

ASX Announcement

20 March 2024

Pepper Money exercises call option over remaining 35% shares in Stratton Finance Pty Limited

Pepper Money Limited (ASX: **PPM**) (“Pepper Money”) advises that that it has exercised the call option over the remaining 35% stake in Stratton Finance Pty Limited (“Stratton”).

As previously announced, Pepper Money completed the acquisition of the 65% interest in Stratton on 1 July 2022. At the same time, the parties also entered into a Put and Call Option in relation to the remaining 35% interest in Stratton, exercisable from Q1 CY2024 through Q1 CY2026.

Pepper Money exercised the call option over the remaining 35% of shares in Stratton before market open on 20 March 2024. The purchase price for the remaining 35% is the base price of \$42 million (subject to customary adjustments for cash and working capital). Pepper Money will elect to settle the acquisition in cash and expects to fund the transaction from existing Pepper Money cash.

The acquisition of the remaining 35% of the shares in Stratton is expected to complete by no later than 30 April 2024 in accordance with the terms of the transaction documents.

ENDS

This announcement was authorised for release by the Board.

About Pepper Money

Pepper Money is one of Australia and New Zealand’s leading non-bank lenders. It was established in 2000 as a specialist residential home loan lender in Australia with a focus on providing innovative home loan solutions to customers that were being underserved by traditional lenders. Pepper Money today has a broad product offering of residential home loans, asset finance commercial real estate and novated leases in Australia and residential home loans in New Zealand. For more information visit www.peppermoney.com.au

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