goeasy Ltd. Reports Results for the Fourth Quarter and Full Year & Announces Increase to Automotive Securitization Facility

February 13, 2024 at 4:05 PM EST

Quarterly Loan Originations of $705 million, up 12% from $632 million
Loan Portfolio of $3.65 billion, up 30% from $2.79 billion
Quarterly Net Charge Off Rate of 8.8%, down 20 bps from 9.0%
Quarterly Diluted EPS of $4.34, up 154%; Adjusted Quarterly Diluted EPS[1] of $4.01, up 32% from $3.05
Annual Diluted EPS of $14.48, up 72%; Adjusted Annual Diluted EPS[1] of $14.21, up 23% from $11.55
Annual Dividend per Share Increased to $4.68, up 22% from $3.84

MISSISSAUGA, Ontario, Feb. 13, 2024 (GLOBE NEWSWIRE) -- *goeasy* Ltd. (TSX: GSY), ("***goeasy***" or the " **Company**"), one of Canada's leading non-prime consumer lenders, today reported results for the fourth quarter and full year ended December 31, 2023 and announced a $125 million increase to its existing revolving securitization warehouse facility collateralized by automotive consumer loans (the "**Automotive Securitization Facility**") from $375 million to $500 million, including a 1-year term extension.

Fourth Quarter Results

During the quarter, the Company generated loan originations of $705 million, up 12% compared to $632 million produced in the fourth quarter of 2022. The increase in lending was driven by a record volume of applications for credit, which were up 29% over the prior year. The Company experienced strong performance across several product and acquisition channels, including unsecured lending, point-of-sale lending and automotive financing.

The increase in loan originations led to growth in the loan portfolio of $215 million and at the higher end of the Company's forecasted range. At quarter end, the consumer loan portfolio was $3.65 billion, up 30% from $2.79 billion in the fourth quarter of 2022. The growth in consumer loans led to an increase in revenue, which was a record $338 million in the quarter, up 24% from $273 million in the fourth quarter of last year.

During the quarter, the Company continued to experience stable credit and payment performance. The net charge off rate in the fourth quarter was 8.8%, down 20 basis points from 9.0% in the fourth quarter of 2022, and at the lower end of the Company's forecasted range of between 8.5% and 9.5%. The stable credit performance reflects the improved credit and product mix of the loan portfolio and proactive credit and underwriting enhancements. The Company's allowance for future credit losses reduced slightly to 7.28%, compared to 7.37% in the third quarter.

Operating income for the fourth quarter of 2023 was a record $137 million, up 81% from $76 million in the fourth quarter of 2022. Operating margin for the fourth quarter was a record 40.6%, up from 27.8% in the same period last year. After adjusting for unusual and non-recurring items, the Company reported record adjusted operating income[2] of $141 million, an increase of 41% compared to $100 million in the fourth quarter of 2022. Adjusted operating margin[1] for the fourth quarter was a record 41.6%, up from 36.5% in the same period in 2022. The efficiency ratio[1] for the fourth quarter of 2023 was a record 28.3%, an improvement of 390 bps from 32.2% in the fourth quarter of 2022, reflecting an increase in operating leverage.

Net income in the fourth quarter was $74.6 million, up 161% from $28.6 million in the same period of 2022, which resulted in diluted earnings per share of $4.34, up 154% from the $1.71 reported in the fourth quarter of 2022. After adjustments, adjusted net income[2] was a record $69.0 million, up 35% from $51.0 million in the fourth quarter of 2022. Adjusted diluted earnings per share[1] was a record $4.01, up 32% from $3.05 in the fourth quarter of 2022. Return on equity during the quarter was 28.9%, compared to 13.8% in the fourth quarter of 2022. Adjusted return on equity[1] was 26.7% in the quarter, an increase of 210 bps from 24.6% in the same period of 2022.

"The fourth quarter rounded out another record year for the company, in which we issued over $2.7 billion in loans to help non-prime Canadians meet their financial needs and enhance their lives," said Jason Mullins, goeasy's President and Chief Executive Officer, "The benefits of scale and operating leverage have allowed us to continue reducing prices for borrowers, while absorbing higher funding costs and delivering healthy returns. Over time we have reduced the average rate of interest we charge our customers, while serving over 1.3 million Canadians and helping over 200,000 graduate back to prime so far," Mr. Mullins continued, "We are proud of the work we do to serve the over 9 million non-prime Canadians that have limited borrowing options and are excited to introduce our new outlook, which includes scaling the loan portfolio to approximately $6 billion by the end of 2026. We are truly just getting started."

Other Key Fourth Quarter Highlights

easyfinancial

- Record revenue of $299 million, up 27%
- 42% of the loan portfolio secured, up from 39%
- Record volume of applications for credit, up 29%
- New customer volume at 40,300, up 15%
- 67% of net loan advances[1] in the quarter were issued to new customers, up from 66%
- Record volume of originations in automotive financing
- Average loan book per branch[3] improved to a record $5.7 million, an increase of 18%
- Weighted average interest rate[3] on consumer loans of 30.3%, down slightly from 30.5%

- Record operating income of $150 million, up 41%

easyhome

- Revenue of $38.6 million, up 3%
- Consumer loan portfolio within easyhome stores increased to $106.3 million, up 20%
- Financial revenue[2] from consumer lending increased to $12.4 million, up 16%
- Operating income of $9.4 million, up 8%

Overall

- 90th consecutive quarter of positive net income
- 2024 marks the 20th consecutive year of paying dividends and the 10th consecutive year of a dividend increase
- 55th consecutive quarter of same store revenue growth
- Total customers served over 1.3 million
- Acquired and organically originated over $12.8 billion in loans
- Adjusted return on equity[1] of 26.7%, up from 24.6%
- Adjusted return on tangible common equity[1] of 35.3%, consistent with 35.9%
- Fully drawn weighted average cost of borrowing at 6.9%, up from 5.5%
- Net debt to net capitalization[4] of 72% on December 31, 2023, in line with the Company's target leverage profile

Full Year Results

For the year of 2023, the Company funded a record $2.71 billion in loan originations, up 14% from $2.38 billion in 2022. The consumer loan receivable portfolio finished at $3.65 billion, up 30% from $2.79 billion as of December 31, 2022.

For the year of 2023, the Company produced record revenues of $1.25 billion, up 23% compared to $1.02 billion in 2022. Operating income for the year was a record $477 million compared to $332 million in 2022, an increase of $144 million or 43%. Adjusted operating income[2] for the year was a record $491 million, 33% higher compared to $369 million in the prior year. Efficiency ratio[1] for the year was 30.2%, an improvement of 340 bps from 33.6% in 2022.

