



Annual Results Presentation FY21

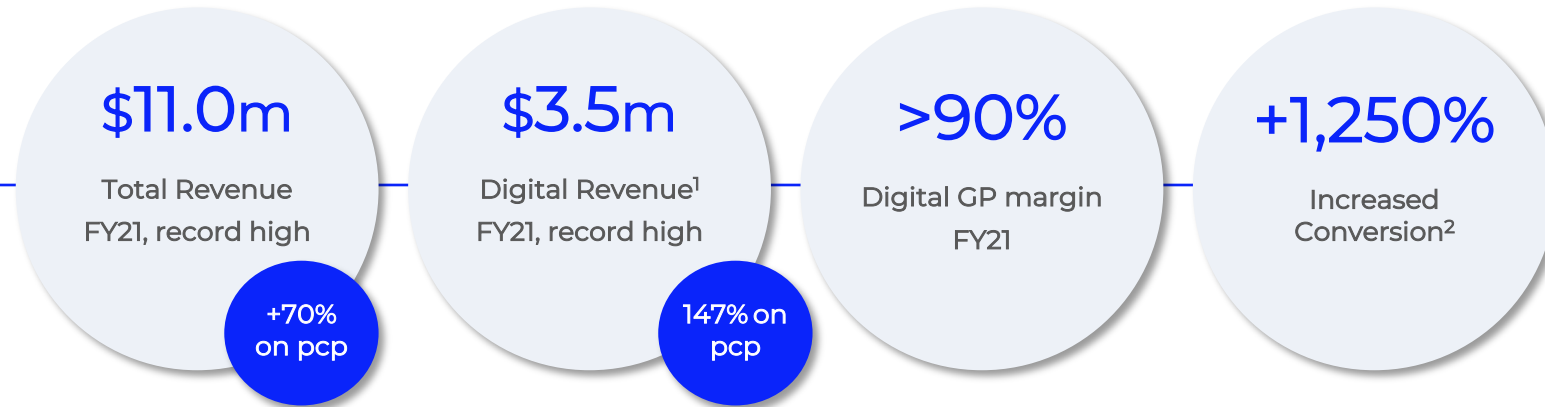
ASX: CCR

August 2021

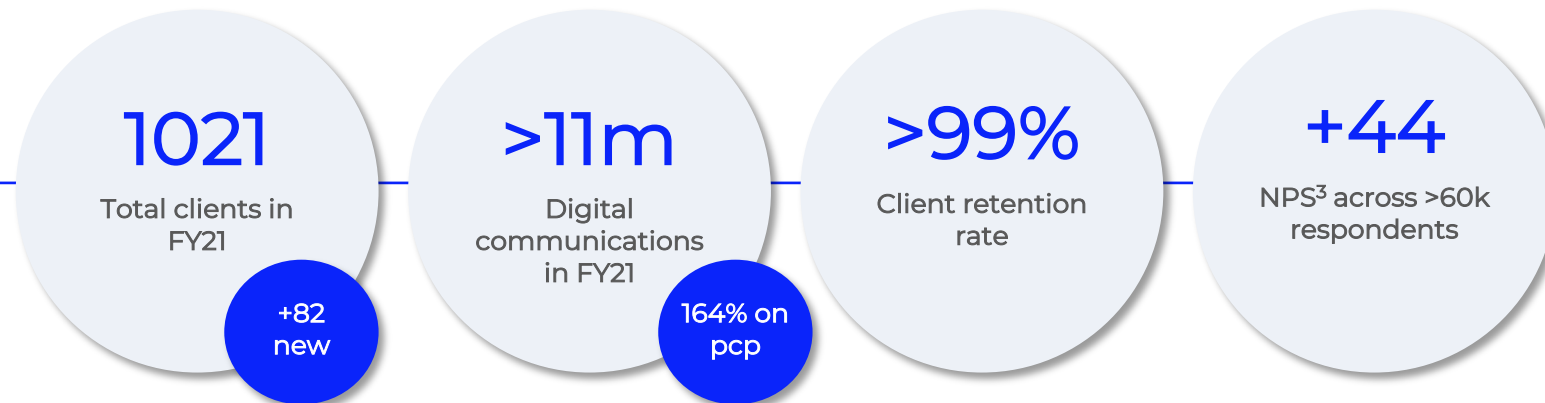


Record financial growth underpinned by increasing digital revenues, new client wins and high retention rates

Financial



Customer



Record revenue and digital gross profit underpinned by increasing uptake of digital



Blue chip customer base established as strong foundation for growth



Client retention rate reflects high engagement and exceptional feedback



Successfully rolled out enhanced platform functionality



Strong momentum in revenue growth and cornerstone client wins uniquely position Credit Clear for long-term growth

Successful execution of key strategic priorities strongly positions Credit Clear for long-term growth



Accelerate Core Growth

- **Customers:** Continued to deepen sector coverage and expand client base
- **Revenue:** Digital solutions driving accelerated top-line growth
- **Conversion:** Increased focus on transitioning clients from traditional services to digital platform



