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**goeasy Ltd. Provides Shareholder Update**

**MISSISSAUGA, Ontario, December 10, 2018:** goeasy Ltd. (TSX: GSY) (“goeasy” or the “Company”), a leading full-service provider of goods and alternative financial services, today has provided an update to shareholders on its Normal Course Issuer Bid (the “NCIB”) and recent insider share purchases and has also provided certain supplemental information regarding its business and outlook.

**NCIB**

Pursuant to the NCIB announced on November 8<sup>th</sup>, goeasy has repurchased a total of 241,752 common shares at an average price per common share of \$40.10 for a total value of \$9,693,996. The Company intends to continue to purchase up to an aggregate of 555,000 common shares by way of its NCIB, which (together with the common shares already repurchased) represents approximately 5% of goeasy’s public float as of October 30, 2018.

**Insider Share Purchases**

In accordance with reporting requirements under the *Securities Act (Ontario)*, the Company has also disclosed recent insider shares purchases. Between the period of November 12<sup>th</sup> and December 6<sup>th</sup>, all members of the senior management team and five members of the Board of Directors, collectively purchased a total of 213,995 common shares at an average price per common share of \$39.93 for a total value of \$8,545,834. All insider trading activity can be found on the System for Electronic Disclosure by Insiders (“SEDI”).

“While the stock market, particularly the financial services indices, have experienced a marked decline that began in early October, the share price reduction at goeasy has exceeded the decline experienced by the broader market, despite the Company reporting record results for the third quarter on November 7<sup>th</sup>. We believe that this value gap is unwarranted and have repurchased over 241,000 shares under our NCIB and will continue to do so while the share price remains at these levels.” said David Ingram, goeasy’s Chief Executive Officer, “Furthermore, the entire management team and Board of Directors remain confident in our outlook for the business and believe that the current price presents a unique buying opportunity. While insiders currently already own a total of 27% of the common shares outstanding, every member of the senior management team, along with five Directors, have demonstrated their confidence by collectively purchasing 214,000 common shares worth \$8.5 million in November and December.”

**Business and Outlook Information**

Mr. Ingram continued, “We believe that our shareholders will also benefit from understanding our current perspectives on our business and our consumer, specifically in the event of an economic downturn. We have outlined some common questions and responses below.”

***What is the debt to income level of the typical easyfinancial consumer?***

It is widely known that the average Canadian consumer has a total debt to disposable (after-tax) net income ratio of approximately 172%. Contrary to popular belief that the non-prime consumer is the most indebted among the various consumer credit segments, when examining the average easyfinancial consumer, we see that their total debt to disposable (after-tax) net income ratio is 95%, or almost half the rate of the average Canadian consumer. The primary reason for this is because non-prime consumers have a much lower rate of home ownership (approximately 20% of easyfinancial consumers own their home versus ~69% of households in Canada according to Statistics Canada). This translates into much lower levels of debt when compared to the average Canadian consumer and makes the easyfinancial customer less susceptible to a rising interest rate environment.

***How does the non-prime consumer perform during an economic recession?***

Although it may seem counter-intuitive, non-prime consumers are in fact generally more resilient in their repayment of credit during times of economic stress, when compared to prime borrowers. The Company has identified three sources of information and data to support this assertion. Each of these sources confirms that during times of economic stress, the non-prime consumer is generally impacted to a lesser degree than a prime consumer.

1. First, the Company has reviewed research conducted by TransUnion that examined the performance of personal loans during times of economic stress in geographic markets where the rate of unemployment more than doubled in a short period of time: the dot com recession in 2001 in Silicon Valley and the collapse of the auto sector in 2009 in Detroit. The research found that the delinquency rate of loans issued to sub-prime borrowers remained broadly flat as compared to double digit increases experienced by prime borrowers in those markets.
2. Secondly, the Company reviewed the performance of its own loan portfolio in Alberta during 2015, when the sharp decline in oil prices led to a doubling of the unemployment rate, to approximately 9%, in that province. This analysis showed that the historical vintage loss rate of the Company's loans increased by an average of 9% as compared to an average increase of 12% for all sub-prime borrowers and an average of 32% for prime borrowers according to data provided by TransUnion. During this oil price shock, the unemployment rate in Alberta more than doubled.
3. Lastly, the Company has reviewed the public filings for one of its US peers, World Acceptance Corporation, which operates a comparable non-prime lending business. During the 2009 recession, they reported a modest increase in annualized net losses. From 2004 to 2018, the average annualized net charge-off rate for World Acceptance Corporation was approximately 14.5% and peaked at 16.7% in 2009. By comparison, since centralizing credit decisioning in 2011, easyfinancial's annualized net loss rates have averaged 14% and are 12.6% for the year to date period ending September 2018.

The Company has identified three specific reasons that the non-prime consumer tends to be more resilient than the prime consumer during periods of economic downturn.