Net income for the year was $248 million and diluted earnings per share was $14.48, compared with $140 million or $8.42 per share in 2022. Adjusted net income[2] for the year was a record $243 million and adjusted diluted earnings per share[1] was a record $14.21 compared with $192 million or $11.55 per share, increases of 27% and 23%, respectively. Reported return on equity was 25.9%, while adjusted return on equity[1] was 25.4%, up from 24.2% in 2022.

Balance Sheet and Liquidity

Total assets were $4.16 billion as of December 31, 2023, an increase of 26% from $3.30 billion as of December 31, 2022, primarily driven by growth in the consumer loan portfolio.

During the quarter, the Company implemented several enhancements to its balance sheet, including increasing the Automotive Securitization Facility by $125 million to $500 million and refinancing its senior unsecured notes due 2024.

The amendment to the Automotive Securitization Facility incorporates key modifications including improved eligibility criteria for automotive consumer loans, as well as pool concentration limits, resulting in increased funding capacity. The maturity of the Automotive Securitization Facility was also extended by a year to December 16, 2025. The lending syndicate for the Automotive Securitization Facility continues to consist of Bank of Montreal and Wells Fargo Bank, and the facility continues to bear interest on advances payable at the rate of 1-month Canadian Dollar Offered Rate ("**CDOR**") plus 185 bps. Based on the current 1-month CDOR rate of 5.36% as of February 9, 2024, the interest rate would be 7.21%. The Company will continue to utilize an interest rate swap agreement to generate fixed rate payments on the amounts drawn to assist in mitigating the impact of increases in interest rates.

In November 2023, the Company issued US$550 million aggregate principal amount of senior unsecured notes due 2028 (the **"Notes"**). In connection with the offering, the Company entered into a currency swap agreement (the **"Currency Swap"**) to reduce the Canadian dollar equivalent cost of borrowing on the Notes to 8.79% per annum. Before giving effect to the Currency Swap, the coupon on the Notes is 9.25% per annum. The Company used the proceeds from the sale of the Notes to fund the redemption of all of its outstanding senior unsecured notes due 2024.

During the quarter, the Company recognized net investment income of $1.3 million, due to fair value change in the Company's investments.

Free cash flow from operations before net growth in gross consumer loans receivable[2] in the quarter was $85 million, up 29% from $66 million in the fourth quarter of 2022. Based on the cash on hand at the end of the quarter and the borrowing capacity under the Company's existing revolving credit facilities, the Company had approximately $901 million in total funding capacity as of December 31, 2023. The Company remains confident that the capacity available under its existing funding facilities, and its ability to raise additional debt financing, is sufficient to fund its organic growth forecast.

At quarter-end, the Company's weighted average cost of borrowing was 6.4%, and the fully drawn weighted average cost of borrowing was 6.9%. The Company estimates that it could currently grow the consumer loan portfolio by approximately $250 million per year solely from internal cash flows, without utilizing external debt. The Company also estimates that once its existing and available sources of debt are fully utilized, it could continue to grow the loan portfolio by approximately $400 million per year solely from internal cash flows. The Company also estimates that if it were to run-off its consumer loan and leasing portfolios, the value of the total cash repayments paid to the Company over the remaining life of its contracts would be approximately $4.4 billion. If, during such a run-off scenario with reasonable cost reductions, all excess cash flows were applied directly to debt, the

Company estimates it would extinguish all external debt within 17 months.

Future Outlook

The Company has provided a new 3-year forecast for the years 2024 through 2026. The periods of 2024 and 2025 have been updated to reflect the most recent outlook and assume that the previously announced new legislation to reduce the maximum allowable rate of interest to an annual percentage rate of 35% becomes effective mid-year 2024, though the enforcement date has yet to be announced. Furthermore, the company employs the use of probability weighted third party economic forecasts to establish its economic outlook. Based on those forecasts, the Company assumes that Canada will experience a mild to moderate recession in 2024 and into 2025.

The Company continues to pursue a long-term strategy that includes expanding its product range, developing its channels of distribution, and leveraging risk-based pricing to reduce the cost of borrowing for its consumers and extend the life of its customer relationships. As such, the total yield earned on its consumer loan portfolio and net charge off rates will gradually decline, while operating margins expand. The forecast outlined below is based on the Company's expected domestic organic growth plan and does not include the impact of any future mergers or acquisitions, or the associated gains or losses related to its investments.

	Forecast for 2024	**Forecast for 2025**	**Forecast for 2026**
Gross consumer loans receivable at year end	$4.35 - $4.55 billion	$5.10 - $5.40 billion	$5.80 - $6.20 billion
Total Company revenue	$1.45 - $1.55 billion	$1.55 - $1.75 billion	$1.70 - $1.90 billion
Total yield on consumer loans (including ancillary products)[1]	33.0% - 35.0%	31.0% - 33.0%	29.5% - 31.5%
Net charge offs as a percentage of average gross consumer loans receivable	8.0% - 10.0%	7.5% - 9.5%	7.25% - 9.25%
Total Company operating margin	39%+	40%+	41%+
Return on equity	21%+	21%+	21%+

Dividend

Based on its 2023 adjusted earnings and the Company's confidence in its continued growth and access to capital going forward, the Board of Directors has approved an increase to the annual dividend from $3.84 per share to $4.68 per share, an increase of 22%. This year marks the 10th consecutive year of an increase in the dividend to shareholders. As such, the Board of Directors has approved a quarterly dividend of $1.17 per share payable on April 12, 2024 to the holders of common shares of record as at the close of business on March 29, 2024.

Forward-Looking Statements

All figures reported above with respect to outlook are targets established by the Company and are subject to change as plans and business conditions vary. Accordingly, investors are cautioned not to place undue reliance on the foregoing guidance. Actual results may differ materially.

