Australia¹

BNPL and interest free finance (AU, NZ & IE)

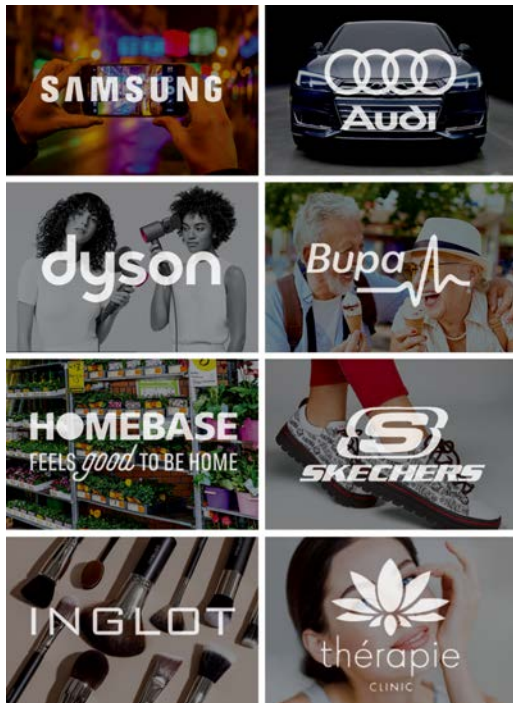


1. IBISWorld Buy Now, Pay Later in Australia Industry report April 2020; reflects percentage share of industry revenue. 2. On a continuing operations basis.

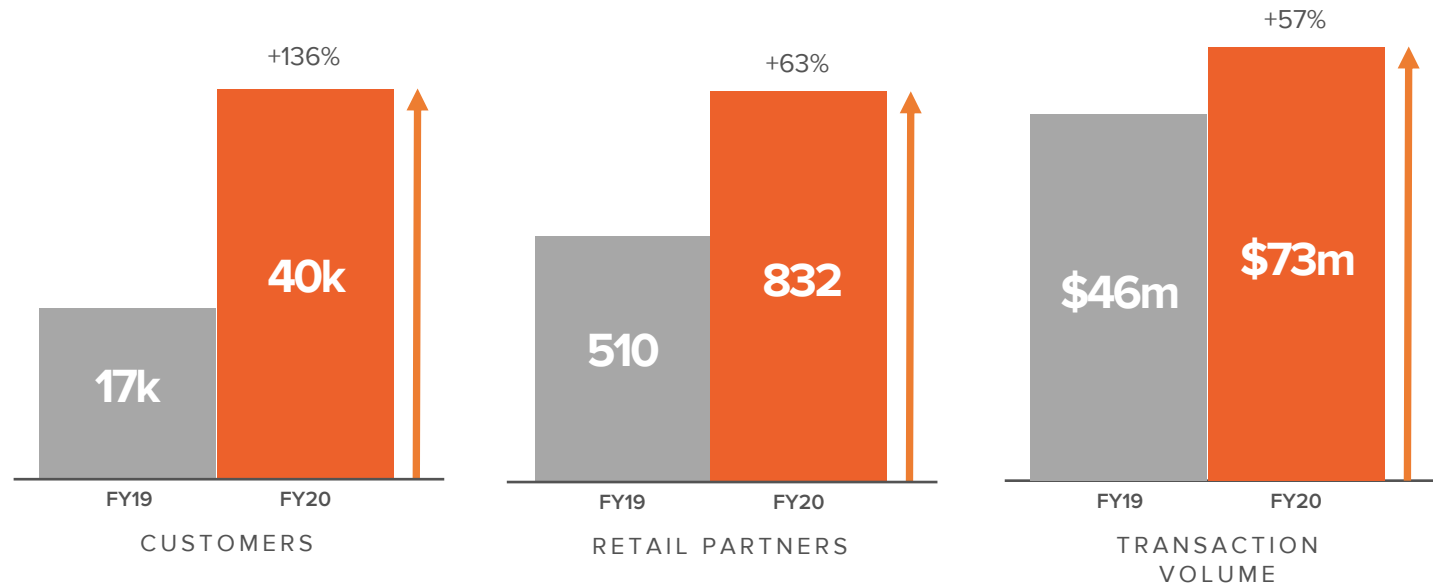


Since transforming the Ireland business from leasing to BNPL, we've doubled customers in FY20 with strong double-digit growth across volumes and retail partners. With many of our retail partners in Ireland also operating in the UK, this provides us strong optionality for further expansion.

Ireland BNPL retail partners



Ireland BNPL operational performance





A single platform serving everybody from Gen Z and millennial spenders, through to young families and SMEs. **hummm™** finances everything, from life's little luxuries through to significant purchases.



Buy Now. Pay Later. Everywhere.

Millennials and Gen Z:
The Balancers



Live interest free forever!

Young families:
The Amplifiers



100% shopping. 0% interest.

Young families/HENRY's:
The Shoppers



Buy Now Pay Later. Built for
business

SMEs:
The Founders

\$2,136m

Volumes in FY20

>\$450b¹

<< Total addressable market (**bundll**, **hummm™** and **hummm90**) >>

(Previously AU + NZ Cards)

Launching in FY21

>\$30b²

<< Total addressable market >>

(Previously wired)

Source: 1. Australian Bureau of Statistics (period ending 30 June 2020), Stats NZ (period ending 31 March 2020) and Consumer Market Monitor (period ending 31 December 2019. Annual amounts.
2. Based on management estimates from Reserve Bank of Australia and Reserve Bank of New Zealand data.



The customer and retailer engagement around **hummm™** is delivering a loud and clear message. Centralising our value propositions around the **hummm™** brand to harness the natural synergies across our consumer and SME products.

Creates a seamless checkout experience under one brand, serving the best product solution to suit both the retailer and end customer

Strong revenue benefits from cross promoting all products to all retailers and customers via a unified app and seller portal

**A CLEAR
RATIONALE
FOR THE
REBRAND**

Boost in brand awareness – aligning to a central brand that resonates with customers and retailers and reducing our cost of sale

Simplifying our story to customers, retailers and clarifying our significant market position

hummm™ // Payment solutions across the entire shopping journey.

CONSUMER SOLUTIONS (online + instore)

Payment solution	Maximum limit	Little things	Big things	Description
 bundll <small>powered by hummm</small>	<\$1,000	✓		>> 2 weeks to repay, snooze for an extra 2 >> Repay over 12 weeks with superbundll
 hummm® <small>'Little things'</small>	<\$2,000	✓		>> Fortnightly repayments in 5 or 10 slices
 hummm® <small>'Big things'</small>	<\$30,000		✓	>> 6-60 months repayment period
 hummm®90	<\$50,000	✓	✓	>> 90 days interest free >> Up to 60 months interest free with selected retail partners

SME SOLUTIONS

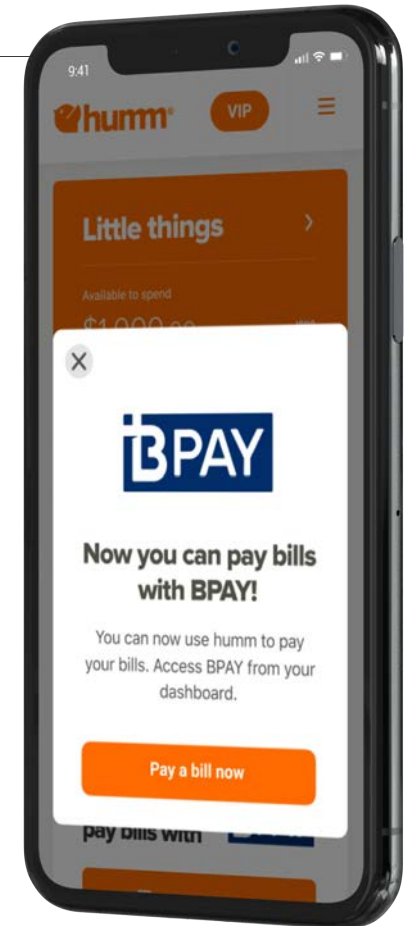
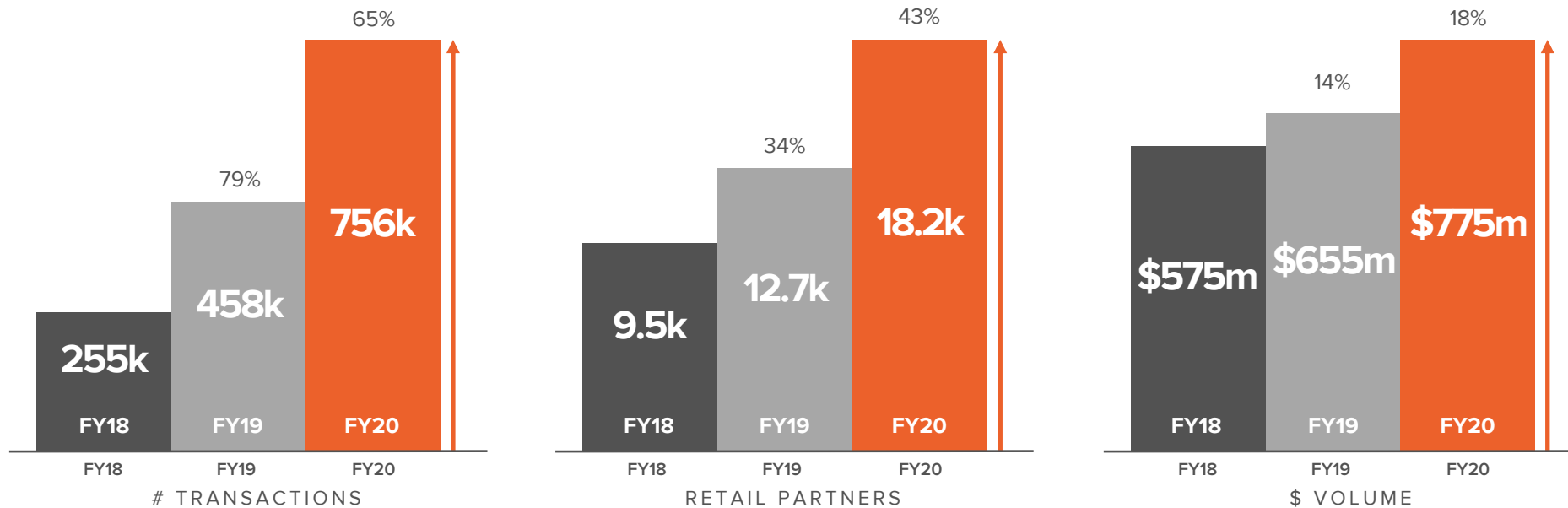


BNPL. Built for business
Meeting the cashflow needs of small businesses through interest free instalments

Launching in FY21



Strong growth in BNPL across Australia, New Zealand and Ireland – the number of transactions have tripled, and retail partners on the platform have doubled since FY18.



1. All figures include humm™ AU, NZ Oxipay and flexifi (Ireland).



BNPL product aimed at disrupting the debit card market is resonating. In built budgeting tools support financial wellness for customers.