Enhance Digital Capabilities

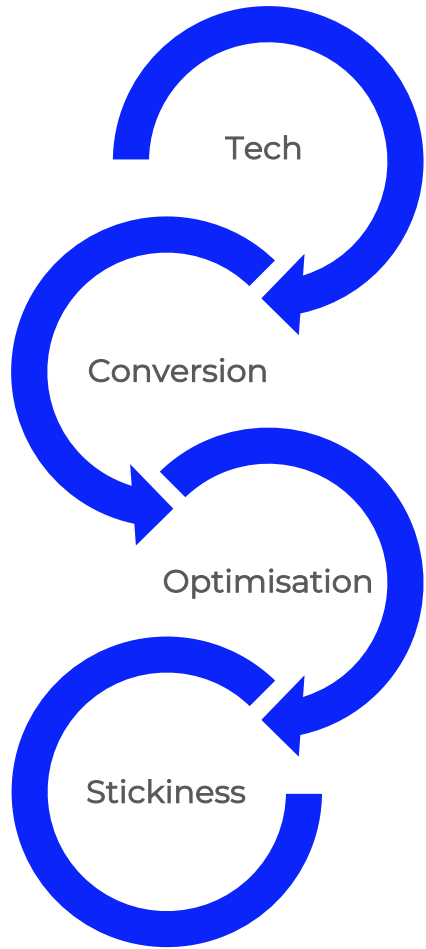
- **New platform modules:** Several clients committed to piloting new automated champion challenger module
- **Ongoing technology investment:** into roadmap development and roll-out to enhance suite of solutions



Transformational Growth

- **Engaging with international markets,** with resources in the UK
- **Ongoing assessment** of additional expansion and acquisitional opportunities

Optimising financial and repayment outcomes through technology innovation and superior customer engagement



Market leading digital communication and payment management platform continues to disrupt the traditional receivables management sector

Our innovative digital solutions continue to demonstrate strong traction over traditional collection methods, evidenced through high conversion rates

Actionable digital communications enable enhanced relationship management and superior end-user experience driving improved collection outcomes across client base

Benefits of digital platform validated through customer retention rate of >99% and NPS of +44

Agenda

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Operational update

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Growth agenda & outlook

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01 Operational update



The shifting repayments landscape calls for intelligent digital solutions and enhancement of client and end user relationships



COVID-19 recovery

- Recovery tailwinds
- Ballooning receivables ledgers
- Increasing communications requirement



Increased digital communications

- Increased adoption of digital driving scale
- Seeking to maximise digital communications across the full service offering



Client sentiment

- Shift in clients now seeking to help end users **“self-cure”**
- Mitigating challenging conversations between end user and client to preserve long-term relationships



Fostering positive relationships

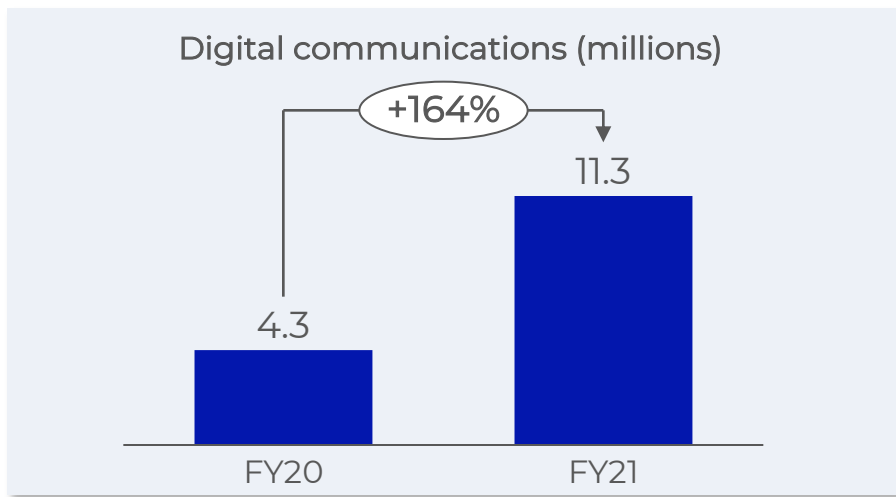
- Client questions changing from “How can we collect more?” to **“How can we help our customers pay their accounts?”**
- Standard document shifting messaging from “Intention to Issue Legal Notice” to **“Here to help”** and **“Assistance is available”**



More informed end-users

- Better informed end users regarding rights, hardships and disputes driving promotion of favourable hardship policies by clients

Diversified blue-chip customer base growth underpinned by enhanced technology and a focus on premium user experience



Servicing blue-chip clients across a broad range of target verticals:

Utilities

Insurance

Finance



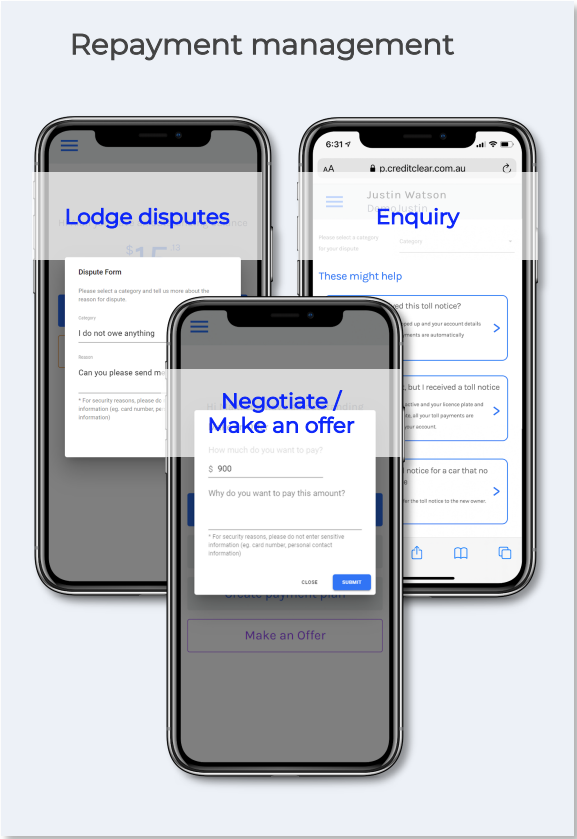
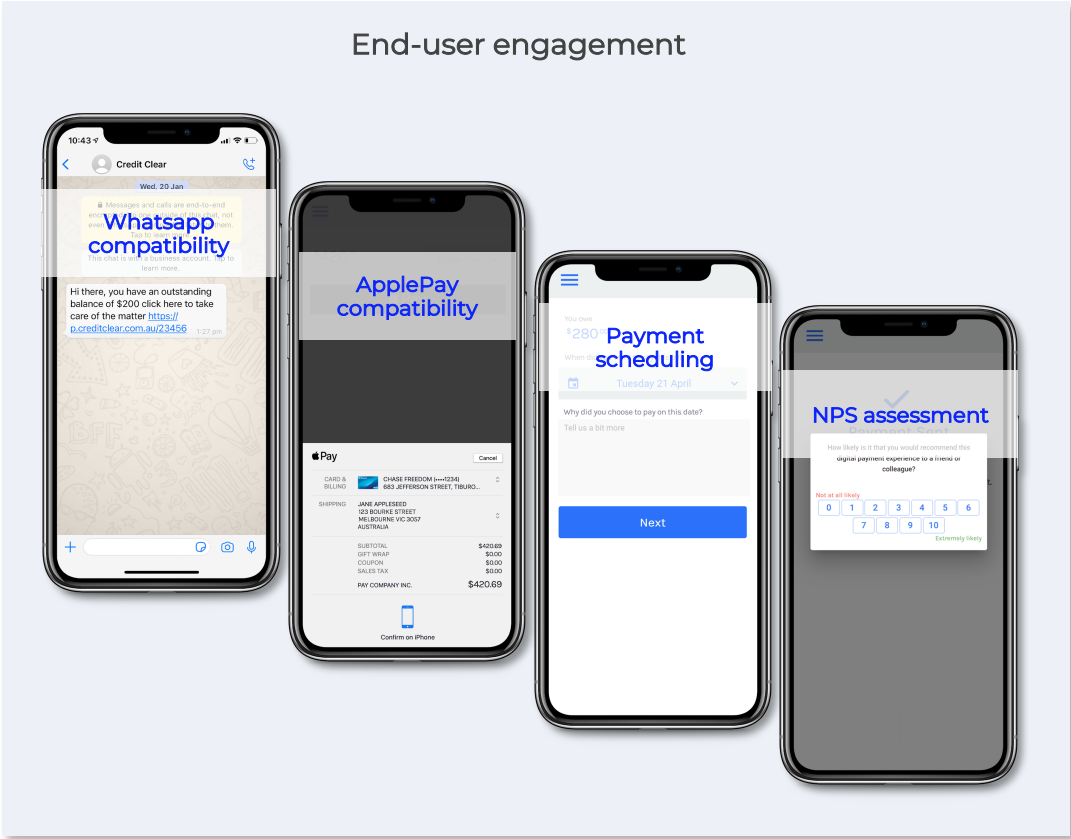
Water

Automotive

Other verticals

A successful year of targeted platform development to expand breadth of services and functionality offered to customers

Continued investment into market leading platform technology, including optimising:



Expanded communications reach through expanding secure digital channels



Increased our digital payment reach partnering with multiple providers



Introduced enhanced AI functionality with message send time optimisation

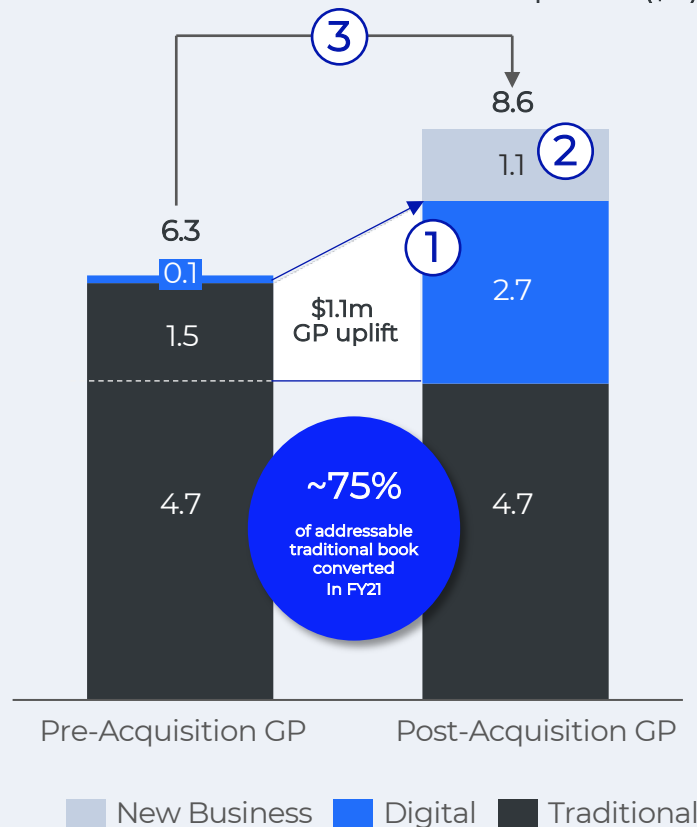
Introduced NPS assessment into ongoing customer feedback channels within app

Increased options for customers to be able to handle their debt, including Hardships, Disputes and Promises functionality

Credit Clear has successfully integrated Credit Solutions since December 2019 acquisition, converting 75% of addressable clients to digital platform

Conversion to digital enhances gross profits

Credit Solutions¹: Gross Profit Pre vs Post Acquisition² (\$M)