This press release includes forward-looking statements about goeasy, including, but not limited to, its business operations, strategy and expected financial performance and condition. Forward-looking statements include, but are not limited to, statements with respect to forecasts for growth of the consumer loans receivable, annual revenue growth forecasts, strategic initiatives, new product offerings and new delivery channels, anticipated cost savings, planned capital expenditures, anticipated capital requirements and the Company's ability to secure sufficient capital, liquidity of the Company, plans and references to future operations and results, critical accounting estimates, expected future yields and net charge off rates on loans, the dealer relationships, the size and characteristics of the Canadian non-prime lending market and the continued development of the type and size of competitors in the market. In certain cases, forward-looking statements that are predictive in nature, depend upon or refer to future events or conditions, and/or can be identified by the use of words such as "expect", "continue", "anticipate", "intend", "aim", "plan", "believe", "budget", "estimate", "forecast", "foresee", "target" or negative versions thereof and similar expressions, and/or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations and business prospects and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company's operations, economic factors and the industry generally. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those expressed or implied by forward-looking statements made by the Company. Some important factors that could cause actual results to differ materially from those expressed in the forward-looking statements include, but are not limited to, goeasy's ability to enter into new lease and/or financing agreements, collect on existing lease and/or financing agreements, open new locations on favourable terms, offer products which appeal to customers at a competitive rate, respond to changes in legislation, react to uncertainties related to regulatory action, raise capital under favourable terms, compete, manage the impact of litigation (including shareholder litigation), control costs at all levels of the organization and maintain and enhance the system of internal controls.

The Company cautions that the foregoing list is not exhaustive. These and other factors could cause actual results to differ materially from our expectations expressed in the forward-looking statements, and further details and descriptions of these and other factors are disclosed in the Company's Management's Discussion and Analysis ("**MD&A**"), including under the section entitled "Risk Factors".

The reader is cautioned to consider these, and other factors carefully and not to place undue reliance on forward-looking statements, which may not be appropriate for other purposes. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise, unless required by law.

About goeasy

goeasy Ltd. is a Canadian company, headquartered in Mississauga, Ontario, that provides non-prime leasing and lending services through its easyhome, easyfinancial and LendCare brands. Supported by over 2,400 employees, the Company offers a wide variety of financial products and services including unsecured and secured instalment loans, merchant financing through a variety of verticals and lease-to-own merchandise.

Customers can transact seamlessly through an omnichannel model that includes online and mobile platforms, over 400 locations across Canada, and point-of-sale financing offered in the retail, powersports, automotive, home improvement and healthcare verticals, through over 9,500 merchant partners across Canada. Throughout the Company's history, it has acquired and organically served over 1.3 million Canadians and originated over $12.8 billion in loans.

Accredited by the Better Business Bureau, goeasy is the proud recipient of several awards in recognition of its exceptional culture and continued business growth including 2023 Best Workplaces™ inFinancial Services & Insurance, Waterstone Canada's Most Admired Corporate Cultures, ranking on the 2022 Report on Business Women Lead Here executive gender diversity benchmark, placing on the Report on Business ranking of Canada's Top Growing Companies, ranking on the TSX30, Greater Toronto Top Employers Award and has been certified as a Great Place to Work®. The Company is represented by a diverse group of team members from 78 nationalities who believe strongly in giving back to communities in which it operates. To date, goeasy has raised and donated over $5.5 million to support its long-standing partnerships with BGC Canada and many other local charities. In 2023, the Company announced a 3-year, $1.4 million commitment to BGC Canada's Food Fund to help address the rising issue of food insecurity amongst Canadian households.

goeasy Ltd.'s. common shares are listed on the TSX under the trading symbol "GSY". goeasy is rated BB- with a stable trend from S&P and Ba3 with a stable trend from Moody's.

For more information about goeasy and our business units, visit www.goeasy.com, www.easyfinancial.com, www.lendcare.ca, www.easyhome.ca.

For further information contact:

Jason Mullins
President & Chief Executive Officer
(905) 272-2788

Farhan Ali Khan
Senior Vice President, Chief Corporate Development Officer
(905) 272-2788

Notes:
These are non-IFRS ratios. Refer to "Non-IFRS Measures and Other Financial Measures" section in this press release.
[2] These are non-IFRS measures. Refer to "Non-IFRS Measures and Other Financial Measures" section in this press release.
[3] These are supplementary financial measures. Refer to "Non-IFRS Measures and Other Financial Measures" section in this press release.
[4] These are capital management measures. Refer to "Non-IFRS Measures and Other Financial Measures" section in this press release.
[5] Non-IFRS ratios, non-IFRS measures, supplementary financial measures and capital management measures are not determined in accordance with IFRS, do not have standardized meanings and may not be comparable to similar financial measures presented by other companies.

goeasy Ltd.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of Canadian dollars)

	As At December 31, 2023	**As At December 31, 2022**
ASSETS		
Cash	**144,577**	62,654
Accounts receivable	**30,762**	25,697
Prepaid expenses	**9,462**	8,334
Income taxes recoverable	**-**	2,323
Consumer loans receivable, net	**3,447,588**	2,627,357
Investments	**61,464**	57,304
Lease assets	**45,187**	48,437
Derivative financial assets	**21,904**	49,444
Property and equipment, net	**35,382**	35,856
Right-of-use assets, net	**61,987**	65,758
Intangible assets, net	**124,931**	138,802
Goodwill	**180,923**	180,923
TOTAL ASSETS	**4,164,167**	3,302,889
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Revolving credit facility	**190,921**	148,646
Accounts payable and accrued liabilities	**72,409**	51,136

Income taxes payable	**24,691**	-
Dividends payable	**15,960**	14,965
Unearned revenue	**26,965**	28,661
Accrued interest	**12,875**	10,159
Deferred income tax liabilities, net	**24,259**	24,692
Lease liabilities	**70,809**	74,328
Secured borrowings	**143,177**	105,792
Revolving securitization warehouse facilities	**1,364,741**	805,825
Derivative financial liabilities	**42,457**	-
Notes payable	**1,120,826**	1,168,997
TOTAL LIABILITIES	**3,110,090**	2,433,201
Shareholders' equity		
Share capital	**428,328**	419,046
Contributed surplus	**24,817**	21,499
Accumulated other comprehensive (loss) income	**(9,721)**	2,776
Retained earnings	**610,653**	426,367
TOTAL SHAREHOLDERS' EQUITY	**1,054,077**	869,688
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**4,164,167**	3,302,889

goeasy Ltd.

