

Rifco Inc. Declares Special Cash Dividend of \$0.35 per Common Share

Red Deer, AB – November 27, 2020 – Rifco Inc. (TSXV: RFC) ("**Rifco**" or the "**Company**"), a leading Canadian alternative auto finance company, announces today that the board of directors of the Company has declared a special dividend of \$0.35 per common share (the "**Special Dividend**"), payable in cash on December 10, 2020 (the "**Payment Date**"). Shareholders of record as of the close of business on December 7, 2020 (the "**Record Date**") will be entitled to the Special Dividend. Payment of the Special Dividend is not subject to any conditions.

The TSX Venture Exchange ("**TSXV**") has determined to implement "due bill" trading in respect of the Special Dividend. The due bill trading will commence on December 4, 2020, being two trading days prior to the Record Date through the Payment Date inclusively (the "**due bill period**"). Any trades that are executed on the TSXV during the due bill period will be identified to ensure purchasers of the shares receive the entitlement to the Special Dividend. Rifco's common shares are expected to begin trading on the TSXV on an "ex-dividend" basis without an attached "due bill" entitlement to the Special Dividend on December 11, 2020, the trading day after the Payment Date. The due bill redemption date will be December 14, 2020.

The board of directors of the Company would like to highlight that as of the six month year-to-date period ending September 30, 2020, the Company reported net income of \$3.9M (\$0.18 per common share), and net cash flows from operating activities of \$27.1M (\$1.26 per common share), both on an IFRS basis.

Retained earnings as of September 30, 2020 amounted to \$18.3M (\$0.85 per common share). As of September 30, 2020, the company reported its book value to be over \$30.0M, corresponding to \$1.39 per common share on an IFRS basis. Furthermore, the Company has reported a cash balance exceeding \$10.4M (exceeding \$0.48 per common share) at the end of each of the last 2 quarters.

Further, and as previously reported earlier this year, the Company was the recipient of a \$3.8M tax refund (\$0.17 per common share) resulting from a recovery of previously prepaid taxes from 2015, 2016 and 2017.

The present board of directors of the Company would continue to evaluate its dividend policy going forward and anticipates that continued execution of the Company's business model and strong financial results may put the Company in a position to consider a reoccurring dividend. The declaration and payment of dividends is at the discretion of the board of directors of the Company and any future declaration of dividends will depend on the Company's financial results, cash requirements, future prospects and other factors deemed relevant by the board of directors of the Company.

The Special Dividend is designated by the Company as an eligible dividend as defined by the *Income Tax Act* (Canada) and any similar provincial or territorial legislation.

About Rifco Inc.

Rifco Inc. is focused on being the best alternative auto finance company through its wholly owned subsidiary Rifco National Auto Finance Corporation. Our mission is to help deserving Canadians own automobiles.

Rifco seeks to create sustainable long-term competitive advantages through personalized partnerships with dealers, innovative products, the use of industry-leading data and analytics, and leading collections practices. Rifco's corporate culture fosters employees that are highly engaged, innovative, and performance driven.

Caution Regarding Forward-Looking Information



This press release contains forward-looking statements with respect to the Company, including statements about the Company's dividend policy and dividend payment, which constitute forward-looking statements. Forward-looking statements generally can be identified by use of forward looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of the Company discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements may include, without limitation, statements relating to future outlook and anticipated events such as continued results of operation and financial position, declaration of dividends, and continued business and operational trends. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, risks related to global pandemics including the COVID-19 global health pandemic, changes in government regulations, and the factors described under "Risk Factors and Management" in the Management's Discussion and Analysis of the Company which is available at www.sedar.com. The cautionary statements qualify all forward-looking statements attributable to the Company and persons acting on their behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the Company has no obligation to update such statements except as required pursuant to applicable securities laws.

Non-IFRS Measures

Throughout this news release, management uses terms which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other issuers. Specifically, management refers to adjusted net income. This measure does not have a standardized meaning under IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. A full description of this measure can be found in the management discussion and analysis that accompany the financial statements for the period ended September 30, 2020 available on the Company's SEDAR profile at www.sedar.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

All trade names are the property of their respective owners.

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