- 1 73% gross profit uplift, i.e. an additional \$1.1m from conversion of Credit Solutions' existing traditional collections to Credit Clear's higher margin digital solution³
- 2 Cross-selling existing clients additional or expanded services has created ~\$1.1M in new business gross profit
- 3 Total gross profit uplift of ~\$2.3M post-acquisition, with further growth potential

Current characteristics of the traditional debt collections market provide an attractive prospective pathway for growth:



Low technology adoption, providing Credit Clear with a first mover advantage to scale with superior technology



Revenue up/cross-sell: Opportunity to offer adjacent solutions and expand revenues from each client



Sticky industry: Conversion builds sustainable and higher margin market share optimising position for new opportunities

Client satisfaction metrics and case studies validate value and benefits of utilising Credit Clear's intelligent digital platform

Customer Satisfaction Metrics

Client retention rate

>99%

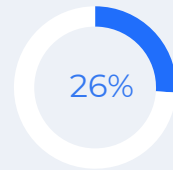
Net Promoter Score

+44

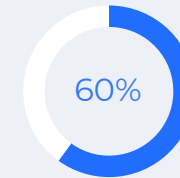
(from over 60k respondents)

Case Study Metrics – Select client example

Our digital collection strategy was implemented for delinquent accounts between 0-30 days and has shown significant improvements in customer engagement and collection rates for our client as follows:



Since partnering with Credit Clear, our client's delinquency rate has improved by 26%. This equates to average saving of approximately \$480,000 per year



Over 60% of our client's customers have been actively engaging with our digital communications, with the penetration rate improving by over 200%

333%

Incremental ROI¹ for our client since partnering with Credit Clear



Credit Clear has been able to provide our business with a seamless and efficient engagement tool for customers to self-service their outstanding payments.

Credit Clear's cutting edge technology makes communicating exactly what you need, at the right time, so simple. The client portal supports the tool with live reporting to determine when customers are paying and how they choose to access the solution.

The solution makes it easy for our customers to get back on track and they have provided great feedback about the ease of the payment portal.

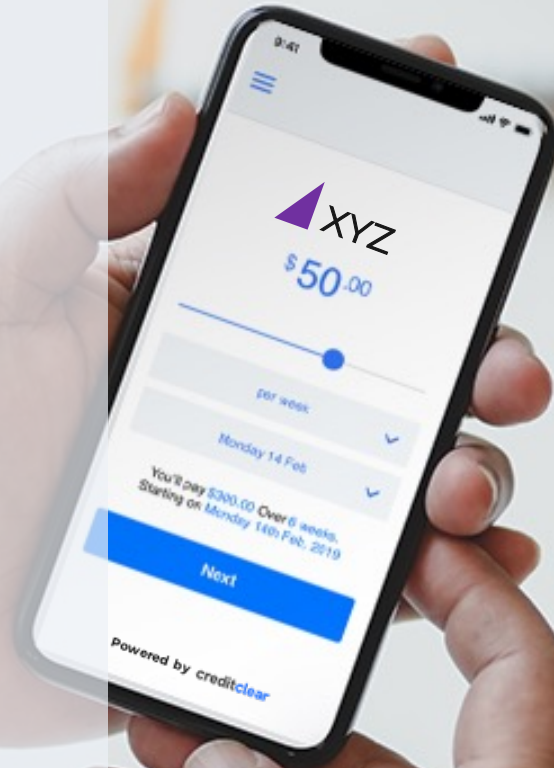
In addition, the team is great to work with, have a can-do attitude and have assisted us to really improve our collections interactions.

Michelle Brewer
BMW Financial Services





02 Financial update



Strong year of financial performance with record achievements and continued investment into platform for growth

Summary	FY20 \$000	FY21 \$000	Change (%)
Total revenue	6,474	10,980	70%
Digital revenue	1,411	3,480	147%
Traditional revenue	3,663	4,904	34%
Legal revenue	1,400	2,596	85%
Other income	1,187	2,089	76%
Employee benefits expense	(5,256)	(9,064)	(72%)
Finance costs	(83)	(152)	(83%)
Other expenses	(5,185)	(6,930)	(34%)
Operating EBITDA	(2,863)	(3,077)	(7%)
Share based expenses	(195)	(1,075)	(451%)
IPO listing fees	-	(608)	n/a
Legal settlement	-	(650)	n/a
Reported EBITDA	(3,058)	(5,410)	(77%)
Cash & cash equivalents (FY end)	2,190	10,748	391%



FY21 total revenue was up 70% to \$11.0m (vs. FY20), reaching a record high



FY21 digital revenue was up 147%, to \$3.5m (vs. FY20), reaching another record high



Traditional revenue and legal revenue increased by 34% and 85% respectively in FY21