1. As mentioned above, the typical easyfinancial consumer does not own their home. As a result, they are not as disrupted by increases in mortgage payments resulting from a rising interest rate environment, nor are they as exposed to declining real estate values.
2. The debt to income ratio of a typical easyfinancial consumer is almost half of that of the average Canadian consumer, primarily due to the absence of mortgage debt. As a result, they are not burdened with the same total debt obligation in relation to their earned income and can more easily relocate to reduce their cost of living under times of economic uncertainty.
3. The non-prime consumer typically has a higher propensity to purchase optional creditor insurance; a product which covers making the borrower's payments in the event of job loss, illness, injury or death. As easyfinancial consumers face the task of rebuilding their credit, they are keenly aware that any disruption to their employment situation could disrupt their finances, and therefore the majority will opt to purchase insurance that covers the cost of their loan payments in the event of a disruption in their employment. This coverage protects both the consumer and the lender and helps to mitigate the risk of non-payment during periods of rising unemployment.

***What is the Company's outlook on the economy and the credit performance of its consumer loan portfolio?***

Notwithstanding the concerns about the possibility of an economic slowdown occurring sometime in the next few years, the current economic environment in Canada remains positive for consumer lending. Unemployment is at its lowest level since 1976, while the rate of inflation remains roughly in line with the Bank of Canada's annual target of 2%. Accordingly, the Company remains confident in its outlook for the credit performance of its easyfinancial loan portfolio and expects its annualized net charge-off rate for 2018 through 2020 to fall in line with the targets previously provided in the second quarter of 2018. For the full year of 2018 the Company continues to expect its annualized net charge-off rate to be just below the midpoint of its guided range of 12% to 14%, and to be between 11.5% and 13.5% in 2019, and between 11% and 13% in 2020.

The exact nature and depth of any potential economic slowdown is difficult to time, gauge and forecast. However, we would guide investors to review our investor materials and the experience of our peer group during the most recent recession. In a difficult economic environment, loan losses would be expected to increase at a modest level and at a rate significantly below the increase in unemployment and that of prime borrowers.

***How does the Company intend to fund its future loan growth?***

Upon the completion of its common share equity offering in October 2018 the Company had approximately \$340 million in cash on hand and available borrowing capacity under its revolving credit facility. The Company's revolving credit facility is provided by a syndicate of Canadian and international banks. This available capital will allow the Company to continue to grow its consumer loans receivable portfolio in line with its stated guidance through the third quarter of 2020.

The Company has always been able to raise a sufficient level of debt to fund the growth of its consumer loan portfolio. If, after exhausting its existing sources of capital in 2020, the Company was unable to obtain more debt due to significant economic disruption that severely tightened the credit markets, the Company expects that it could still fund annualized loan growth of approximately \$150 million from its own internal cash flows including the cash flow generated by the Company's mature easyhome business.

Further information and supporting material related to these topics and others can be found in the Company's Q3 investor presentation at: <http://investors.goeasy.com/phoenix.zhtml?c=83047&p=irol-presentations>

**Forward-Looking Statements**

This press release includes forward-looking statements about goeasy, including, but not limited to, its business operations, strategy, and expected financial performance and condition, as well as its expectations regarding its consumers, economic conditions, anticipated growth of its consumer loans receivable portfolio, and its future access to financing. In certain cases, forward-looking statements are 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 'expects', 'anticipates', 'intends', 'plans', 'believes', 'budgeted', 'estimates', 'forecasts', 'targets' 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 and uncertainties relating to the Company's operations, economic factors and the industry generally, as well as those factors referred to in the Company's most recent Annual Information Form and Management Discussion and Analysis, as available on [www.sedar.com](http://www.sedar.com), in the section entitled "Risk Factors". There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those expressed or implied by forward-looking statements made by the Company, due to, but not limited to, the foregoing risks, uncertainties and factors. The Company cautions that the foregoing list is not exhaustive.

The reader is cautioned to consider these risks, uncertainties and factors carefully and not 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.



TSX Symbol: GSY

goeasy Ltd.  
33 City Centre Drive  
Suite 510  
Mississauga, Ontario  
L5B 2N5 Canada  
Tel: 905-272-2788  
Fax: 905-272-9886

## Press Release

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### About goeasy

goeasy Ltd. offers leasing and lending services in the alternative financial services market and provides everyday Canadians a path to a better tomorrow, today. goeasy Ltd. serves its customers through two key operating divisions, easyfinancial and easyhome. easyfinancial is a non-prime consumer lending business that bridges the gap between traditional financial institutions and costly payday loans. easyfinancial offers a range of unsecured and secured personal instalment loans supported by a strong central credit adjudication process and industry leading risk analytics. easyhome is Canada's largest lease-to-own company, offering brand-name household furniture, appliances and electronics to consumers under weekly or monthly leasing agreements through both corporate and franchise stores. Both operating divisions of goeasy Ltd. offer the highest level of customer service and enable customers to transact through an omni channel model that includes over 400 stores and branches across Canada and digital eCommerce enabled platforms.

goeasy Ltd.'s common shares are listed for trading on the TSX under the trading symbol "GSY" and goeasy's convertible debentures are traded on the TSX under the trading symbol "GSY-DB". goeasy is rated BB- with a stable trend from S&P and Ba3 with a stable trend from Moody's. For more information, visit [www.goeasy.com](http://www.goeasy.com).

For further information contact:

David Ingram  
Chief Executive Officer  
(905) 272-2788