1,500

Customers joining each week and climbing

64%

Growth in 4Q20 volumes over 3Q20

76k

Unique merchant IDs – strength of buy anywhere model

11

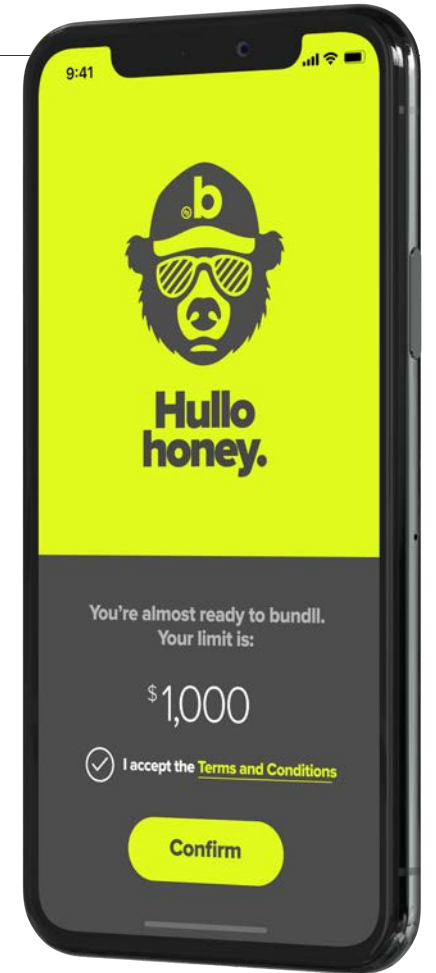
Transactions per month by top 30% of customers

31%

Of transactions made online



Distribution partnerships



Intuitive mobile interface //



#7

Downloaded app in Finance*

4.7

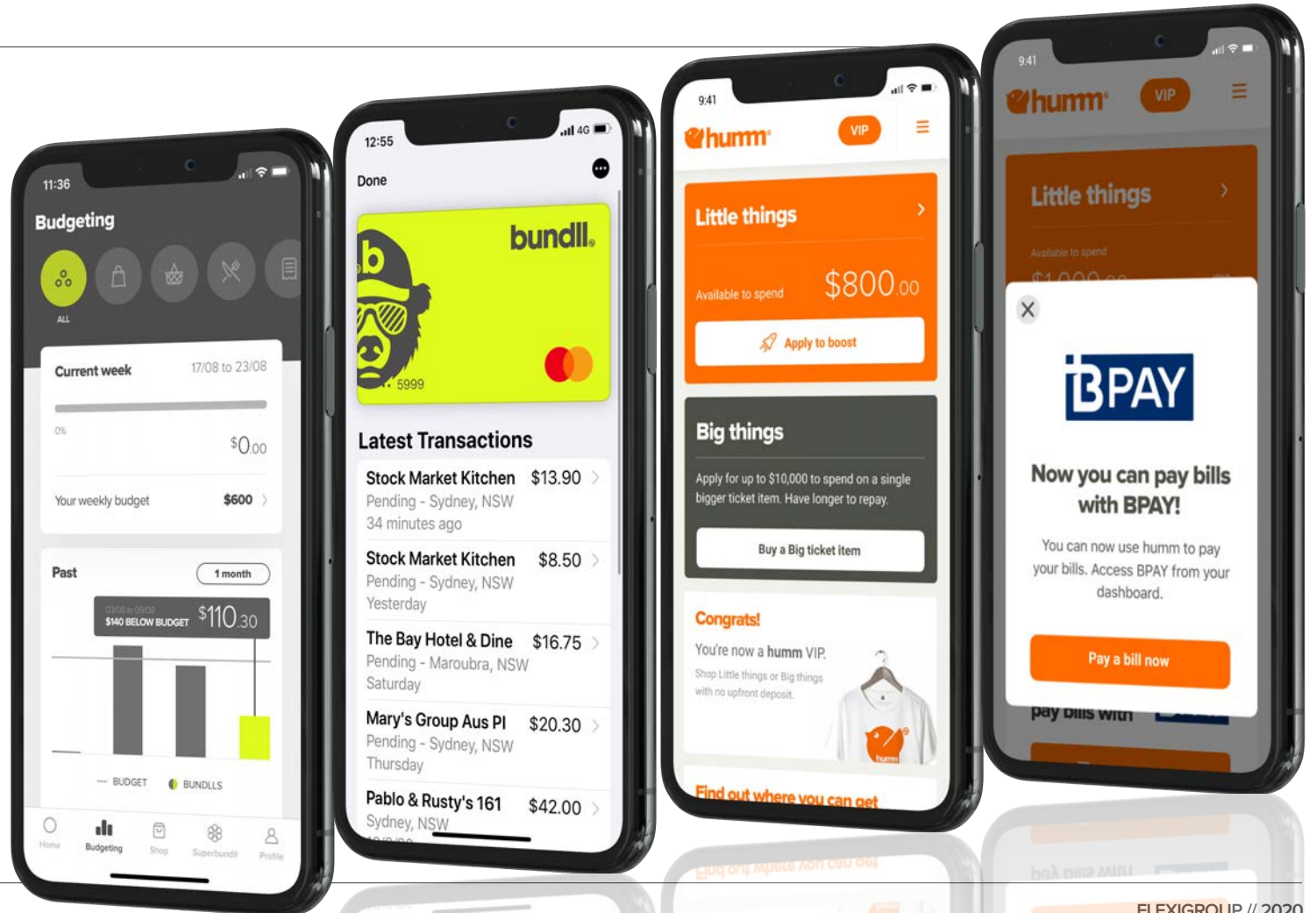
Out of 5 App Store rating*

11.7k

No. of ratings*

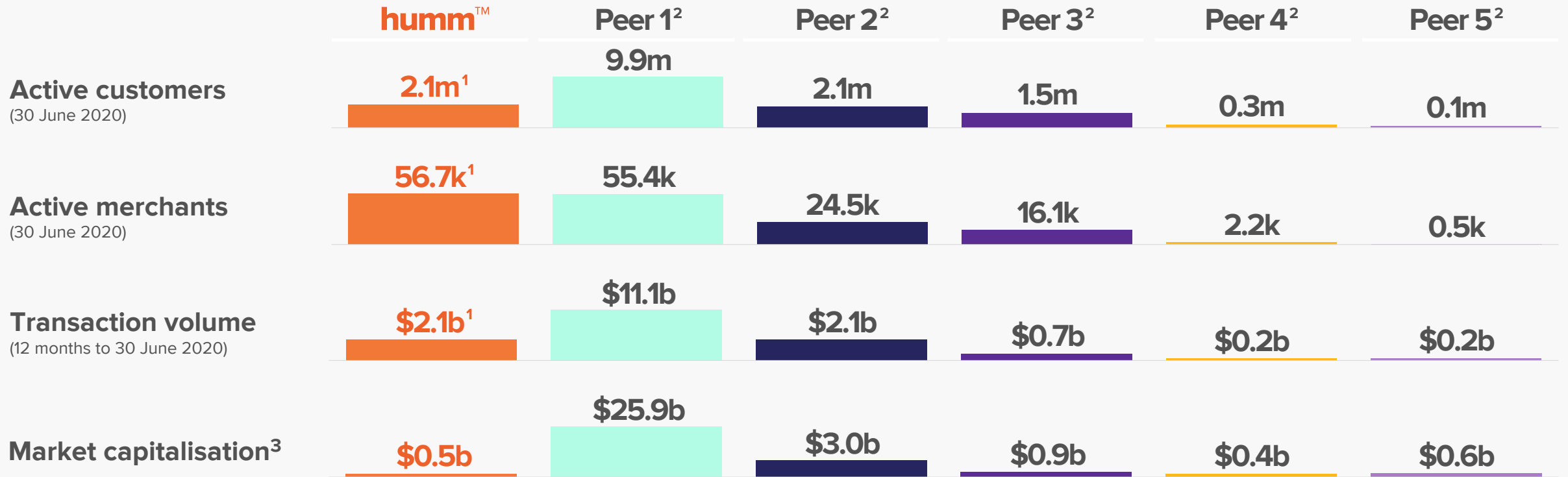
600k

App downloads across the humm™ ecosystem



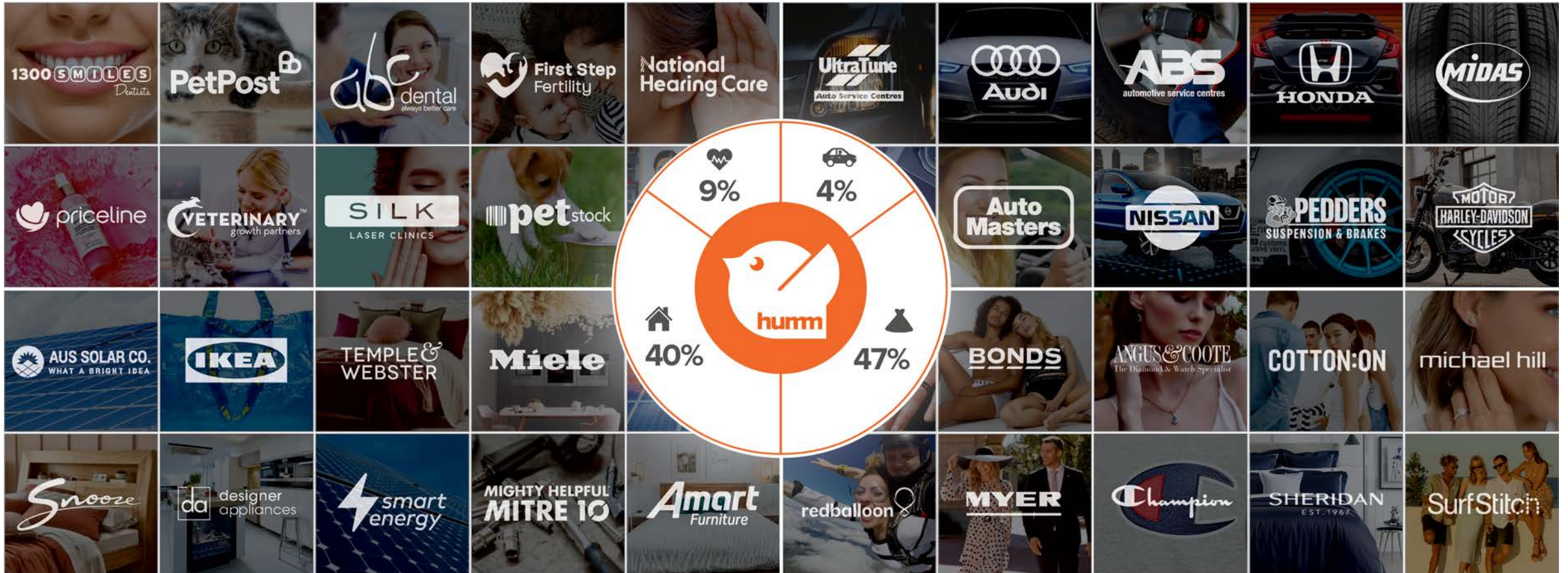
*App Store figures as at 22 August 2020 for the humm™ app.

Significant market position to unlock value //



1. Excludes Commercial & Leasing 2. Sourced directly from relevant company filings and announcements. 3. As at 25 August 2020 close.

Strong resonance with retail partners //



Figures relate to BNPL FY20 transaction volumes for Australia and New Zealand.

Growth enabled by a common credit and insights engine //

Common credit origination engine

Credit decision automation reducing referral rates



Creation of bespoke BNPL serviceability model driving continued improvements in losses



Enhanced registration process for **hummm™** with photo ID scan (first in BNPL for Australia) to protect against fraud



One enhanced collections systems in place for all products reducing losses



Prudent credit risk management in the current environment

- >> First instalment payments upfront for all **hummm™** customers.
- >> Targeted tightening of spend limits across **hummm90** and **hummm™** portfolios.
- >> Rolled out device and user behavioural analytics for **hummm™** and **bundll** apps.
- >> Customers restricted from making additional purchases on **hummm™** if single payment is late.

Note: Common credit origination platform for the **hummm™** ecosystem. Commercial and Leasing segment operates on a separate credit underwriting platform.

Equity raising //

Strategic capital raising

With our business focussed on one brand and one ambition, we are confident that now is the time to capitalise and ramp up our strategy under **hummm™**.

Sustainable and profitable growth

Net proceeds will be used to take advantage of the opportunities from the further simplification of our business:

- >> **Putting firepower behind our strongest brand:** Provide balance sheet strength to underpin funding of a sustainable growth outlook.
- >> **Investing in our strongest products:** Enhancements to the customer experience to drive repeat usage.
- >> **Expanding business partnerships and alliances.**

The equity raise also creates additional balance sheet flexibility (**nil pro forma corporate debt**).



Equity raising details

Undertaking a 1 for 3.20 pro rata accelerated non-renounceable entitlement offer ('Entitlement Offer') with total offer size of A\$140 million, comprising a fully underwritten institutional offer, and a 50% underwritten retail offer. The total estimated underwritten amount is ~\$115 million.

The offer structure and amount is designed to (i) enable the two largest strategic shareholders to participate, and (ii) provide funding certainty for the estimated capital requirement to support **flexigroup's** growth outlook, whilst minimising potential shareholder dilution.

Entitlement Offer price of A\$1.14 per new share which represents:

- >> 12.6% discount to FXL's closing price of A\$1.305 on 25 August 2020.
- >> 10.0% discount to the theoretical ex-rights price (TERP)¹ of A\$1.266.

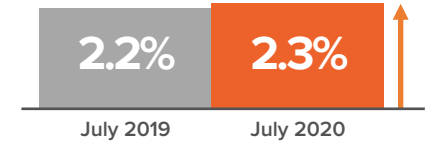
Under the institutional offer, Andrew Abercrombie (Chairman and Founder) will subscribe for A\$7.5m worth of entitlements (equal to ~23% of his total pro-rata entitlement), and John Wylie (NED) & associated entities will subscribe for 100% of their pro-rata entitlement.