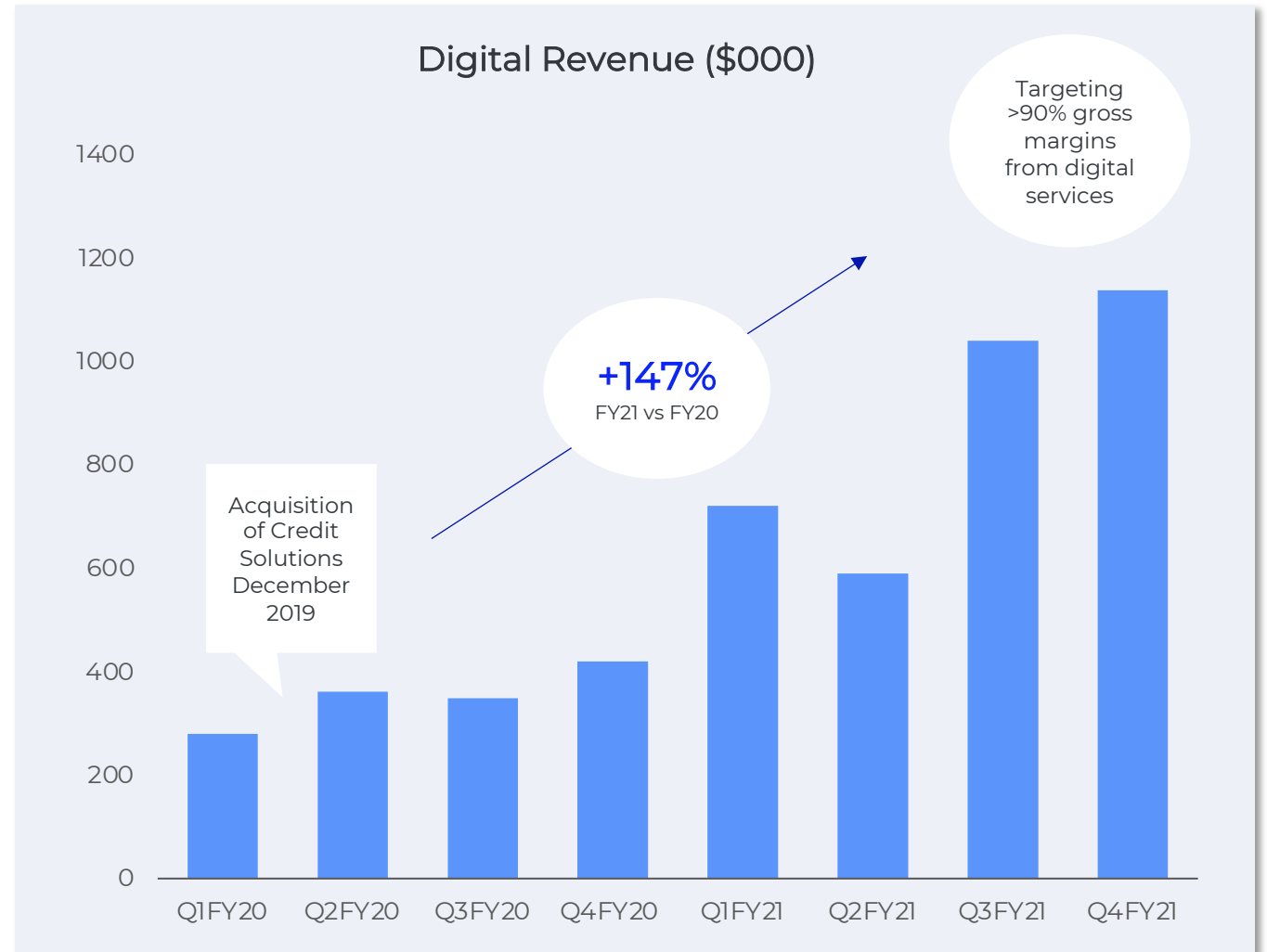
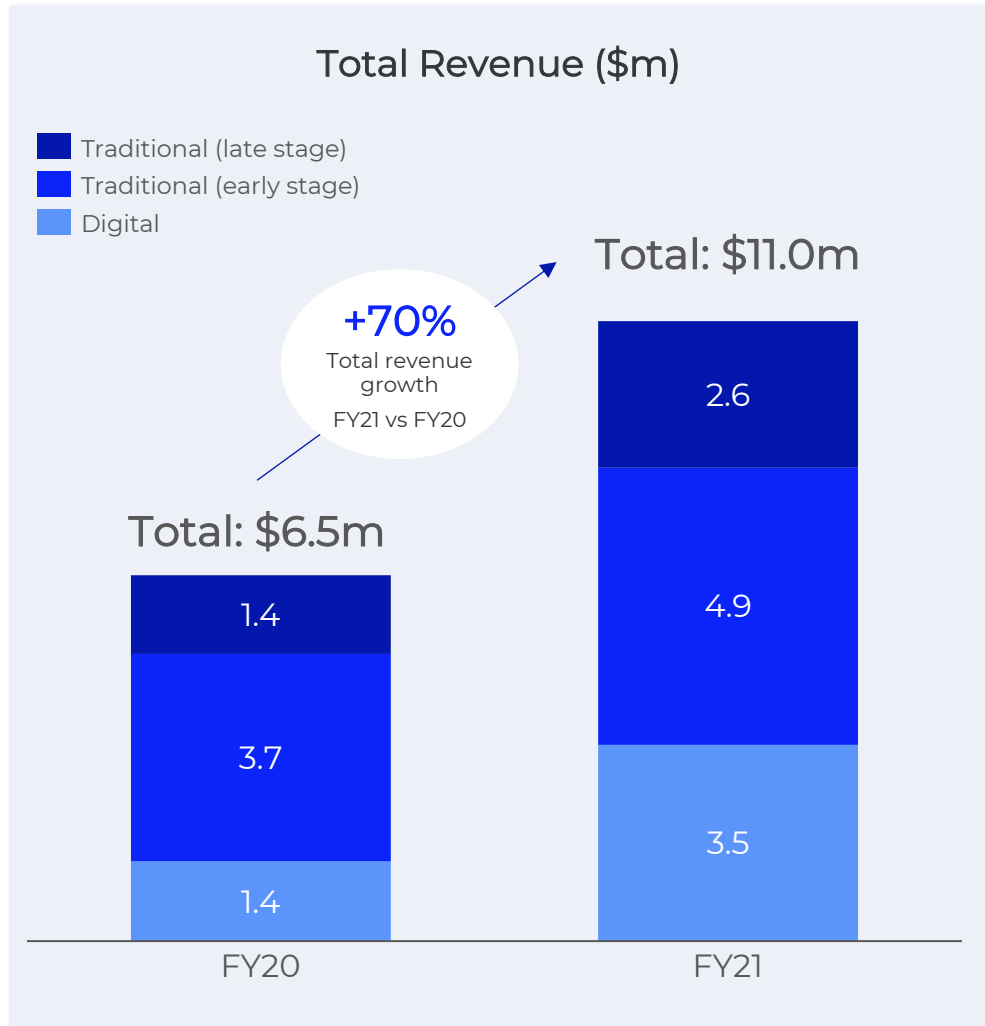
FY21 employee benefits and other expenses decreased as a proportion of total revenue (vs FY20)