CONSOLIDATED STATEMENTS OF INCOME
(Expressed in thousands of Canadian dollars, except earnings per share)

	Three Months Ended		Year Ended	
	December 31, 2023	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
REVENUE				
Interest income	**244,668**	191,320	**888,928**	698,150
Lease revenue	**24,691**	25,219	**99,848**	103,414
Commissions earned	**61,510**	51,389	**234,485**	197,159
Charges and fees	**7,243**	5,398	**26,808**	20,613
	338,112	273,326	**1,250,069**	1,019,336
OPERATING EXPENSES				
BAD DEBTS	**91,570**	78,257	**341,639**	272,893
OTHER OPERATING EXPENSES				
Salaries and benefits	**49,322**	43,526	**200,917**	174,236
Share-based compensation	**3,678**	2,621	**12,938**	10,053
Advertising and promotion	**8,305**	7,942	**31,020**	34,069
Occupancy	**6,269**	6,406	**25,405**	25,234
Technology costs	**7,410**	7,489	**28,402**	23,463
Underwriting and collections	**4,231**	3,606	**16,564**	13,930
Loss on sale or write off of assets	**-**	20,549	**-**	20,549
Other expenses	**8,519**	7,804	**30,335**	31,196
	87,734	99,943	**345,581**	332,730
DEPRECIATION AND AMORTIZATION				
Depreciation of lease assets	**8,207**	8,516	**33,535**	33,547
Amortization of intangible assets	**5,552**	3,029	**21,999**	18,406
Depreciation of right-of-use assets	**5,420**	5,249	**21,260**	20,160

Depreciation of property and equipment	**2,392**	2,451	**9,537**	9,193
	21,571	19,245	**86,331**	81,306
TOTAL OPERATING EXPENSES	**200,875**	197,445	**773,551**	686,929
OPERATING INCOME	**137,237**	75,881	**476,518**	332,407
OTHER INCOME (LOSS)	**1,310**	(5,609)	**9,771**	(28,659)
FINANCE COSTS	**(36,580)**	(31,551)	**(149,334)**	(107,972)
INCOME BEFORE INCOME TAXES	**101,967**	38,721	**336,955**	195,776
INCOME TAX EXPENSE (RECOVERY)				
Current	**22,994**	11,216	**90,809**	65,659
Deferred	**4,371**	(1,071)	**(1,752)**	(10,044)
	27,365	10,145	**89,057**	55,615
NET INCOME	**74,602**	28,576	**247,898**	140,161
BASIC EARNINGS PER SHARE	**4.41**	1.74	**14.70**	8.61
DILUTED EARNINGS PER SHARE	**4.34**	1.71	**14.48**	8.42

SEGMENT REPORTING
(Expressed in thousands of Canadian dollars, except earnings per share)

	Three Months Ended December 31, 2023			
	easyfinancial	**easyhome**	**Corporate**	**Total**
Revenue				
Interest income	**235,142**	**9,526**	**-**	**244,668**
Lease revenue	**-**	**24,691**	**-**	**24,691**
Commissions earned	**58,015**	**3,495**	**-**	**61,510**
Charges and fees	**6,308**	**935**	**-**	**7,243**
	299,465	**38,647**	**-**	**338,112**
Operating expenses				
Bad debts	**87,076**	**4,494**	**-**	**91,570**
Other operating expenses	**52,533**	**14,330**	**20,871**	**87,734**
Depreciation and amortization	**9,614**	**10,419**	**1,538**	**21,571**
	149,223	**29,243**	**22,409**	**200,875**
Operating income (loss)	**150,242**	**9,404**	**(22,409)**	**137,237**
Other income				**1,310**
Finance costs				**(36,580)**
Income before income taxes				**101,967**
Income taxes				**27,365**
Net income				**74,602**
Diluted earnings per share				**4.34**

	Three Months Ended December 31, 2022			
	easyfinancial	**easyhome**	**Corporate**	**Total**

Revenue				
Interest income	183,345	7,975	-	191,320
Lease revenue	-	25,219	-	25,219
Commissions earned	48,023	3,366	-	51,389
Charges and fees	4,518	880	-	5,398
	235,886	37,440	-	273,326
Operating expenses				
Bad debts	75,224	3,033	-	78,257
Other operating expenses	47,539	14,948	37,456	99,943
Depreciation and amortization	6,846	10,772	1,627	19,245
	129,609	28,753	39,083	197,445
Operating income (loss)	106,277	8,687	(39,083)	75,881
Other loss				(5,609)
Finance costs				(31,551)
Income before income taxes				38,721
Income taxes				10,145
Net income				28,576
Diluted earnings per share				1.71

	Year Ended December 31, 2023			
	easyfinancial	**easyhome**	**Corporate**	**Total**
Revenue				
Interest income	**853,228**	**35,700**	**-**	**888,928**
Lease revenue	**-**	**99,848**	**-**	**99,848**
Commissions earned	**220,363**	**14,122**	**-**	**234,485**
Charges and fees	**23,226**	**3,582**	**-**	**26,808**
	1,096,817	**153,252**	**-**	**1,250,069**
Operating expenses				
Bad debts	**327,196**	**14,443**	**-**	**341,639**
Other operating expenses	**197,358**	**59,610**	**88,613**	**345,581**
Depreciation and amortization	**37,747**	**42,259**	**6,325**	**86,331**
	562,301	**116,312**	**94,938**	**773,551**
Operating income (loss)	**534,516**	**36,940**	**(94,938)**	**476,518**
Other income				**9,771**
Finance costs				**(149,334)**
Income before income taxes				**336,955**
Income taxes				**89,057**
Net income				**247,898**
Diluted earnings per share				**14.48**

	Year Ended December 31, 2022			
	easyfinancial	**easyhome**	**Corporate**	**Total**

Revenue				
Interest income	668,779	29,371	-	698,150
Lease revenue	-	103,414	-	103,414
Commissions earned	184,013	13,146	-	197,159
Charges and fees	16,736	3,877	-	20,613
	869,528	149,808	-	1,019,336
Operating expenses				
Bad debts	261,997	10,896	-	272,893
Other operating expenses	180,867	61,748	90,115	332,730
Depreciation and amortization	32,668	42,586	6,052	81,306
	475,532	115,230	96,167	686,929
Operating income (loss)	393,996	34,578	(96,167)	332,407
Other loss				(28,659)
Finance costs				(107,972)
Income before income taxes				195,776
Income taxes				55,615
Net income				140,161
Diluted earnings per share				8.42

SUMMARY OF FINANCIAL RESULTS AND KEY PERFORMANCE INDICATORS

(Expressed in thousands of Canadian dollars, except earnings per share and percentages)