1. The theoretical ex-rights price (TERP) is a theoretical price at which FXL shares should trade at immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which FXL shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. The TERP is calculated by reference to FXL's closing price of A\$1.305 on Tuesday, 25 August 2020..

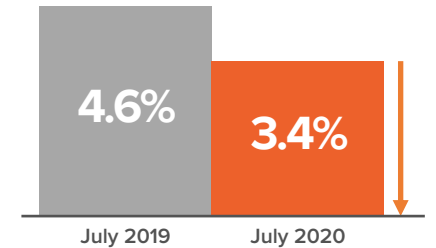
COVID-19 //

- >> **hummm™** benefits from a diverse business model with a product suite that spans BNPL, Revolving Credit and SME finance which is a significant strength in a challenging economic environment.
- >> **hummm™** has taken steps to work with our customers to find options to help them stay in control of their finances.
- >> We have also made preemptive adjustments to our product portfolio to accommodate projected economic deterioration.
- >> Following a peak experienced in April 2020, the number of customers now seeking hardship relief has returned to pre COVID-19 levels. 30+ day arrears for July 2020 are now broadly in line or improved versus the same period last year.
- >> BNPL 90+ days arrears of 0.53% for July 2020 representing a decrease over July 2019.

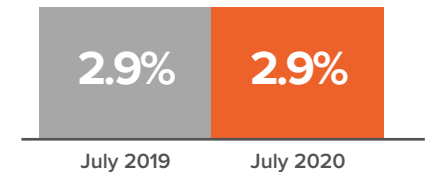
BNPL
30+ days arrears rate



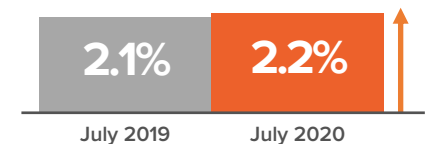
AU Cards
30+ days arrears rate



NZ Cards
30+ days arrears rate



Commercial and Leasing
30+ days arrears rate



Strategic review of FlexiCommercial //

Given our clear focus on BNPL and long-term interest free solutions under the **hummm™** brand, we are announcing a strategic review and creation of a separate division for our high performing Commercial business.

The business provides equipment finance via operating and finance leases, and chattel mortgages across Australia and New Zealand.

Commercial and Leasing Highlights

Established and scalable platform

- >> FY20 volumes up 15% to A\$338m (excludes Consumer Leasing which has ceased) and receivables up 11% to \$649m.
- >> Dedicated commercial team from origination to credit.
- >> Standalone warehouse facilities.

Strong distribution capability

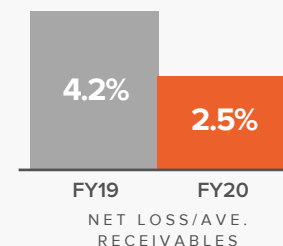
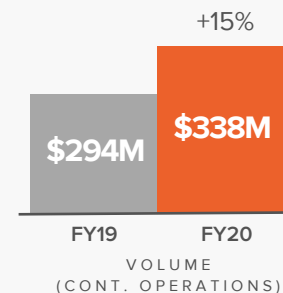
- >> 16k points of distribution including brokers, equipment suppliers, technology suppliers and educational institutions.

Improved credit quality

- >> Significantly enhanced credit quality over FY20.
- >> Improved originations credit rating (B+ per Equifax).
- >> Low 30+ day arrears rate of 2.2% as at 31 July 2020.

Attractive profitability profile

- >> Cash NPAT of \$11.5m¹ (pre COVID-19 macro overlay).
- >> FY20 average ticket size of \$68k in Australia.
- >> Majority of receivables do not carry residual value risk.



1. Includes Consumer Leasing.

FY20 Group Financials //

Highlights //

2.3m

Customers
(+30% YoY)

73k

Retail and commercial
distribution partners
(+13% YoY)

\$2.5b

Transaction volume
(+17%¹ YoY)

3.3%

30+ days arrears
(-20bps YoY)

\$29.2m

Cash NPAT²
(-62% YoY)

>9 times

Transactions per annum
across interest free products
as at June 2020

1. Excludes Consumer Leasing, Once & Lombard which have ceased. 2. Cash NPAT reflects the reported net profit after tax adjusted for material infrequent items and the amortisation of acquired intangibles.

flexigroup (\$m) ¹	FY20	FY19	v PCP%
Cash NPAT	29.2	76.1	(62%)
Non-cash items			
Amortisation of acquired intangible assets	3.3	2.9	13%
Impairment of other intangible assets	1.1	7.5	(85%)
Sale of Think Office Technology	–	(2.2)	0%
Redundancy and restructure	3.5	–	0%
Other	(0.1)	6.2	(102%)
Profit after income tax on statutory basis	21.4	61.7	(65%)
Dividend	3.85	7.7	(50%)
Key metrics			
Volume	2,483	2,556	(3%)
Cost to income ratio	49%	48%	2pp
EPS ²	5.0	15.9	(69%)
ROE % ²	4.9%	12.3%	(7pp)

Financial performance

- >> Cash NPAT before the COVID-19 macro overlay of \$60.1m.
- >> Cash NPAT after the \$30.9m (post tax) COVID-19 macro overlay provision of \$29.2m.
- >> Average Net Receivables (ANR) up 5%.
- >> Growth in interest income from higher ANR.
- >> Decrease in interest expense driven predominantly by lower interest rates.
- >> Other portfolio income impacted by reduced fee income from restructuring BNPL to improve competitiveness, simplifying revolving credit and the cessation of legacy products.
- >> While FY20 operating and other expenses were broadly similar to FY19, cost savings in excess of \$10m were achieved on an annualised basis including labour costs, process optimisation and renegotiation of supplier arrangements.

Dividends

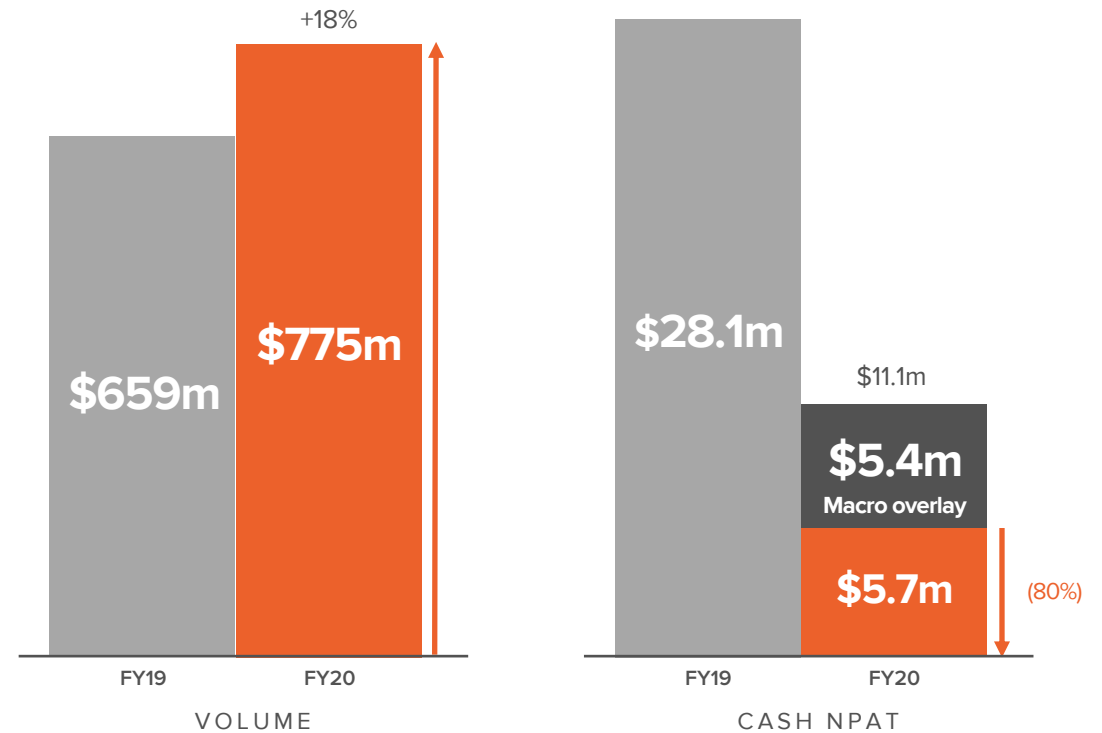
- >> The Board has decided not to pay a final FY20 dividend given current economic circumstances and the equity raising.
- >> Decisions on future dividends will be made after assessing macroeconomic factors and capital management requirements for sustainable and profitable growth.
- >> The Company will provide a further update on dividends at the 1H21 results announcement.

1. The profit and loss statement can be found in the appendices.

2. EPS and ROE calculated based on Cash NPAT.

Buy Now Pay Later //

- >> Cash NPAT of \$5.7m after COVID-19 macro overlay.
- >> Volume up 18% in FY20 reflecting strong growth in Australia, New Zealand and Ireland.
- >> FY20 online volume in Australia increased by 172% accelerating to 262% in 2H20.
- >> Interest income increased by \$4.6m, with growth offset by a changing portfolio mix.
- >> Other portfolio income reduced by \$10.2m, with fee income down \$4.5m largely as a result of simplifying fees in **hummm™**, \$1.8m of direct costs in line with growing volumes, with the balance a result of FX gains in FY19.
- >> Operating expenses increased \$8.1m with increased investment in marketing, product and operational development.



AU & NZ cards //

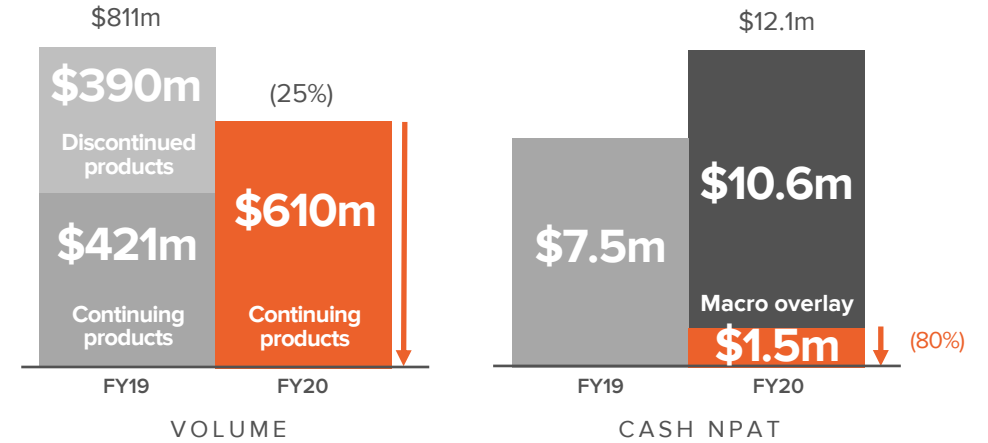
Australia Cards Cash NPAT for FY20 of \$1.5m with:

- >> Volume on continuing products increased 45%.
- >> Net income up 6% as portfolio matures and a higher proportion becomes interest bearing.
- >> Number of transactions up 239% and interest bearing receivables up 183% on FY19 for SKYE.
- >> Net losses reduced by 9% with investment in collection systems and processes.

