

## **Rifco Provides Update**

**Red Deer, Alberta, January 21, 2021: Rifco Inc. (TSXV: RFC) (“Rifco” or the “Company”)** is pleased to provide its investors with an update on the Company.

Rifco, now led by a new Chief Executive Officer, Jeffrey Newhouse, and a new Board of Directors, has completed its initial review of the current operations of Rifco National Auto Finance Corporation (“RNAF”), Rifco’s single, wholly owned, subsidiary operating entity.

The Board together with Newhouse have established the following near-term objectives for RNAF:

1. Right-size the organization relative to its current client base, and work towards achieving a consistent 4% return on assets (ROA) managed, as measured by net income before tax, adjusted for non-cash changes in provision for impairment;
2. Grow our existing client base and vehicle units financed by 10% organically;
3. Grow our existing client base and vehicle units financed through accretive acquisitions; and
4. Foster a culture of innovation and continuous improvement and focus on delivering an exceptional client experience to all our stakeholders.

Management expects to take an appropriate restructuring charge in the third quarter that will also include the costs of the recent Proxy contest conducted in the Fall of 2020. Management intends to increase its provision for credit losses to reflect a second round of business lockdowns and a protracted return to a pre-Covid economic operating environment.

Rifco will continue to provide investors an update as to the future strategic direction of the Company in due course, as the Board and Newhouse complete their strategic review of Rifco and RNAF.

## **About Rifco National Auto Finance Corporation**

Rifco National Auto Finance Corporation (“RNAF”) operates with a purpose to help its clients obtain a safe and reliable vehicle by providing alternative finance solutions. RNAF currently distributes its alternative finance products indirectly through select automotive dealer partners.

Rifco is built on a foundation of trust, respect, empowerment, accountability and passion which are exhibited by each and every member of the Rifco team, as we collaboratively pursue our collective vision and do so in a manner that is consistent with our purpose.

**The common shares of Rifco Inc. are traded on the TSX Venture Exchange under the symbol “RFC”. There are 21.75 million shares (basic) outstanding and 23.17 million (fully diluted) shares.**

## **Caution Regarding Forward-Looking Information**

This press release may contain forward-looking statements with respect to the Company, its products and operations. These 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.

In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the following: the future plans of Rifco.

Although the forward-looking statements contained in this news release are based upon factors and assumptions which management of the Company believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, the purported termination of the Arrangement Agreement, future impacts of the pandemic on the Company's business, competition, changes in government regulations, and the factors described under "Risk Factors" in the Management's Discussion and Analysis of the Company and the Circular, both of which are incorporated by reference herein and are available at [www.sedar.com](http://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 other than in accordance with applicable securities laws.

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