	Three Months Ended			
	December 31, 2023	**December 31, 2022**	**Variance $ / bps**	**Variance % change**
Summary Financial Results				
Revenue	**338,112**	273,326	64,786	23.7%
Bad debts	**91,570**	78,257	13,313	17.0%
Other operating expenses	**87,734**	99,943	(12,209)	(12.2%)
EBITDA[1]	**151,911**	81,001	70,910	87.5%
EBITDA margin[1]	**44.9%**	29.6%	1,530 bps	51.7%
Depreciation and amortization	**21,571**	19,245	2,326	12.1%
Operating income	**137,237**	75,881	61,356	80.9%
Operating margin	**40.6%**	27.8%	1,280 bps	46.0%
Other income	**1,310**	(5,609)	6,919	123.4%
Finance costs	**36,580**	31,551	5,029	15.9%
Effective income tax rate	**26.8%**	26.2%	60 bps	2.3%
Net income	**74,602**	28,576	46,026	161.1%
Diluted earnings per share	**4.34**	1.71	2.63	153.8%
Return on receivables	**8.3%**	4.2%	410 bps	97.6%
Return on assets	**7.4%**	3.6%	380 bps	105.6%
Return on equity	**28.9%**	13.8%	1,510 bps	109.4%
Return on tangible common equity[1]	**39.5%**	21.8%	1,770 bps	81.2%
Adjusted Financial Results[1]				
Other operating expenses	**95,810**	87,877	7,933	9.0%
Efficiency ratio	**28.3%**	32.2%	(390 bps)	(12.1%)
Operating income	**140,643**	99,738	40,905	41.0%

Operating margin	**41.6%**	36.5%	510 bps	14.0%
Net income	**68,961**	51,026	17,935	35.1%
Diluted earnings per share	**4.01**	3.05	0.96	31.5%
Return on receivables	**7.7%**	7.5%	20 bps	2.7%
Return on assets	**6.8%**	6.3%	50 bps	7.9%
Return on equity	**26.7%**	24.6%	210 bps	8.5%
Return on tangible common equity	**35.3%**	35.9%	(60 bps)	(1.7%)
Key Performance Indicators				
Segment Financials				
easyfinancial revenue	**299,465**	235,886	63,579	27.0%
easyfinancial operating margin	**50.2%**	45.1%	510 bps	11.3%
easyhome revenue	**38,647**	37,440	1,207	3.2%
easyhome operating margin	**24.3%**	23.2%	110 bps	4.7%
Portfolio Indicators				
Gross consumer loans receivable	**3,645,202**	2,794,694	850,508	30.4%
Growth in consumer loans receivable	**214,926**	206,038	8,888	4.3%
Gross loan originations	**704,875**	632,355	72,520	11.5%
Total yield on consumer loans (including ancillary products)[1]	**34.9%**	36.2%	(130 bps)	(3.6%)
Net charge offs as a percentage of average gross consumer loans receivable	**8.8%**	9.0%	(20 bps)	(2.2%)
Free cash flows from operations before net growth in gross consumer loans receivable[1]	**85,142**	66,040	19,102	28.9%
Potential monthly leasing revenue[1]	**7,654**	7,868	(214)	(2.7%)

[1] EBITDA, adjusted other operating expenses, adjusted operating income, adjusted net income and free cash flows from operations before net growth in gross consumer loans receivable are non-IFRS measures. EBITDA margin, efficiency ratio, adjusted operating margin, adjusted diluted earnings per share, adjusted return on equity, adjusted return on receivable, adjusted return on assets, reported and adjusted return on tangible common equity and total yield on consumer loans (including ancillary products) are non-IFRS ratios. Refer to “Non-IFRS Measures and Other Financial Measures” section in this press release.

	Year Ended			
	December 31, 2023	**December 31, 2022**	**Variance $ / bps**	**Variance % change**
Summary Financial Results				
Revenue	**1,250,069**	1,019,336	230,733	22.6%
Bad debts	**341,639**	272,893	68,746	25.2%
Other operating expenses	**345,581**	332,730	12,851	3.9%
EBITDA[1]	**539,085**	351,507	187,578	53.4%
EBITDA margin[1]	**43.1%**	34.5%	860 bps	24.9%
Depreciation and amortization	**86,331**	81,306	5,025	6.2%
Operating income	**476,518**	332,407	144,111	43.4%
Operating margin	**38.1%**	32.6%	550 bps	16.9%
Other income (loss)	**9,771**	(28,659)	38,430	134.1%
Finance costs	**149,334**	107,972	41,362	38.3%
Effective income tax rate	**26.4%**	28.4%	(200 bps)	(7.0%)
Net income	**247,898**	140,161	107,737	76.9%
Diluted earnings per share	**14.48**	8.42	6.06	72.0%
Return on receivables	**7.6%**	5.8%	180 bps	31.0%
Return on assets	**6.7%**	4.8%	190 bps	39.6%
Return on equity	**25.9%**	17.6%	830 bps	47.2%
Return on tangible common equity[1]	**36.7%**	28.4%	830 bps	29.2%
Adjusted Financial Results[1]				
Other operating expenses	**377,574**	342,422	35,152	10.3%
Efficiency ratio	**30.2%**	33.6%	(340 bps)	(10.1%)
Operating income	**491,160**	369,362	121,798	33.0%
Operating margin	**39.3%**	36.2%	310 bps	8.6%

Net income	**243,175**	192,261	50,914	26.5%
Diluted earnings per share	**14.21**	11.55	2.66	23.0%
Return on receivables	**7.5%**	8.0%	(50 bps)	(6.3%)
Return on assets	**6.5%**	6.6%	(10 bps)	(1.5%)
Return on equity	**25.4%**	24.2%	120 bps	5.0%
Return on tangible common equity	**34.6%**	36.4%	(180 bps)	(4.9%)
Key Performance Indicators				
Segment Financials				
easyfinancial revenue	**1,096,817**	869,528	227,289	26.1%
easyfinancial operating margin	**48.7%**	45.3%	340 bps	7.5%
easyhome revenue	**153,252**	149,808	3,444	2.3%
easyhome operating margin	**24.1%**	23.1%	100 bps	4.3%
Portfolio Indicators				
Gross consumer loans receivable	**3,645,202**	2,794,694	850,508	30.4%
Growth in consumer loans receivable	**850,508**	764,355	86,153	11.3%
Gross loan originations	**2,709,194**	2,377,606	331,588	13.9%
Total yield on consumer loans (including ancillary products)[1]	**35.3%**	37.7%	(240 bps)	(6.4%)
Net charge offs as a percentage of average gross consumer loans receivable	**8.9%**	9.1%	(20 bps)	(2.2%)
Free cash flows from operations before net growth in gross consumer loans receivable[1]	**377,291**	258,474	118,817	46.0%
Potential monthly leasing revenue[1]	**7,654**	7,868	(214)	(2.7%)

[1] EBITDA, adjusted other operating expenses, adjusted operating income, adjusted net income and free cash flows from operations before net growth in gross consumer loans receivable are non-IFRS measures. EBITDA margin, efficiency ratio, adjusted operating margin, adjusted diluted earnings per share, adjusted return on equity, adjust return on receivable, adjusted return on assets, reported and adjusted return on tangible common equity and total yield on consumer loans (including ancillary products) are non-IFRS ratios. Refer to "Non-IFRS Measures and Other Financial Measures" section in this press release.