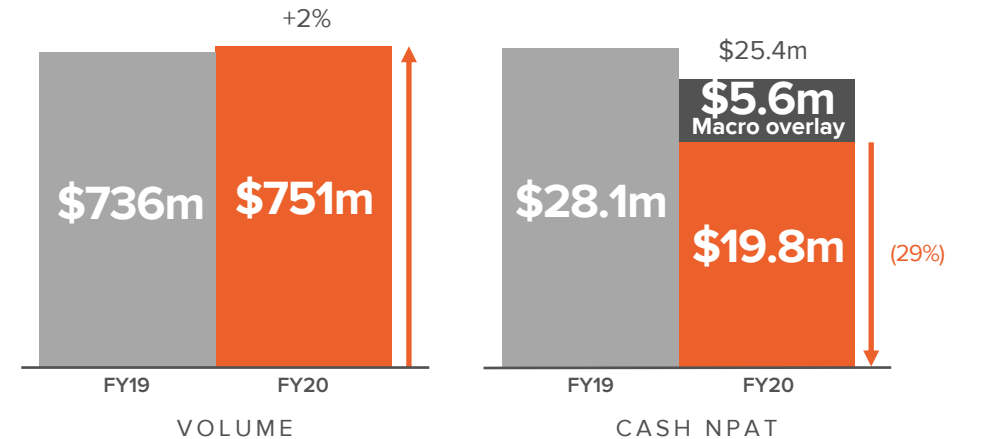
New Zealand Cards Cash NPAT for FY20 of \$19.8m with:

- >> Volumes trending ahead of market despite the impact of COVID-19 in the last quarter of FY20.
- >> Net income up 12% from higher average net receivables and improved margins.
- >> Losses up from a low base reflecting a maturing portfolio.
- >> Operating expenses significantly reduced in 2H20, reflecting strong cost management initiatives.
- >> Interest bearing receivables up 13%.¹

AU Cards



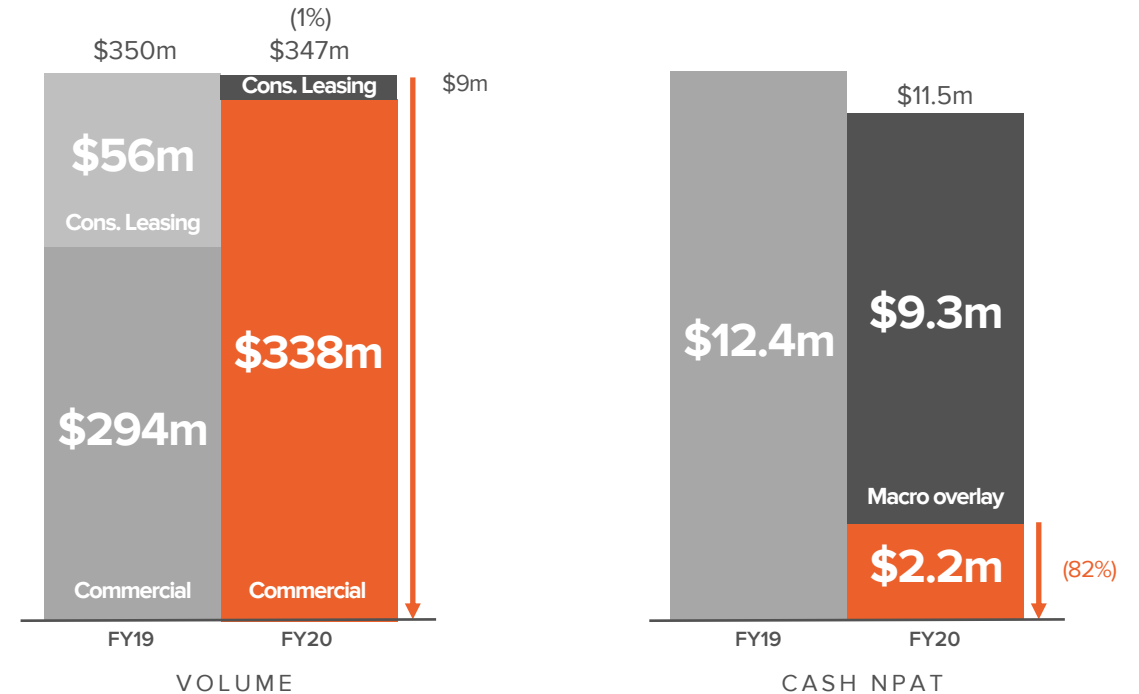
NZ Cards



1. On a local currency basis.

Commercial and leasing //

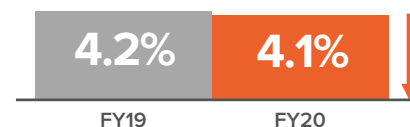
- >> Cash NPAT of \$2.2m in FY20 after COVID-19 macro overlay.
- >> Volume performance represents a 15% increase in Commercial volumes, offset by Consumer Leasing which has ceased and is in book run-off.
- >> Net income declined 23% in FY20 due to Consumer Leasing run off, as well as lower margins and secondary income due to changing business mix.
- >> Renewed strategic focus towards SME lending via broker distribution in Australia Commercial has led to tighter credit criteria and an increase in credit quality in FY20, as measured by the Equifax Corporate Credit Score.
- >> Operating expenses decreased by 22% from simplifying the Australia Commercial business and reduced costs from the cessation of Consumer Leasing.
- >> Increase in receivables of 11% reflects the continued strong growth in Australia Commercial.



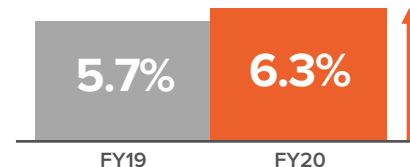
Credit risk management //

- >> **BNPL:** Impacted by March quarter seasonality persisting longer than usual due to COVID-19, although net loss performance subsequently returned to trend from June 2020 and the start of FY21.
- >> **Australia Cards:** Net losses down with performance benefiting from additional customer data points to assess credit quality.
- >> **New Zealand Cards:** Net losses in line with market peers and reflects a growing and maturing portfolio.
- >> **Commercial and Leasing:** Net losses down, reflecting the higher credit quality in Australia Commercial from the changing portfolio mix combined with Consumer Leasing impairment losses reducing due to book run-off and active arrears management.
- >> **Hardship:** More than half of all customers in hardship due to COVID-19 across both retail and SME finance have now resumed normal payment arrangements.

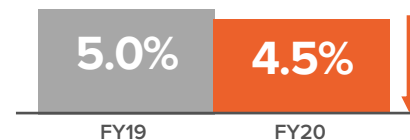
Group
Net losses/ANR



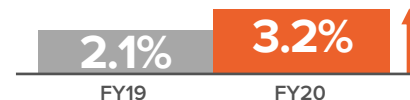
BNPL
Net losses/ANR



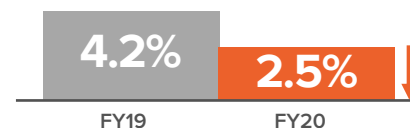
AU Cards
Net losses/ANR



NZ Cards
Net losses/ANR



Commercial and Leasing
Net losses/ANR



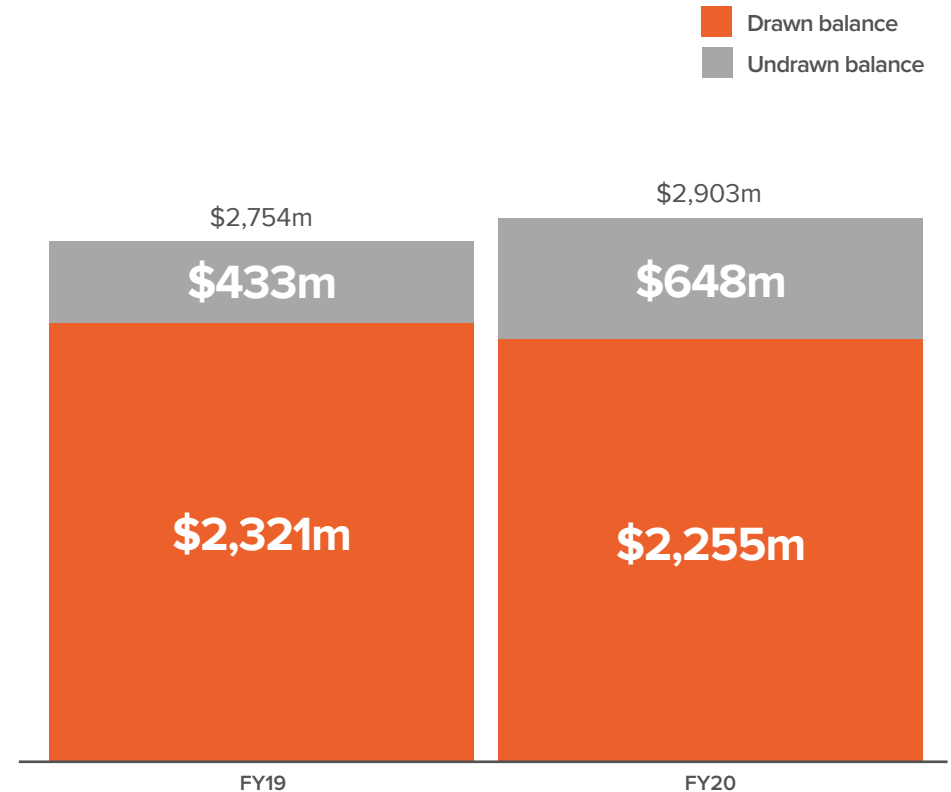
Note: Net losses includes bad debts and loss recoveries.

**Committed funding facilities
providing a liquidity buffer and
delivering an efficient capital
management structure.**

**Capital
management //**

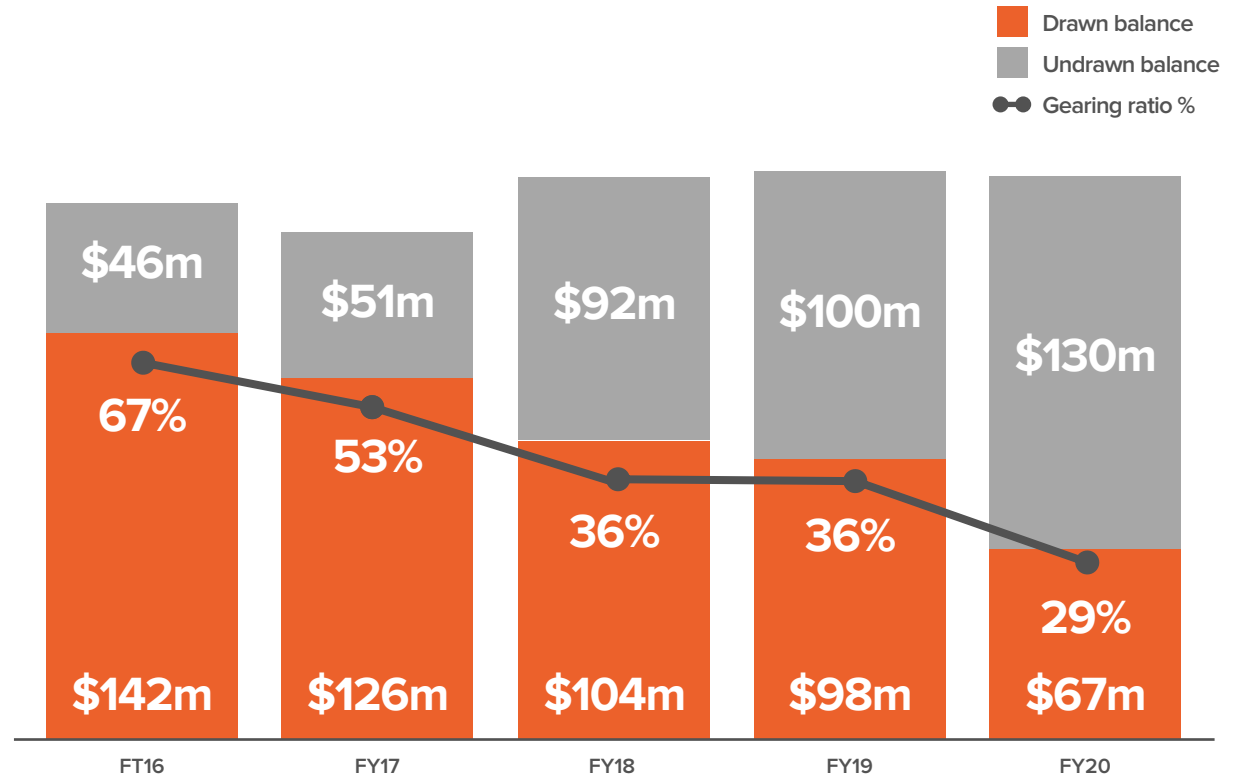
Wholesale funding facilities //

- >> Well supported by key banking partners, with five wholesale funding facilities extended since 1 January 2020.
- >> Long established Australian securitisation program continuing to drive funding efficiency.
- >> Regular issuer under the Q Card master trust securitisation program in New Zealand.
- >> Delegate approval from the Australian Office of Financial Management through the Structured Finance Support Fund of up to \$114m of investment into our Australian wholesale funding facilities.