FY21 operating EBITDA declined 7% driven by additional headcount to advance digital platform and drive growth

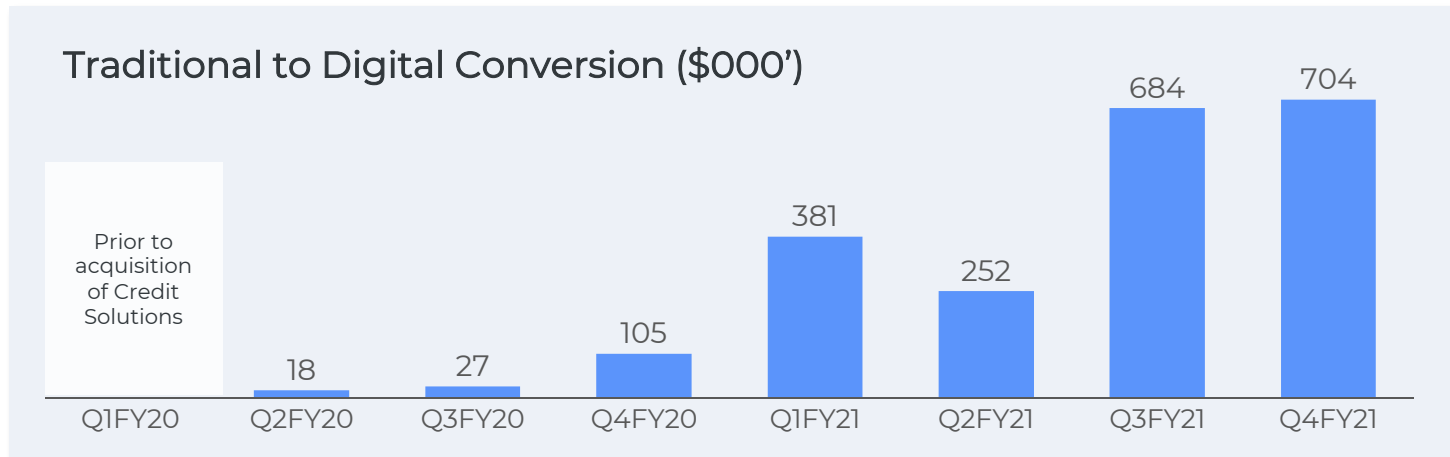
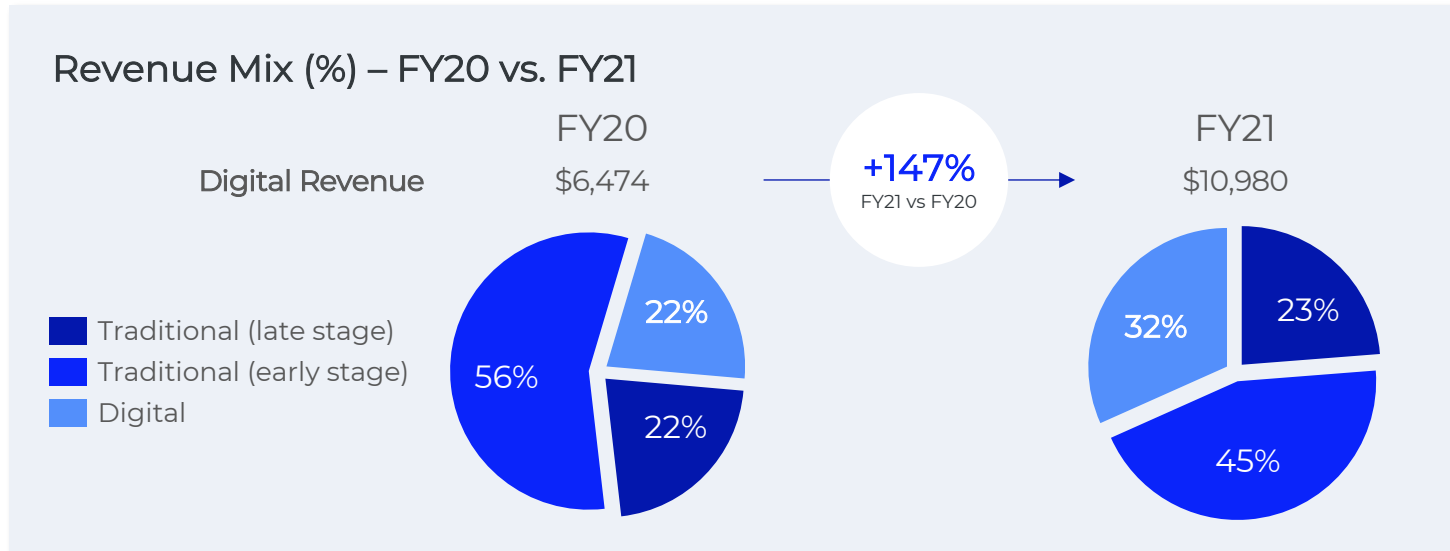


Cash & cash equivalents increased to \$10.7m, primarily due to IPO completed in October 2020

Growth across all key revenue streams with record performance achieved in key digital offering