Non-IFRS Measures and Other Financial Measures

The Company uses a number of financial measures to assess its performance. Some of these measures are not calculated in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB), are not identified by IFRS and do not have standardized meanings that would ensure consistency and comparability among companies using these measures. The Company believes that non-IFRS measures are useful in assessing ongoing business performance and provide readers with a better understanding of how management assesses performance. These non-IFRS measures are used throughout this press release and listed below. An explanation of the composition of non-IFRS measures and other financial measures can be found in the Company's MD&A, available on www.sedarplus.ca.

Adjusted Net Income and Adjusted Diluted Earnings Per Share

Adjusted net income is a non-IFRS measure, while adjusted diluted earnings per share is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted net income and adjusted earnings per share for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended		**Year Ended**	
($ in 000's except earnings per share)	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Net income as stated	**74,602**	28,576	**247,898**	140,161
Impact of adjusting items				
Other operating expenses				
Contract exit fee[1]	**-**	-	**934**	-
Integration costs[2]	**131**	122	**608**	1,081
Write off of an intangible asset[1]	**-**	20,460	**-**	20,460
Corporate development costs[4]	**-**	-	**-**	2,314
Depreciation and amortization				
Amortization of acquired intangible assets[3]	**3,275**	3,275	**13,100**	13,100

Other (income) loss[5]	**(1,310)**	5,609	**(9,771)**	28,659
Finance costs				
Refinancing costs related to notes payable[6]	**9,501**	-	**9,501**	-
Fair value change on prepayment options related to 2028 Notes[7]	**(19,035)**	-	**(19,035)**	-
Total pre-tax impact of adjusting items	**(7,438)**	29,466	**(4,663)**	65,614
Income tax impact of above adjusting items	**1,797**	(7,016)	**(60)**	(13,514)
After-tax impact of adjusting items	**(5,641)**	22,450	**(4,723)**	52,100
Adjusted net income	**68,961**	51,026	**243,175**	192,261
Weighted average number of diluted shares outstanding	**17,207**	16,753	**17,117**	16,650
Diluted earnings per share as stated	**4.34**	1.71	**14.48**	8.42
Per share impact of adjusting items	**(0.33)**	1.34	**(0.27)**	3.13
Adjusted diluted earnings per share	**4.01**	3.05	**14.21**	11.55

Adjusting items related to the write off of an intangible asset

[1] In the fourth quarter of 2022, the Company decided to terminate its agreement with a third-party technology provider that was contracted in 2020 to develop a new loan management system. After careful evaluation, the Company determined that the performance to date was unsatisfactory, and the additional investment necessary to complete the development was no longer economical, relative to the anticipated business value and other available options. As such, the Company elected to write off capitalized software costs in 2022 in the amount of $20.5 million, associated with this loan management system being developed by the third-party. In the first quarter of 2023, the Company settled its dispute with the third-party technology provider for $0.9 million.

Adjusting items related to the LendCare Acquisition

[2] Integration costs related to advisory and consulting costs, employee incentives, representation and warranty insurance costs, and other integration costs related to the acquisition of LendCare.

[3] Amortization of the $131 million intangible asset related to the acquisition of LendCare with an estimated useful life of ten years.

Adjusting items related to the corporate development costs

[4] Corporate development costs in the first quarter of 2022 were related to the exploration of a strategic acquisition opportunity, which the Company elected to not pursue, including advisory, consulting and legal costs.

Adjusting item related to other income (loss)

[5] For the three-month periods and years ended December 31, 2023 and 2022, net investment income (losses) were mainly due to fair value changes on the Company's investments.

Adjusting item related to the refinancing of 2024 Notes

[6] During the fourth quarter of 2023, the Company repaid its 2024 Notes that would have matured on December 1, 2024, incurring a $9.5 million refinancing costs, which included the recognition of the remaining unamortized deferred financing costs, realized derivative loss on the settlement of the cross-currency swaps associated to 2024 Notes, and the net change in cash flow hedge that was reclassified from other comprehensive income to consolidated statement of income.

Adjusting item related to prepayment options embedded in the 2028 Notes

[7] For the three-month period and year ended December 31, 2023, the Company recognized a fair value change on the prepayment options related to 2028 Notes amounting to $19.0 million.

Adjusted Other Operating Expenses and Efficiency Ratio

Adjusted other operating expenses is a non-IFRS measure, while efficiency ratio is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted other operating expenses and efficiency ratio for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended		**Year Ended**	
($ in 000's except earnings per share)	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Other operating expenses as stated	**87,734**	99,943	**345,581**	332,730
Impact of adjusting items[1]				
Other operating expenses				
Contract exit fee	**-**	-	**(934)**	-
Integration costs	**(131)**	(122)	**(608)**	(1,081)
Write off of an intangible asset	**-**	(20,460)	**-**	(20,460)
Corporate development costs	**-**	-	**-**	(2,314)
Depreciation and amortization				
Depreciation of lease assets	**8,207**	8,516	**33,535**	33,547

Total impact of adjusting items	**8,076**	(12,066)	**31,993**	9,692
Adjusted other operating expenses	**95,810**	87,877	**377,574**	342,422
Total revenue	**338,112**	273,326	**1,250,069**	1,019,336
Efficiency ratio	**28.3%**	32.2%	**30.2%**	33.6%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

Adjusted Operating Income and Adjusted Operating Margin

Adjusted operating income is a non-IFRS measure, while adjusted operating margin is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted operating income and adjusted operating margins for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended			
($ in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
easyfinancial				
Operating income	**150,242**	**150,242**	106,277	106,277
Divided by revenue	**299,465**	**299,465**	235,886	235,886
easyfinancial operating margin	**50.2%**	**50.2%**	45.1%	45.1%
easyhome				
Operating income	**9,404**	**9,404**	8,687	8,687
Divided by revenue	**38,647**	**38,647**	37,440	37,440
easyhome operating margin	**24.3%**	**24.3%**	23.2%	23.2%
Total				
Operating income	**137,237**	**137,237**	75,881	75,881
Other operating expenses[1]				
Integration costs	**-**	**131**	-	122
Write off of an intangible asset	**-**	**-**	-	20,460
Depreciation and amortization[1]				
Amortization of acquired intangible assets	**-**	**3,275**	-	3,275
Adjusted operating income	**137,237**	**140,643**	75,881	99,738
Divided by revenue	**338,112**	**338,112**	273,326	273,326
Total operating margin	**40.6%**	**41.6%**	27.8%	36.5%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