Corporate debt facilities //

- >> Significant headroom of \$130m across our corporate debt facilities providing a substantial liquidity buffer.
- >> Net gearing¹ of 29%, a material reduction of 7 percentage points against FY19.
- >> Next corporate debt facility not due for renewal until December 2021.
- >> Targeting continued reduction in net gearing.
- >> Nil pro forma net gearing post successful completion of the capital raise.



1. Gearing is recourse (corporate) borrowings as a percentage of equity excluding intangible assets.

Execution and next steps //

Executing our vision //

A unified platform for sustainable and profitable growth.

Rebrand and further simplification

- >> Focusing on our core product suite **with** a single, seamless checkout experience.
- >> Rebranding to our most loved brand **hummm™**.
- >> Simplification of the business around a unifying value proposition of interest free instalment payments.

Equity raising to underpin sustainable growth

- >> Investing in our strongest products with new features and enhancements to drive repeat usage and customer stickiness.
- >> Igniting the firepower behind our strongest brand to drive sustainable and profitable growth.
- >> Leveraging and expanding our partnerships and network.
- >> Creating additional balance sheet flexibility (nil pro forma corporate debt gearing).

Strategic Review of Commercial

- >> Creating a separate division for our high performing Commercial business.
- >> Enabling us to undertake a strategic review to assess opportunities to help this business to unlock its full potential.

Equity raising to support sustainable growth //

Equity raising

flexigroup is raising additional equity capital to create greater balance sheet flexibility and to take advantage of the opportunities presented by the unification of our strong customer propositions under the **hummm™** brand.

flexigroup is undertaking a 1 for 3.20 pro rata accelerated non-renounceable entitlement offer ('Entitlement Offer') with total offer size of A\$140 million, comprising a fully underwritten institutional offer, and a 50% underwritten retail offer. The total estimated underwritten amount is ~\$115 million.

The offer structure and amount is designed to (i) enable the two largest strategic shareholders to participate, and (ii) provide funding certainty for the estimated capital requirement to support **flexigroup's** growth outlook, whilst minimising potential shareholder dilution.

flexigroup Board participation

Under the institutional offer, Andrew Abercrombie (Chairman and Founder) will subscribe for A\$7.5m worth of entitlements (equal to ~23% of his total pro-rata entitlement), and John Wylie (NED) & associated entities will subscribe for 100% of their pro-rata entitlement.

Pro forma Net Cash	\$m
Unrestricted cash balance as at 30 June 2020	15
Add: Underwritten proceeds net of transaction costs (comprising fully underwritten institutional offer and 50% of retail offer)	111
Pro forma cash as at 30 June 2020 (30 June 2020)	126
Drawn corporate debt (30 June 2020)	67
Pro forma net cash (30 June 2020)	59
Pro forma net gearing¹ (30 June 2020)	Nil

Funding for our growth plan is underpinned by the fully underwritten institutional component and partially underwritten retail component. Any additional capital raised under the non-underwritten retail component of the Entitlement Offer will be used to further support the growth outlook.

1. Net gearing calculated as corporate debt net of unrestricted cash, over tangible equity.

Entitlement offer overview //

Offer size and structure	<p>Equity raising with a total offer size of ~A\$140 million with total underwritten amount of ~A\$115 million:</p> <ul style="list-style-type: none"> >> 1 for 3.20 pro-rata accelerated non-renounceable entitlement offer to existing shareholders at A\$1.14 per New Share (Entitlement Offer).¹ >> Eligible shareholders will be invited to subscribe for one new FXL share (New Shares) for every 3.20 existing FXL shares held as at 7:00pm (Sydney time) on Friday, 28 August 2020 (Record Date). >> The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable. >> Up to 132.2 million New Shares to be issued under the Offer representing approximately 31.3% of current issued capital.
Offer pricing	<p>Entitlement Offer price of A\$1.14 per New Share, representing a discount of:</p> <ul style="list-style-type: none"> >> 10.0% to the TERP² of A\$1.266 per FXL share >> 12.6% to the last traded FXL share price of A\$1.305 on Tuesday, 25 August 2020.
Use of proceeds	<p>Net proceeds of the Entitlement Offer will be used to (i) provide flexibility to balance sheet to underpin sustainable growth funding; (ii) invest in the hum suite of products with continual improvements which seek to enhance customer experience and drive frequency of usage, and (iii) expand new and existing business partnerships and alliances.</p>
Institutional investors	<ul style="list-style-type: none"> >> The institutional component of the Entitlement Offer (Institutional Entitlement Offer) is fully underwritten and is to be conducted from Wednesday, 26 August 2020 to Thursday, 27 August 2020.³ >> Entitlements not taken up and those of ineligible institutional shareholders will be sold in an institutional shortfall bookbuild on Thursday, 27 August 2020 at the Entitlement Offer Price.
Retail investors	<ul style="list-style-type: none"> >> The retail component of the Entitlement Offer (Retail Entitlement Offer) is 50% underwritten and will open on Wednesday, 2 September 2020 and close at 5:00pm (Sydney time) on Tuesday, 15 September 2020.³ >> Only eligible shareholders with a registered address in Australia or New Zealand may participate in the Retail Entitlement Offer.
Shareholder and director commitments	<p>Under the institutional offer, Andrew Abercrombie (Chairman and Founder) will subscribe for A\$7.5m worth of entitlements (equal to ~23% of his total pro-rata entitlement), and John Wylie (NED) & associated entities will subscribe for 100% of their pro-rata entitlement.</p>
Underwriting¹	<p>Citigroup Global Markets Australia Pty Limited is acting as Sole Lead Manager, Bookrunner and Underwriter of the Institutional Entitlement Offer.</p>
Ranking of New Shares	<p>New Shares will rank equally with existing FXL shares on issue.</p>

1. The Institutional Offer is fully underwritten by the Lead Manager subject to customary terms and conditions and termination rights. A summary of the Underwriting Agreement is in the Appendix.

2. The theoretical ex-rights price (TERP) is a theoretical price at which FXL shares should trade at immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which FXL shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. The TERP is calculated by reference to FXL's closing price of A\$1.305 on Tuesday, 25 August 2020.

3. These timings are indicative only and subject to variation. FXL reserves the right to alter the timetable at its absolute discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws.

Equity raising timetable //

Event	Date ¹
Trading halt and announcement of accelerated non-renounceable entitlement offer	Wednesday, 26 August 2020
Institutional Entitlement Offer opens	Wednesday, 26 August 2020
Institutional Entitlement Offer closes	Thursday, 27 August 2020
Announcement of results of Institutional Entitlement Offer	Friday, 28 August 2020
Trading halt lifted and shares recommence trading	Friday, 28 August 2020
Entitlement Offer record date	Friday, 28 August 2020 // 7:00pm (Sydney time)
Retail offer booklet despatched to Eligible Retail Shareholders	Wednesday, 2 September 2020
Retail Entitlement Offer opens	Wednesday, 2 September 2020
Settlement of New Shares issued under the Institutional Entitlement Offer	Wednesday, 2 September 2020
Issue and commencement of trading of New Shares under the Institutional Entitlement Offer	Thursday, 3 September 2020
Retail Entitlement Offer closes	Tuesday, 15 September 2020 // 5:00pm (Sydney time)
Announcement of results of Retail Entitlement Offer	Thursday, 17 September 2020
Settlement of New Shares issued under the Retail Entitlement Offer	Monday, 21 September 2020
Issue of New Shares under the Retail Entitlement Offer	Tuesday, 22 September 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Wednesday, 23 September 2020
Holding statements sent to retail holders	Wednesday, 23 September 2020

1. The timetable (and each reference in this presentation to a date specified in the timetable) is indicative only and **flexigroup** and the Lead Manager, may, in their absolute discretion, vary any of the above dates by lodging a revised timetable with the ASX. All times referred to in this presentation are Sydney time.

Moving forward //

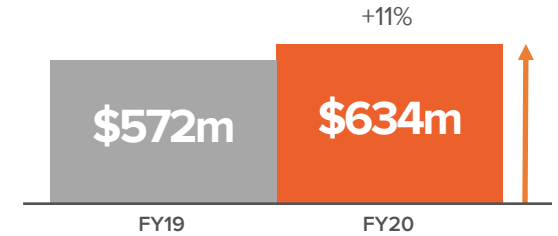
- >> We have simplified the business.
- >> We have a single minded focus: interest free payments for consumers and SMEs.
- >> We have unified this position under our most loved brand, humm™.
- >> We are now primed for sustainable and profitable growth.

Appendices //

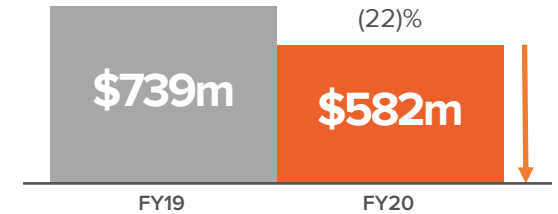
Receivables //

- >> **BNPL:** Increase of 11% driven by strong volume growth of 18% on FY19.
- >> **Australia Cards:** Decrease of 22% as a result of decreased interest free volumes and the closure and run down of legacy portfolios.
- >> **New Zealand Cards:** Decrease of 6% largely a result of declining volumes in 2H20 from the impacts of COVID-19.
- >> **Commercial and Leasing:** Increase of 11% reflects the continued strong growth in Australia Commercial, despite the cessation of the Consumer Leasing business.

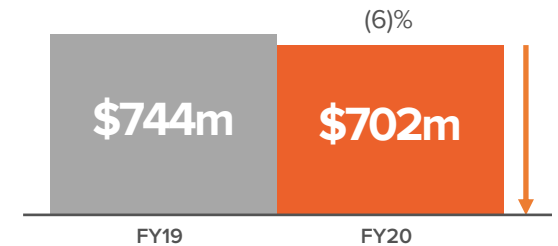
BNPL Receivables



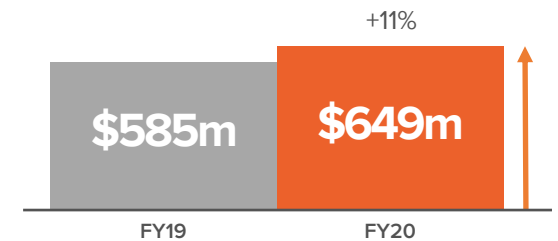
AU Cards Receivables



NZ Cards Receivables



Commercial and Leasing Receivables



Profit and Loss (\$m)	FY20	FY19	v PCP %
Interest income	360	353	2%
Interest expense	(89)	(101)	(11%)
Other portfolio income	90	120	(25%)
Net income	361	372	(3%)
Employment expenses	(88)	(91)	(3%)
Receivables and customer loan impairment expenses	(145)	(87)	66%
Impairment of goodwill and intangible assets	(2)	(11)	(86%)
Depreciation and amortisation expenses	(21)	(17)	25%
Operating and other expenses	(80)	(76)	6%
Profit before income tax	25	91	(73%)
Income tax expense	(3)	(29)	(89%)
Statutory profit/(loss) after income tax	21	62	(65%)
Non-cash items:			
Amortisation of acquired intangible assets	3	3	13%
Redundancy and restructure	4	–	0%
Other	1	11	(91%)
Total non-cash items	8	14	(46%)
Group Cash NPAT	29	76	(62%)
Basic earnings per share (cents)	5.0	15.9	(69%)
Cash earnings per share (cents)	6.9	19.7	(65%)
Volume	2,483	2,556	(3%)
Closing receivables and customer loans	2,567	2,640	(3%)

Financial performance

- >> Cash NPAT before the COVID-19 macro overlay of \$60.1m.
- >> Cash NPAT after the \$30.9m (post tax) COVID-19 macro overlay provision of \$29.2m.
- >> Average Net Receivables (ANR) up 5%.
- >> Growth in interest income from higher ANR.
- >> Decrease in interest expense driven predominantly by lower interest rates.
- >> Other portfolio income impacted by reduced fee income from restructuring BNPL to improve competitiveness, simplifying revolving credit and the cessation of legacy products.
- >> While FY20 operating and other expenses were broadly similar to FY19, cost savings in excess of \$10m were achieved on an annualised basis including labour costs, process optimisation and renegotiation of supplier arrangements.