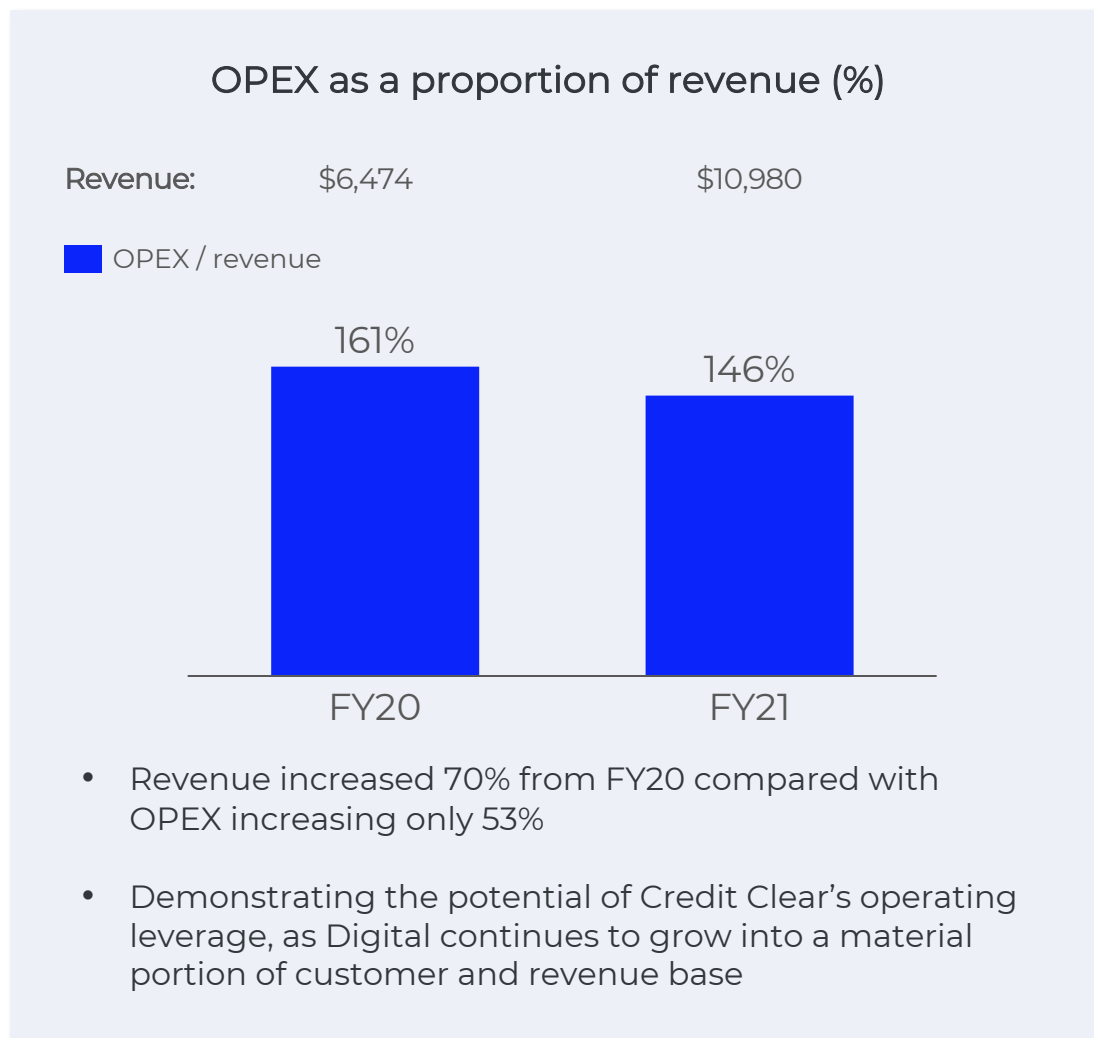
Attractiveness of digital communications and broader technology functionality driving increased conversion from traditional



Key takeaways

- Digital revenue increasing as a proportion of total revenue
- Credit Clear is focused on converting clients from traditional collection methods to its digital platform to achieve enhanced outcomes for clients, end customers and gross margin expansion
- Conversion supported by strong acceptance from existing clients (including clients from the Credit Solutions acquisition in Dec 2019)
- Greater conversion facilitates gross margin expansion due to higher (~90%) gross margins from digital services

Improved Operating Expense to Revenue ratios highlight pathway through to positive cash flow generation



OPEX breakdown	FY20 \$000	FY21 \$000	Change (%)
Employee benefits expense	(5,256)	(9,064)	(72%)
Other expenses	(5,185)	(6,930)	(34%)
OPEX	(10,441)	(15,994)	(53%)

Total Expenses breakdown	FY20 \$000	FY21 \$000	Change (%)
OPEX	(10,441)	(15,994)	(53%)
Finance costs	(83)	(152)	(83%)
Share based expenses	(195)	(1,075)	(451%)
IPO listing fees	-	(608)	n/a
Legal settlement	-	(650)	n/a
Total expenses	(10,719)	(18,479)	(72%)



03 Growth agenda
& outlook



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It brings me great pleasure to lead this revolutionary and next generation fintech as it enters yet another exciting phase of growth and innovation.

I am exceptionally proud of the Credit Clear team and their immense work and unwavering commitment to our customers – resulting in record achievements in terms of both financial performance and material strides forward in executing against our key strategic priorities.

Looking ahead, Credit Clear is well positioned to embark on its growth agenda. We plan to continue to develop and roll-out new and exciting platform functionality and look forward to leveraging this core digital capability to grow market share in target verticals.