	Year Ended			
($ in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
easyfinancial				
Operating income	**534,516**	**534,516**	393,996	393,996
Divided by revenue	**1,096,817**	**1,096,817**	869,528	869,528
easyfinancial operating margin	**48.7%**	**48.7%**	45.3%	45.3%
easyhome				
Operating income	**36,940**	**36,940**	34,578	34,578
Divided by revenue	**153,252**	**153,252**	149,808	149,808

easyhome operating margin	**24.1%**	**24.1%**	23.1%	23.1%
Total				
Operating income	**476,518**	**476,518**	332,407	332,407
Other operating expenses[1]				
Contract exit fee	**-**	**934**	-	-
Integration costs	**-**	**608**	-	1,081
Write off of an intangible asset	**-**	**-**	-	20,460
Corporate development costs	**-**	**-**	-	2,314
Depreciation and amortization[1]				
Amortization of acquired intangible assets	**-**	**13,100**	-	13,100
Adjusted operating income	**476,518**	**491,160**	332,407	369,362
Divided by revenue	**1,250,069**	**1,250,069**	1,019,336	1,019,336
Total operating margin	**38.1%**	**39.3%**	32.6%	36.2%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") and EBITDA Margin

EBITDA is a non-IFRS measure, while EBITDA margin is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate EBITDA and EBITDA margin for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended		**Year Ended**	
($in 000's except percentages)	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Net income as stated	**74,602**	28,576	**247,898**	140,161
Finance cost	**36,580**	31,551	**149,334**	107,972
Income tax expense	**27,365**	10,145	**89,057**	55,615
Depreciation and amortization	**21,571**	19,245	**86,331**	81,306
Depreciation of lease assets	**(8,207)**	(8,516)	**(33,535)**	(33,547)
EBITDA	**151,911**	81,001	**539,085**	351,507
Divided by revenue	**338,112**	273,326	**1,250,069**	1,019,336
EBITDA margin	**44.9%**	29.6%	**43.1%**	34.5%

Free Cash Flow from Operations before Net Growth in Gross Consumer Loans Receivable

Free cash flow from operations before net growth in gross consumer loans receivable is a non-IFRS measure. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate free cash flow from operations before net growth in gross consumer loans receivable for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended		**Year Ended**	
	December 31, 2023	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Cash used in operating activities	**(129,784)**	(139,998)	**(473,217)**	(505,881)
Net growth in gross consumer loans receivable during the period	**214,926**	206,038	**850,508**	764,355
Free cash flows from operations before net growth in gross consumer loans receivable	**85,142**	66,040	**377,291**	258,474

Adjusted Return on Receivables

Adjusted return on receivables is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted return on assets for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**74,602**	**74,602**	28,576	28,576
After-tax impact of adjusting items[1]	**-**	**(5,641)**	-	22,450
Adjusted net income	**74,602**	**68,961**	28,576	51,026
Multiplied by number of periods in a year	**X 4**	**X 4**	X 4	X 4
Divided by average gross consumer loans receivable	**3,577,393**	**3,577,393**	2,726,446	2,726,446
Return on receivables	**8.3%**	**7.7%**	4.2%	7.5%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

	Year Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**247,898**	**247,898**	140,161	140,161
After-tax impact of adjusting items[1]	**-**	**(4,723)**	-	52,100
Adjusted net income	**247,898**	**243,175**	140,161	192,261
Divided by average gross consumer loans receivable	**3,245,686**	**3,245,686**	2,409,890	2,409,890
Return on receivables	**7.6%**	**7.5%**	5.8%	8.0%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

Adjusted Return on Assets

Adjusted return on assets is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted return on assets for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**74,602**	**74,602**	28,576	28,576
After-tax impact of adjusting items[1]	**-**	**(5,641)**	-	22,450
Adjusted net income	**74,602**	**68,961**	28,576	51,026
Multiplied by number of periods in a year	**X 4**	**X 4**	X 4	X 4
Divided by average total assets for the period	**4,050,068**	**4,050,068**	3,216,403	3,216,403
Return on assets	**7.4%**	**6.8%**	3.6%	6.3%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

	Year Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**

Net income as stated	**247,898**	**247,898**	140,161	140,161
After-tax impact of adjusting items[1]	**-**	**(4,723)**	-	52,100
Adjusted net income	**247,898**	**243,175**	140,161	192,261
Divided by average total assets for the year	**3,715,531**	**3,715,531**	2,922,605	2,922,605
Return on assets	**6.7%**	**6.5%**	4.8%	6.6%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

Adjusted Return on Equity

Adjusted return on equity is a non-IFRS ratio. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate adjusted return on equity for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**74,602**	**74,602**	28,576	28,576
After-tax impact of adjusting items[1]	**-**	**(5,641)**	-	22,450
Adjusted net income	**74,602**	**68,961**	28,576	51,026
Multiplied by number of periods in a year	**X 4**	**X 4**	X 4	X 4
Divided by average shareholders' equity for the period	**1,033,259**	**1,033,259**	830,820	830,820
Return on equity	**28.9%**	**26.7%**	13.8%	24.6%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

	Year Ended			
($in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**247,898**	**247,898**	140,161	140,161
After-tax impact of adjusting items[1]	**-**	**(4,723)**	-	52,100
Adjusted net income	**247,898**	**243,175**	140,161	192,261
Divided by average shareholders' equity for the year	**958,322**	**958,322**	794,269	794,269
Return on equity	**25.9%**	**25.4%**	17.6%	24.2%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.