Balance Sheet (\$m)	FY20	FY19	v PCP %
Cash and cash equivalents	158	143	10%
Receivables and customer loans ¹	2,453	2,577	(5%)
Investment in associate	14	14	4%
Other assets	22	11	108%
Current and deferred tax assets	47	26	77%
Goodwill	240	244	(2%)
Other intangible assets	114	102	11%
Total assets	3,046	3,117	(2%)
Payables	67	58	16%
Borrowings	2,295	2,388	(4%)
Provisions	21	23	(10%)
Other liabilities	62	29	118%
Current and deferred tax liabilities	15	4	261%
Total liabilities	2,460	2,501	(2%)
Equity	586	616	(5%)
Gearing²	28.7%	36.3%	(7.6pp)
ROE³	4.9%	12.3%	(7.4pp)

1. Includes other debtors as disclosed in the statutory accounts.

2. Gearing is recourse (corporate) borrowings as a percentage of equity excluding intangible assets.

3. Calculated based on Cash NPAT.

Operating Cash Flow (\$m)	FY20	FY19	v PCP %
NPAT	21	62	(65%)
Impairment loss on receivables and customer loans	145	87	66%
Impairment of goodwill and other intangible assets	2	11	(86%)
Depreciation and amortisation expenses	21	17	25%
Changes in other operating assets and liabilities	4	(10)	(143%)
Other non-cash movements	2	(2)	(200%)
Operating cash flow	195	165	18%

Consolidated Cash Flow (\$m)	FY20	FY19	v PCP %
Operating cash flow	195	165	18%
Purchase of intangibles and property, plant and equipment	(32)	(27)	19%
Changes in customer loans and receivables	(57)	(350)	(85%)
Investing cash flow	(89)	(377)	(76%)
Dividends paid	(15)	(29)	(47%)
Proceeds from share issuance, net of transaction costs	–	25	(100%)
Cash payments relating to Finance Lease liability	(3)	–	100%
Treasury shares purchased on market	–	(0)	(100%)
Net movement in non-recourse borrowings	(43)	236	(118%)
Repayment of corporate borrowings	(372)	(234)	59%
Drawdown of corporate borrowings	342	227	51%
Financing cash flow	(92)	225	(141%)
Effects of exchange rate changes on cash and cash equivalents	(1)	2	(160%)
Net increase/(decrease) in cash	14	15	3%

Responsible lending //

- >> We acknowledge that the community has high expectations of us.
- >> We have a long track record of adapting to and, in many cases, leading industry and regulatory change.
- >> We are engaged with our stakeholders on the importance of responsible lending practices; submission to ASIC Review of BNPL; participation in Senate Enquiry; engagement with industry bodies and peers on self-regulation.
- >> We believe that the right financial solution differs for each individual and occasion – which is why we pride ourselves on being flexible to our customers’ needs.
- >> Ultimately our interests are aligned with our customers; affordability of finance means reliability of payments.
- >> **hummm™** recognised early the need to establish a self-governing Code of Practice (Code) in February 2019 and began engaging with the Australian Finance Industry Association (AFIA) and peers.
- >> The strong demand for BNPL during COVID-19 reinforces the value of the product for consumers and highlights the importance of developing the Code for all stakeholders.
- >> We are encouraged by the progress made to introduce similar BNPL codes of practice internationally using the AFIA Code as a template.
- >> We look forward to ratifying the Code by January 2021.

Key risks //

Key risks //

Introduction

This section describes the key business risks of investing in **flexigroup** together with the risks relating to participation in the Entitlement Offer, which may affect the value of **flexigroup** shares and **flexigroup**'s ability to operate as a going concern. It does not describe all the risks of an investment. Before investing in **flexigroup**, you should be aware that an investment in **flexigroup** has a number of risks, some of which are specific to **flexigroup** and some of which relate to listed securities generally, and many of which are beyond the control of **flexigroup**.

Investors should consult their own professional, financial, legal and tax advisers about those risks and the suitability of investing in light of their particular circumstances. Investors should also consider publicly available information on **flexigroup** (including information available on the ASX website) before making an investment decision.

References to "**flexigroup**" or "the Group" in the key risks section of this Presentation include **flexigroup** and its related bodies corporate (as defined in the Corporations Act), where the context requires.

Specific risks

STRENGTH OF THE RETAIL AND RETAIL FINANCING SECTORS

flexigroup's business, including its "Buy Now, Pay Later" 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 new business volume and hence **flexigroup**'s financial position. Consumer sentiment towards retail financing may also drive business volume, and negative consumer sentiment may also impact **flexigroup**'s financial position. To the extent that there is a continued decline in consumer sentiment as a result of COVID-19, ongoing fixed costs associated with operating the business could place pressure on **flexigroup**'s liquidity and profitability.

STRENGTH OF THE COMMERCIAL AND LEASE FINANCING SECTORS

flexigroup's lending volume to small and medium enterprises (SME) and consumer borrowers is dependent on the robustness of consumer and business sentiment and spending. The strength of the sector affects the risk appetite of lenders and may have an impact on credit quality and commercial and leasing lending volumes and revenue. Any reduction in confidence or spending in the commercial and leasing sectors may negatively impact **flexigroup**'s revenue and profitability.

DIMINUTION OF CUSTOMER SATISFACTION AND LOYALTY

flexigroup's business model is dependent on customer satisfaction and loyalty. The operational and financial challenges associated with COVID-19, the associated impact on the "Buy Now, Pay Later", credit card and SME lending

sectors and **flexigroup**'s response to these challenges, could impact upon customer satisfaction and loyalty, the reputation of **flexigroup** and its ability to attract customers in future. Any adverse effect on these measures may negatively impact the operating and financial performance and position of **flexigroup**.

MARKET RISK

Market risk is the risk of an adverse event in financial markets having a negative financial impact on **flexigroup**'s liquidity, revenue or profitability.

LOSS OF KEY CONTRACTS AND RELATIONSHIPS

flexigroup's business relies on the continuation and success of its contracts and relationships with significant merchant clients and end customers. There can be no guarantee in the continuation or continued success of such contracts and relationships. Any loss of **flexigroup**'s key merchant clients or end customers or a failure to secure new clients or customers on favourable terms, may materially and adversely impact **flexigroup**'s operational results and profitability, and have a negative impact on its reputation and prospects.

IMPACT OF COVID-19

There is continued uncertainty as to the ongoing impact of COVID-19 on the Australian economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy and equity and debt capital markets. Any of these events and resulting market fluctuations may materially adversely impact **flexigroup**'s earnings or the market price of **flexigroup**'s ordinary shares, particularly considering that there is a real possibility that any of:

- **flexigroup**'s customers in the Buy Now, Pay Later sector;
- **flexigroup**'s credit card customers; or
- small and medium enterprises holding loans with **flexigroup**,

may face increasing repayment and liquidity pressures if the unemployment rate increases in Australia or Australian economic conditions worsen. There is a risk that hardship applications made to **flexigroup** increase and/or that large numbers of borrowers move into arrears or losses. Such impacts of the pandemic on **flexigroup** may materially and adversely impact its revenue and profitability.

LIQUIDITY RISK

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.

Key risks //

MANAGING GROWTH

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 its workforce, while retaining, managing and training 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, including with respect to network infrastructure capacity constraints if unexpected increases in transaction volumes cannot be supported. Further, if capital markets are slow or unable to provide **flexigroup** with the additional capital required for its growth plans, such plans may be materially and adversely impacted and delayed, causing additional cost to **flexigroup** and adversely impacting **flexigroup**'s business, results of operations and profitability. Although new products released by **flexigroup** are developed through extensive research and product testing, the success of any new product offered to the market is uncertain.

ACQUISITION ACTIVITIES

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.

DEPENDENCE ON KEY PERSONNEL

The operating and financial performance of **flexigroup** is largely dependent on its ability to attract and retain key personnel. Whilst **flexigroup** makes every effort to retain key personnel, there can be no guarantee that it will be able to do so. Any loss of key personnel could materially adversely affect **flexigroup**'s business, operating and financial performance.

TECHNOLOGY AND DATA

Technology plays an important role in the delivery of services to customers. **flexigroup**'s ability to compete effectively in the future will, in part, be driven by its ability to secure and maintain (including update where required) an appropriate technology platform for the efficient delivery of its products and services. **flexigroup** plans to focus on investing in core IT systems and digital capability to support future business growth. **flexigroup** also relies on the technology and payment processing platforms of a range of third party service providers to provide its services. Any failure of its or its third party providers' technological systems or network infrastructure to perform as expected, including by damage, equipment faults, power failures, computer viruses and external malicious interventions such as hacking or denial-of-service attacks, may result in a loss or damage to **flexigroup**, including reputational damage, which may consequently

materially and adversely impact **flexigroup**'s business, results, profitability, reputation and prospects. Financial penalties for data breaches can be significant, which if levied on **flexigroup** could have an adverse effect on the reputation and the financial performance of **flexigroup**.

INDUSTRY COMPETITION

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. Aggressive customer acquisition campaigns, superior technology offerings or enhanced scale benefits of competitors may materially erode **flexigroup**'s market share and revenue, or prevent or limit its growth in new markets, and may materially and adversely impact **flexigroup**'s operations, profitability and prospects.

CORPORATE DEBT REFINANCING RISK

Certain of **flexigroup**'s debt facilities will need to be refinanced at various maturity dates. There is no guarantee that equity or debt funding will be available to **flexigroup** when an existing facility expires or is otherwise terminated (e.g. due to an event of default), or that **flexigroup** will be able to refinance that debt facility on reasonable terms. As a borrower of capital, **flexigroup** is exposed to fluctuations in interest rates which may increase the cost of servicing **flexigroup**'s debt. The inability to refinance **flexigroup**'s facilities on satisfactory terms could adversely affect its 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 products or respond to competitive pressures. Developments in global financial markets, such as the impact of COVID-19, may adversely affect the liquidity of global credit markets and **flexigroup**'s access to those markets. This may have a material adverse effect on **flexigroup**'s future financial performance and position.

COUNTERPARTY RISK

Credit market conditions and the operating and financial performance of **flexigroup** will affect borrowing costs as well as the Group'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.

Key risks //

FUNDING RISK

Access to capital and funding is a fundamental requirement to achieve **flexigroup's** business objectives and to meet its financial obligations when they fall due. There are a variety of funding risks inherent in **flexigroup's** financing sources which are particularly heightened in the current economic environment. A dispute, or a breakdown in the relationship, between **flexigroup** and its financiers, a failure to reach a suitable arrangement with a particular financier, or the failure of a financier to pay or otherwise satisfy its contractual obligations (including as a result of insolvency, financial stress or the impacts of COVID-19), could have an adverse effect on the reputation and/or the financial performance of **flexigroup**.

flexigroup's program 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 on equivalent terms or at all, 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.

EXPOSURE TO FRAUD AND END CUSTOMER BAD DEBTS

The ability of **flexigroup** to recoup the purchase value of 'buy now, pay later' services used by their end customers may affect **flexigroup's** revenue and earnings results. Each of **hum** and **bundll** relies on the Group's technology to assess end customers' repayment capability for each transaction. Prolonged miscalculation of customers' repayment ability or a material increase in repayment failures due to job losses or other adverse events, such as events consequential to the COVID-19 pandemic and related containment measures, may cause **flexigroup** to be materially exposed to bad debts where end customers are unable to meet their repayment obligations to **hum** or **bundll** or make hardship applications. Further, changes in the proportions of high quality and low quality credit customers of the **hum** and **bundll** businesses may result in unexpected changes in credit quality of the relevant business portfolios, increasing the risk of financial exposure for **flexigroup**.

There is also a risk that **flexigroup** may be exposed to fraud attempts, including risks from the potential collusion between internal and external parties, and end customers attempting to circumvent **flexigroup's** fraud and credit risk systems (such as its repayment capability assessments and AML or identification checks). Fraud attempts may potentially result in damage to **flexigroup's** reputation and a higher than budgeted cost of fraud to rectify and safeguard business operations, which may materially adversely impact **flexigroup's** results of operations, profitability, reputation and prospects.

REGULATORY RISK

flexigroup operates in highly regulated industries. Changes in law or regulation in a market in which **flexigroup** operates could materially impact its business, operating and financial performance.

flexigroup operates in a range of jurisdictions, and with any geographic expansion may become subject to additional legal, regulatory, tax, licensing, compliance requirements and industry standards that are constantly changing. There is a risk that any changes to law, regulations or industry standards in any jurisdiction in which **flexigroup** operates may impose significant compliance costs, or even make it infeasible for **flexigroup** to continue to operate in its current markets or to expand. This may materially and adversely impact **flexigroup's** ability to achieve its strategic goals, and negatively impact its revenue and profitability by preventing its business from reaching sufficient scale in particular markets.

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.

Any media attention, regulatory scrutiny or other action taken against **flexigroup** in any of the countries in which it operates may have adverse effects on the reputation of **flexigroup** or on its operating and financial performance.

FINANCIAL PRODUCT REGULATION

flexigroup'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** could be adversely affected in other ways by non-compliance with laws or regulatory requirements. Such events or circumstances may materially adversely affect its business, operating or financial performance either directly or indirectly (for example through liabilities it may have to 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 Investments Commission 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, including the rollout of costly remediation programs being enforced by regulators, which may increase **flexigroup's** financial exposure. 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.

Key risks //

In particular, **flexigroup** is regulated by the National Credit Act and the National Credit Code in relation to its Australian credit cards business and discontinued 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. If responsible lending obligations are imposed on other segments of **flexigroup's** business, the associated increased costs may adversely affect **flexigroup's** business, operating and financial performance.

The Australian parliament has recently passed legislation which empowers ASIC with regulatory oversight and the ability to intervene in relation to financial and credit products where it identifies a risk of significant detriment to consumers, enabling it to make orders prohibiting certain conduct related to prospects offered to consumers. Any regulatory action may materially adversely affect **flexigroup's** business, operating or financial performance. Over the past 12 months in particular, ASIC has had an industry wide focus on compliance with responsible lending requirements.

AML/CTF LAWS

Recently there has been increased supervisory, regulatory and enforcement focus in Australia on compliance with anti-money laundering, counter-terrorism financing, anti-bribery and corruption and sanctions laws (**AML/CTF laws**). **flexigroup** has been engaging with AUSTRAC in 2020 in respect of its AML/CTF compliance procedures. Any ineffective implementation, monitoring or remediation of any of **flexigroup's** relevant policies, systems or controls could lead to future compliance issues associated with AML/CTF laws.

LITIGATION AND CLAIMS

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.

INTELLECTUAL PROPERTY

Unauthorised use or copying of any of **flexigroup's** software, data, specialised technology or platforms may occur and the validity, ownership or authorised use of intellectual property relevant to **flexigroup's** business may be successfully challenged by third parties. This could result in disputes or litigation and this could require **flexigroup** to incur significant expenses even if it is able to successfully defend or settle such claims. It could also result in the inability to use the intellectual property in question, which may materially and adversely impact **flexigroup's** business, results of operations, profitability and prospects.

FUTURE PAYMENT OF DIVIDENDS

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

You should note that if you 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. Investors may also have their investment diluted by future capital raisings by **flexigroup**. **flexigroup** may issue new securities in the future to finance acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest. Before deciding whether to take up New Shares under the Entitlement Offer, you should seek independent advice.

General risks

SHARE PRICE RISK

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:

- operating results of the Group that may vary from expectations of securities analysts and investors;
- recommendations by brokers and analysts;
- the impact of COVID-19, including on the health of the workforce, the industry and customers;
- general movements in Australian and international stock markets, including market volatility;
- investor sentiment and the risk of contagion;
- Australian and international general economic conditions, including changes in inflation rates, interest rates, exchange rates, commodity prices, employment levels and consumer demand;
- changes in Australian and foreign government regulation and fiscal, monetary and regulatory policies;
- global geo-political events and international hostilities, acts of terrorism and the response to COVID-19;
- loss of key personnel and delays in replacement;
- announcement of new technologies; and
- future issues of **flexigroup** equity securities.

Key risks //

In the future, these factors may cause **flexigroup** shares to trade at a lower price.

The share prices for many listed companies have in recent times been subject to wide fluctuations and high volatility, which in many cases may reflect a diverse range of non-company specific influences referred to above. In particular, the events relating to COVID-19 have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of securities trading on the ASX.

It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing extreme stress, or existing risks (including the impacts of COVID-19) may evolve in ways that are not currently foreseeable. The equity capital markets have in the past and may in the future be subject to significant volatility.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of **flexigroup**, its Board, the Underwriter, or any other person guarantees the market performance of the New Shares.

TAXATION

Future changes in taxation law in Australia, New Zealand, Hong Kong, Singapore, Norway, the United Kingdom 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. Tax liabilities are the responsibility of each individual shareholder.

ACCOUNTING STANDARDS

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

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** could result in an impairment of such assets, which may have a material adverse effect on **flexigroup**'s financial performance and position.

EXCHANGE RATES

flexigroup operates internationally and is exposed to exchange risk arising from movements in exchange rates. **flexigroup**'s financial statements are expressed and maintained in Australian dollars. Exchange rate movements affecting these currencies may impact the profit and loss account or assets and liabilities of **flexigroup**, to the extent the foreign exchange rate risk is not hedged or not appropriately hedged.

flexigroup consolidates results of overseas businesses into Group results and the performance of overseas businesses in Australian dollars when reported in Group financial statements may vary due to the movement of foreign exchange rates. This could have an adverse effect on **flexigroup**'s financial performance.

DOMESTIC AND GLOBAL ECONOMIC CONDITIONS

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 or 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.

A prolonged deterioration in general economic conditions, including a decrease in consumer and business demand, would likely have a material adverse effect on **flexigroup**'s business or financial condition (or both). This risk is heightened in the current uncertain economic environment. In light of recent Australian and global macroeconomic events, including but not limited to the global impact of COVID-19, it is likely that Australia will experience an economic downturn of uncertain severity and duration which would affect discretionary spending and the operating and financial performance of **flexigroup**.

There are also other changes in the macroeconomic environment which are also beyond the control of **flexigroup** and may be exacerbated in an economic recession or downturn. These include, but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs, which may affect the cost structure of the Group;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or costs of the Group.

Due to the impact of COVID-19, many of these factors are in a state of change, and may have an adverse impact on the financial position and prospects of the Group in the future.

Foreign selling restrictions //

Foreign selling restrictions //

This document does not constitute an offer of 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 New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

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 (**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 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 and any rules made under that ordinance).

No advertisement, invitation or document relating to 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 New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted 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.

If you (or any person for whom you are acquiring the New Shares) are in Hong Kong, you represent and warrant that you (and any such person) are a "professional investor" as defined under the SFO.

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* (**FMC Act**).

The New Shares 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 Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

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*.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the *Norwegian Securities Trading Act* of 29 June 2007 no. 75. 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*. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the *Norwegian Securities Trading Act*).

Singapore

This document and any other materials relating to 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 New Shares, may not be issued, circulated or distributed, nor may the 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.

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) an "accredited investor" (as defined in 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 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 New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Foreign selling restrictions //

United Kingdom

Neither this document 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*, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed 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 the FSMA) received in connection with the issue or sale of 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 the FSMA does not apply to the Company.

In the United Kingdom, this document 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 investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Underwriting agreement summary //

Underwriting agreement summary //

Overview of Underwriting Agreement

Citigroup Global Markets Australia Pty Limited ACN 003 114 832 (**Citi** or **Underwriter**) is acting as underwriter of the Institutional Entitlement Offer and has entered into an underwriting agreement with **flexigroup (Underwriting Agreement)** pursuant to which the Underwriter has agreed to fully underwrite the Institutional Entitlement Offer on the terms and conditions of the Underwriting Agreement and to underwrite 50% of the Retail Entitlement Offer.

The Underwriting Agreement is subject to certain terms and conditions which are customary for an underwriting agreement of this type, including conditions precedent, representations, warranties and indemnities (in favour of the Underwriter) and termination rights. If certain events occur, some of which are beyond the control of **flexigroup**, the Underwriter may terminate the Underwriting Agreement, which have a materially adverse impact on the total amount of proceeds that could be raised under the Institutional Entitlement Offer.

In this summary, **Offer Materials** refers to this Investor Presentation, any document released to ASX in connection with the Entitlement Offer or used, with **flexigroup's** approval, to market the Offer, including institutional confirmation letters, the Retail Offer Booklet and written communications with shareholders, nominees and other parties.

Termination Events

If the Underwriter terminates its obligations under the Underwriting Agreement, the Underwriter will not be obliged to perform any of its obligations that remain to be performed.

The Underwriter may terminate its obligations under the Agreement if any of the following events occur prior to 5.00pm on the settlement date for Retail Entitlement Offer by giving notice to **flexigroup**.

These termination event include, but are not limited to:

- a) (**Listing**) **flexigroup** ceases to be admitted to the official list of ASX or its Shares are suspended from trading for two or more than two trading days for any reason other than a trading halt in connection with the **Entitlement Offer** or cease to be quoted on ASX;
- b) (**Insolvency**) **flexigroup** or certain of its subsidiaries becomes or is likely to become insolvent or there is an act or omission, or a circumstance arises, which is likely to result in **flexigroup** or certain of its subsidiaries becoming insolvent where such insolvency would have a Material Adverse Effect under the Underwriting Agreement;
- c) (**regulatory action**) any government agency commences, or gives notice of or conveys an intention to commence, any investigation, proceedings or hearing in relation to the Entitlement Offer or the Offer Materials or prosecutes or commences proceedings against, or gives notice of an intention to prosecute or commence proceedings against, **flexigroup**;

- d) (**quotation**) approval (subject only to customary conditions) is refused or not granted to the official quotation of all the Offer Shares on ASX, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;
- e) (**delay**) there is a delay in the timetable for the **Entitlement Offer** except as permitted by the Underwriting Agreement;
- f) (**withdrawal**) **flexigroup** withdraws the **Entitlement Offer**, or indicates in writing to the Underwriter that it does not intend to, or is unable to proceed with, the **Entitlement Offer**;
- g) (**unable to issue Offer Shares**) **flexigroup** is prevented from allotting and issuing the Offer Shares within the times required by the timetable under the Underwriting Agreement, the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government agency;
- h) (**no Certificate**) any 'Certificate' which is required to be furnished by **flexigroup** under the Underwriting Agreement is not furnished when required;
- i) (**fraud**) the Company, any of its Directors or the Chief Executive Officer or Chief Financial Officer of **flexigroup** is charged in relation to any fraudulent conduct or activity whether or not in connection with the Offer;
- j) (**prosecution or investigations**) any of the following occur:
 - (i) a Director or the Chief Executive Officer or Chief Financial Officer of the Company is charged with an indictable offence;
 - (ii) any government agency charges or commences any court proceedings or public action against **flexigroup** or any of its Directors in their capacity as a Director of **flexigroup**, or announces that it intends to take action, or commences or, other than as disclosed in the Due Diligence Questionnaire, gives notice of an intention to commence a hearing or investigation into **flexigroup**;
 - (iii) any Director is disqualified from managing a corporation under Part 2D.6 of the *Corporations Act*;
- k) (**change in management**) resignation or termination of the Chief Executive Officer, Chief Financial Officer or the Chairman of **flexigroup** occurs;
- l) (**Material Adverse Effect**) a Material Adverse Effect occurs, being a material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting the business, operations, assets, liabilities, financial position or performance, profits, losses, prospects or results of operations of **flexigroup** and its subsidiaries (taken as a whole);
- m) (**illegality or commercial impracticability**) there is an event, occurrence or non-occurrence after the execution of this agreement which makes it illegal or commercially impracticable for the Underwriter to satisfy a material obligation under the Underwriting Agreement, or to market, promote or settle the offer of Offer Shares;