Reported and Adjusted Return on Tangible Common Equity

Reported and adjusted return on tangible common equity are non-IFRS ratios. Refer to "Key Performance Indicators and Non-IFRS Measures" section on page 43 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate reported and adjusted return on tangible common equity for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended			
($ in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**74,602**	**74,602**	28,576	28,576
Amortization of acquired intangible assets	**3,275**	**3,275**	3,275	3,275
Income tax impact of the above item	**(868)**	**(868)**	(868)	(868)

Net income before amortization of acquired intangible assets, net of income tax	**77,009**	**77,009**	30,983	30,983
Impact of adjusting items[1]				
Other operating expenses				
Integration costs	**-**	**131**	-	122
Write off of an intangible asset	**-**	**-**	-	20,460
Other (income) loss	**-**	**(1,310)**	-	5,609
Finance costs				
Refinancing costs related to notes payable	**-**	**9,501**	-	-
Fair value change on prepayment options related to 2028 Notes	**-**	**(19,035)**	-	-
Total pre-tax impact of adjusting items	**-**	**(10,713)**	-	26,191
Income tax impact of above adjusting items	**-**	**2,665**	-	(6,148)
After-tax impact of adjusting items	**-**	**(8,048)**	-	20,043
Adjusted net income	**77,009**	**68,961**	30,983	51,026
Multiplied by number of periods in a year	**X 4**	**X 4**	X 4	X 4
Average shareholders' equity	**1,033,259**	**1,033,259**	830,820	830,820
Average goodwill	**(180,923)**	**(180,923)**	(180,923)	(180,923)
Average acquired intangible assets[2]	**(97,704)**	**(97,704)**	(110,804)	(110,804)
Average related deferred tax liabilities	**25,892**	**25,892**	29,363	29,363
Divided by average tangible common equity	**780,524**	**780,524**	568,456	568,456
Return on tangible common equity	**39.5%**	**35.3%**	21.8%	35.9%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.
[2] Excludes intangible assets relating to software.

	Year Ended			
($ in 000's except percentages)	**December 31, 2023**	**December 31, 2023 (adjusted)**	**December 31, 2022**	**December 31, 2022 (adjusted)**
Net income as stated	**247,898**	**247,898**	140,161	140,161
Amortization of acquired intangible assets	**13,100**	**13,100**	13,100	13,100
Income tax impact of the above item	**(3,471)**	**(3,471)**	(3,471)	(3,471)
Net income before amortization of acquired intangible assets, net of income tax	**257,527**	**257,527**	149,790	149,790
Impact of adjusting items[1]				
Other operating expenses				
Contract exit fee	**-**	**934**	-	-
Integration costs	**-**	**608**	-	1,081
Write off of an intangible asset	**-**	**-**	-	20,460
Corporate development costs	**-**	**-**	-	2,314
Other (income) loss	**-**	**(9,771)**	-	28,659
Finance costs				
Refinancing costs related to notes payable	**-**	**9,501**	-	-
Fair value change on prepayment options related to 2028 Notes	**-**	**(19,035)**	-	-
Total pre-tax impact of adjusting items	**-**	**(17,763)**	-	52,514
Income tax impact of above adjusting items	**-**	**3,411**	-	(10,043)
After-tax impact of adjusting items	**-**	**(14,352)**	-	42,471
Adjusted net income	**257,527**	**243,175**	149,790	192,261
Average shareholders' equity	**958,322**	**958,322**	794,269	794,269
Average goodwill	**(180,923)**	**(180,923)**	(180,923)	(180,923)
Average acquired intangible assets[2]	**(102,617)**	**(102,617)**	(115,717)	(115,717)
Average related deferred tax liabilities	**27,194**	**27,194**	30,665	30,665
Divided by average tangible common equity	**701,976**	**701,976**	528,294	528,294

Return on tangible common equity	**36.7%**	**34.6%**	28.4%	36.4%

[1] For explanation of adjusting items, refer to the corresponding "Adjusted Net Income and Adjusted Diluted Earnings Per Share" section.
[2] Excludes intangible assets relating to software.

easyhome Financial Revenue

easyhome financial revenue is a non-IFRS measure. It's calculated as total company revenue less easyfinancial revenue and leasing revenue. The Company believes that easyhome financial revenue is an important measure of the performance of the easyhome segment. Items used to calculate easyhome financial revenue for the three-month periods ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended	
($in 000's)	**December 31, 2023**	**December 31, 2022**
Total company revenue	**338,112**	**273,326**
Less: easyfinancial revenue	**(299,465)**	**(235,886)**
Less: leasing revenue	**(26,236)**	**(26,772)**
easyhome financial revenue	**12,411**	**10,668**

Total Yield on Consumer Loans as a Percentage of Average Gross Consumer Loans Receivable

Total yield on consumer loans as a percentage of average gross consumer loans receivable is a non-IFRS ratio. See description in section "Portfolio Analysis" on page 33 of the Company's MD&A for the year ended December 31, 2023. Items used to calculate total yield on consumer loans as a percentage of average gross consumer loans receivable for the three-month periods and years ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended		Year Ended	
($in 000's except percentages)	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Total Company revenue	**338,112**	273,326	**1,250,069**	1,019,336
Less: Leasing revenue	**(26,236)**	(26,772)	**(105,925)**	(110,053)
Financial revenue	**311,876**	246,554	**1,144,144**	909,283
Multiplied by number of periods in a year	**X 4**	X 4	**X 4/4**	X 4/4
Divided by average gross consumer loans receivable	**3,577,393**	2,726,446	**3,245,686**	2,409,890
Total yield on consumer loans as a percentage of average gross consumer loans receivable (annualized)	**34.9%**	36.2%	**35.3%**	37.7%

Net Principal Written and Percentage Net Principal Written to New Customers

Net principal written (Net loan advances) is a non-IFRS measure. See description in section "Portfolio Analysis" on page 33 of the Company's MD&A for the year ended December 31, 2023. The percentage of net loan advances to new customers is a non-IFRS ratio. It is calculated as loan originations to new customers divided by the net principal written. The Company uses percentage of net loan advances to new customers, among other measures, to assess the operating performance of its lending business. Items used to calculate the percentage of net loan advances to new customers for the three-month periods ended December 31, 2023 and 2022 include those indicated in the chart below:

	Three Months Ended	
($ in 000's)	**December 31, 2023**	**December 31, 2022**
Gross loan originations	**704,875**	632,355
Loan originations to new customers	**345,339**	299,458
Loan originations to existing customers	**359,536**	332,897
Less: Proceeds applied to repay existing loans	**(191,978)**	(177,848)
Net advance to existing customers	**167,558**	155,049
Net principal written	**512,897**	454,507

Percentage net advances to new customers	**67.3%**	65.9%

Net Debt to Net Capitalization

Net debt to net capitalization is a capital management measure. Refer to “Financial Condition” section on page 55 of the Company’s MD&A for the year ended December 31, 2023.

Average Loan Book Per Branch

Average loan book per branch is a supplementary financial measure. It is calculated as gross consumer loans receivable held by easyfinancial branch locations divided by the number of total easyfinancial branch locations.

Weighted Average Interest Rate

Weighted average interest rate is a supplementary financial measure. It Is calculated as the sum of individual loan balance multiplied by interest rate divided by gross consumer loans receivable.