Underwriting agreement summary //

- n) (**Offer Materials**) a statement contained in the Offer Materials is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or the Offer Materials omit any information they are required to contain (having regard to section 708AA of the *Corporations Act* and any other applicable requirements), or the issue or distribution of an Offer Materials, or the conduct of the **Entitlement Offer**, is misleading or deceptive or likely to mislead to deceive;
- o) (**Market Fall**) at any time:
- (i) between the Institutional Opening Date and the First Settlement Date, either the S&P/ASX 200 Index or the S&P/ASX 200 SPI Futures Index falls to a level that is 10% below the level of the relevant index as at the close of trading on the day before the date of this agreement and remains at that level for a period of not less than 1 Business Day; or
 - (ii) after the Institutional Opening Date, either the S&P/ASX 200 Index or the S&P/ASX 200 SPI Futures Index falls to a level that is 10% below the level of the relevant index as at the close of trading on the day before the date of this agreement and remains at that level for more than two Business Days; or
- p) (**corrective statement**) an obligation arises on **flexigroup** to give ASX a notice in accordance with section 708AA(10) or 708AA(12) of the *Corporations Act*.
- Certain termination events are qualified by the Underwriter having reasonable grounds to believe that the event has or is likely to have a material adverse effect on the success, settlement or marketing of the Entitlement Offer, on the ability of the Underwriter to market, promote or settle the Entitlement Offer or will or will likely give rise to a contravention by or liability for the Underwriter under the *Corporations Act* or applicable laws including (but not limited to):
- a) (**amendments flexigroup**) amends any of the Offer Materials without the prior written consent of the Underwriter;
 - b) (**Certificate incorrect**) a statement in any 'Certificate' under the Underwriting Agreement is false, misleading, deceptive, untrue or incorrect;
 - c) (**change in law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law or regulation, or the Reserve Bank of Australia, or any Commonwealth or State authority (including ASIC), adopts or announces a proposal to adopt a new policy (other than a law, regulation, or policy which has been announced prior to the date of this agreement);
 - d) (**market disruption**) Any of the following occurs: (i) a general moratorium on commercial banking activities in Australia, New Zealand, Singapore, Hong Kong, the United States or the United Kingdom (**Relevant Countries**) is declared by the relevant central banking authority in any of those countries or there is a disruption in commercial banking or security settlement or clearance services in any of those countries; (ii) any adverse effect on the financial markets in the Relevant Countries, or in foreign exchange rates or any development involving a prospective change in political, financial or economic conditions in any of those countries; or (iii) trading of all securities quoted on ASX, London Stock Exchange, Hong Kong Stock Exchange, Singapore Stock Exchange or New York Stock Exchange is suspended or limited in a material respect for one day (or a substantial part of one day) on which that exchange is open for trading, or a Level 3 "marketwide circuit breaker" is implemented by the New York Stock Exchange upon a 20% decrease against the prior day's closing price of the S&P 500 Index only;
 - e) (**hostilities**) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving **any** one or more of Australia, the United States of America, United Kingdom, any member state of the European Union, Japan, Hong Kong (excluding a recurrence of the recent hostilities, but including any escalation of those recent hostilities, through any military deployment by the People's Republic of China or otherwise), or the People's Republic of China, or a state of emergency is declared by any of those countries (other than as already declared prior to the date of this agreement) or a major escalation occurs in relation to a previously declared state of emergency by any of those countries, or a major terrorist act is perpetrated on any of those countries or any diplomatic establishment of any of those countries;
 - f) (**representations and warranties**) a representation, warranty or undertaking or obligation contained in this agreement on the part of **flexigroup** is breached or is or becomes misleading or deceptive or not true or correct;
 - g) (**breach flexigroup**) fails to perform or observe any of its obligations under this agreement;
 - h) (**information**) the due diligence committee report or any information supplied (including any information supplied prior to the date of this agreement) by or on behalf of **flexigroup** to the Underwriter for the purposes of the due diligence investigations, the Offer Materials or the **Entitlement Offer**, is or becomes false, misleading or deceptive or is likely to mislead or deceive (including by omission); and
 - i) (**contravention of law**) either: (i) **flexigroup** contravenes in connection with the **Entitlement Offer** any provision of the *Corporations Act*, its constitution, any of the ASX Listing Rules or any other applicable law; or (ii) any of the Offer Materials or any aspect of the **Entitlement Offer** does not comply with the *Corporations Act* or the ASX Listing Rules or any other applicable law.

Important notice and disclaimers //

Important notice and disclaimers //

The following notice and disclaimer applies to this investor presentation (Presentation) and you are therefore advised to read this carefully before reading or making any other use of this Presentation or any information contained in this Presentation. By accepting this Presentation you represent and warrant that you are entitled to receive the Presentation in accordance with the restrictions, and agree to be bound by the limitations, contained within it.

This Presentation is dated 26 August 2020 and has been prepared and authorised by FlexiGroup Limited (ABN 75 122 574 583) (**flexigroup** or the Company) in connection with the Company's proposed partially underwritten 1 for 3.20 pro rata accelerated non renounceable entitlement offer of new **flexigroup** fully paid ordinary shares (New Shares) to be made under section 708AA of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) (Entitlement Offer). The Entitlement Offer will be made to eligible retail shareholders of **flexigroup** (Retail Entitlement Offer) and eligible institutional shareholders of **flexigroup** (Institutional Entitlement Offer).

Citigroup Global Markets Australia Pty Limited ACN 003 114 832 (Citi or Lead Manager) is acting as sole lead manager of the Entitlement Offer. Citi will fully underwrite the Institutional Entitlement Offer and underwrite 50% of the Retail Entitlement Offer on the terms of the Underwriting Agreement.

SUMMARY INFORMATION

This Presentation contains summary information about **flexigroup** and its subsidiaries (together, the Group) and their respective activities which is current only as at the date of this Presentation (unless otherwise stated). 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 **flexigroup** or that would be required to be included in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. **flexigroup's** historical information in this Presentation is, or is based upon, information that has been released to the Australian Securities Exchange (ASX). This Presentation should be read in conjunction with **flexigroup's** other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

NO RECOMMENDATION, OFFER, INVITATION OR ADVICE

This presentation is not a prospectus, product disclosure statement, financial product or investment advice or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission (ASIC)) or any other law. This presentation is for information purposes only and is not financial product or investment advice nor a recommendation, offer or invitation by any person or to any person to acquire the New Shares or any other financial products in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation and does not and will not form any part of any contract for the acquisition of New Shares. **flexigroup** is not licensed to provide financial product advice.

The Retail Entitlement Offer will be made on the basis of the information contained in the retail offer booklet to be prepared for eligible retail shareholders of the Company in Australia and New Zealand (Retail Offer Booklet), and made available following its lodgement with ASX. Any eligible retail shareholder in Australia or New Zealand who wishes to participate in the Retail Entitlement Offer should consider the Retail Offer Booklet before deciding whether to apply for New Shares under the Retail Entitlement Offer. Anyone who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions contained in the Retail Offer Booklet and the entitlement and acceptance form.

This Presentation contains general information about **flexigroup** only in summary form and does not take into account the investment objectives, financial situation and particular needs of individual investors. The information in this Presentation does not purport to be complete. Investors should make their own independent assessment of the information in this Presentation including the assumptions, uncertainties and contingencies which may affect **flexigroup's** future operations and the values and the impact that future outcomes may have on **flexigroup** and obtain their own independent advice from a qualified financial adviser having regard to their objectives, financial situation and needs before taking any action. This Presentation should be read in conjunction with **flexigroup's** other periodic and continuous disclosure announcements lodged with ASX.

FORWARD LOOKING STATEMENTS

The information in this Presentation is subject to change without notice and **flexigroup** is not obliged to update or correct it. This Presentation contains statements that constitute 'forward-looking statements'. The forward-looking statements in this Presentation include statements regarding **flexigroup's** intent, belief or current expectations with respect to the timetable, conduct and outcome of the Entitlement Offer and the use of proceeds therefore, statements about the plans, objectives and strategies of the management of the Group, statements about the industry and markets in which the Group operates, statements about the future performance of the Group's business activities and its financial condition, indicative drivers, forecasted economic indicators and the outcome of the Entitlement Offer and the use of proceeds. Words such as "will", "may", "expect", "indicative", "intent", "seek", "would", "should", "could", "continue", "plan", "probability", "risk", "forecast", "likely", "estimate", "anticipate", "believe", "aim" or similar words are used to identify forward-looking statements.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Any such statements, opinions and estimates in this Presentation speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this Presentation are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of

Important notice and disclaimers //

flexigroup, its officers, employees, agents and advisers, 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 assume the success of the Group's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond **flexigroup's** control, 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. Refer to the 'Risk factors' in the Appendix to this Presentation for a non-exhaustive summary of certain key business, offer and general risk factors that may affect the Group.

There can be no assurance that actual outcomes will not differ materially from these statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the Australian and global economic environment and capital market conditions and other risk factors set out in this Presentation. Investors should consider the forward-looking statements contained in this Presentation in light of those risks and disclosures. The forward-looking statements are based on information available to **flexigroup** as at the date of this Presentation. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise is disclaimed. **flexigroup** disclaims any responsibility to update or revise any forward-looking statement to reflect any change in the Group's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law.

DISCLAIMER

Neither the Lead Manager nor any of the Lead Manager's or **flexigroup's** respective advisers or any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents, have authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation and none of them makes or purports 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, **flexigroup**, the Lead Manager and each of their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents:

- exclude and disclaim all liability (including, without limitation, for negligence) for any direct or indirect expenses, losses, damages or costs incurred as a result of participation in the Entitlement Offer or the information in this Presentation being inaccurate or incomplete in any way for any reason; and
- 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.

The Lead Manager and its advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents (Lead Manager Parties) take no responsibility for the Entitlement Offer and make no recommendations as to whether any person should participate in the Entitlement Offer nor do they make any representations or warranties

concerning the Entitlement Offer, and they disclaim (and by accepting this Presentation you disclaim) any fiduciary relationship between them and the recipients of this Presentation, or any duty to the recipients of this Presentation or participants in the Entitlement Offer. Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including at discretion of **flexigroup** and/or the Lead Manager. **flexigroup** and the Lead Manager Parties disclaim any liability in respect of the exercise of that discretion, to the maximum extent permitted by law.

A summary of the key terms of the underwriting agreement between **flexigroup** and the Lead Manager is provided in the Appendix.

JURISDICTION

The distribution of this Presentation including in jurisdictions outside Australia, may be restricted by law. Any person who receives this presentation must seek advice on and observe any such restrictions.

This Presentation may not be distributed or released in the United States. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares to be offered and sold under the Entitlement Offer have not been, and will not be, registered under the U.S. Securities Act of 1933 (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. Each institution that reviews the document that is in the United States, or that is acting for the account or benefit of a person in the United States, will be deemed to represent that each such institution or person is a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act of 1933, and to acknowledge and agree that it will not forward or deliver this document, electronically or otherwise, to any other person. No securities may be offered, sold or otherwise transferred except in compliance with the registration requirements of applicable securities laws or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws. By accepting this Presentation you represent and warrant that you are entitled to receive such Presentation in accordance with the above restrictions and agree to be bound by the limitations contained herein. The distribution of this Presentation (including an electronic copy) may be restricted by law in certain other countries. You should read the important information set out in the 'Foreign selling restrictions' in the Appendix to this Presentation. Failure to comply with these restrictions may constitute a violation of applicable securities laws.

Important notice and disclaimers //

MARKET AND INDUSTRY DATA

Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of **flexigroup**, its representatives or advisers have independently verified any such market or industry data provided by third parties or industry or general publications.

PAST PERFORMANCE

Past performance and pro forma historical financial information in this Presentation is given for illustrative purposes only and should not be relied upon and is not an indication of future performance, including future share price information. Historical information in this Presentation relating to **flexigroup** is information that has previously been released to the market. For further details on that historical information, please see past announcements released by the Company to the ASX.

INVESTMENT RISK

An investment in **flexigroup** securities is subject to investment and other known and unknown risks, including possible loss of income and principal invested, some of which are beyond the control of **flexigroup**. **flexigroup** does not guarantee any particular rate of return or the performance of **flexigroup** securities nor does it guarantee the repayment of capital from the Company or any particular tax treatment. Recipients should read the 'Risk factors' in the Appendix to this Presentation for a non-exhaustive summary of the key risks that may affect **flexigroup** and its financial and operating performance. All amounts are in Australian dollars unless otherwise indicated.

FINANCIAL INFORMATION AND REFERENCES TO FLEXIGROUP

This Presentation includes certain historical financial information extracted from **flexigroup's** audited consolidated financial statements for the year ended 30 June 2020 (collectively, the Historical Financial Information). The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information as required by the Australian Accounting Standards (AAS) and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Historical Financial Information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of the **flexigroup's** views on its future financial condition and/or performance. Investors should be aware that certain financial measures included in this Presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC, and are not recognised under AAS or International Financial Reporting Standards (IFRS). Such non-IFRS financial information does not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although **flexigroup** believes these non-IFRS financial measures provide useful information to investors in measuring the financial performance and condition of the Group's business, investors are cautioned not to place undue reliance on any non-IFRS financial information included in this Presentation. In this presentation references to '**flexigroup**', 'we', 'us' and 'our' are to **flexigroup** and its controlled subsidiaries. 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.

WITHDRAWAL AND COOLING-OFF

flexigroup reserves the right to withdraw, or vary the timetable for any part of the Entitlement Offer without notice. Cooling off rights do not apply to the acquisition of New Shares.

Thank you //