David Hentschke
CEO

”

Expanding upon our strategic initiatives to ensure strong foundations are leveraged for long-term growth



Accelerate Core Growth

- ❑ **Increase client base** by targeting a broad range of sectors and increasing penetration within existing sectors
- ❑ **Transform into a digital focused** company to accelerate top-line growth
- ❑ **Optimise onboarding** onto our digital platform and customer success



Enhance Digital Capabilities

- Planned **technology investment** targeting four categories (more details on next slide):
- ❑ **Artificial intelligence and machine learning**
 - ❑ **Core product suite**
 - ❑ **Strategy manager module**
 - ❑ **Insurance-specific platform functionality**



Transformational Growth

- Targeting UK and US** as immediate expansion opportunities
- ❑ **Exploring the UK** market, with resources on the ground assessing potential clients and value accretive opportunities
 - ❑ **Assess the US** market in 2022 for potential opportunities

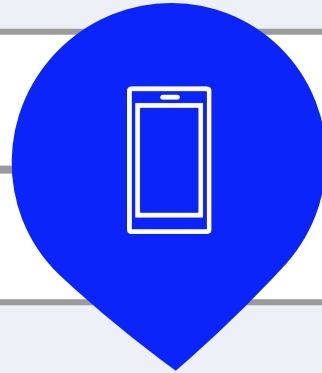
Product roadmap to develop technology across four key categories

Artificial Intelligence (AI) and Machine Learning



- Develop data platform to support AI, deeper analytics and Strategy Manager
- Develop analytics and machine learning capabilities
- Progress research regarding potential premium analytics revenue stream

Core Products



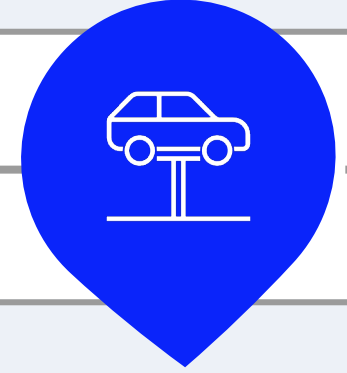
- Continued investment in core product, including:
 - Communication and payment channels
 - Automated compliance controls
 - Additional support and security activities

Strategy Manager



- Continued testing of traditional to digital comms. uptake
- Explore and develop new analytics and machine learning modules

Insurance Vertical



- Insurance-specific functionality, including:
 - End-to-end digital third party at fault payment processes
 - Automated claims processing for motor insurers

“

creditclear



“Our goal is to become the world’s most advanced customer engagement and repayments platform – making repayments frictionless”

Lewis Romano
Founder

”



Q&A





04 Appendix



Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Consolidated Group	
	2020 \$000	2021 \$000
Revenue	6,474	10,980
Other income	1,187	2,089
Employee benefits expense	(5,256)	(9,064)
Finance costs	(83)	(152)
Share based expenses	(195)	(1,075)
Other expenses	(5,185)	(8,188)
EBITDA	(3,058)	(5,410)
Depreciation and amortisation expense	(1,207)	(2,361)
EBIT	(4,265)	(7,771)
Interest received	1	17
Interest expense	(22)	(79)
Loss before income tax	(4,286)	(7,833)
Income tax	-	-
Net Loss for the year	(4,286)	(7,833)
Total comprehensive income for the year	(4,286)	(7,833)
Earnings per share		
From continuing and discontinued operations:		
Basic earnings per share (cents)	(\$0.026)	(\$0.037)
Diluted earnings per share (cents)	(\$0.026)	(\$0.037)

Consolidated Statement of Financial Position

As at 30 June 2021

	Consolidated Group	
	2020 \$000	2021 \$000
Assets		
Current Assets		
Cash and cash equivalents	2,190	10,747
Trust funds	533	654
Trade and other receivables	1,987	2,963
Other assets	178	395
Total Current Assets	4,888	14,759
Non-Current Assets		
Property, plant and equipment	48	138
Financial assets	243	327
Intangible assets	7,279	6,044
Right of use assets	1,399	1,060
Total Non-Current Assets	8,969	7,569
Total Assets	13,857	22,328
Liabilities		
CURRENT LIABILITIES		
Trade and other payables	1,766	1,635
Lease liabilities	591	591
Other liabilities	1,157	1,321
Provisions	562	1,546
Total Current Liabilities	4,076	5,568

<i>Continued</i>	Consolidated Group	
	2020 \$000	2021 \$000
Non-Current Liabilities		
Lease liabilities	815	508
Provisions	93	194
Total Non-Current Liabilities	908	702
Total Liabilities	4,984	6,270
Net Assets	8,873	16,533
Equity		
Issued capital	21,179	35,747
Reserves	195	1,120
Accumulated Losses	(12,501)	(20,334)
Total Equity	8,873	16,533

Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

	Consolidated Group			
	Ordinary Share Capital \$000	Retained Earnings \$000	Reserves \$000	Total \$000
Balance at 1 July 2019	10,530	(8,214)	-	2,316
Comprehensive income				
Loss for the year	-	(4,287)	-	(4,287)
Total comprehensive income for the year	-	(4,287)	-	(4,287)
Transactions with owners, in their capacity as owners, and other transfers				
Transaction costs	(476)	-	-	(476)
Share based payments	-	-	195	195
Shares issued during the period	11,125	-	-	11,125
Total transactions with owners and other transfers	10,649	-	195	10,844
Balance at 30 June 2020	21,179	(12,501)	195	8,873
Balance at 1 July 2020	21,179	(12,501)	195	8,873
Comprehensive income				
Loss for the year	-	(7,833)	-	(7,833)
Total comprehensive income for the year	-	(7,833)	-	(7,833)
Transactions with owners, in their capacity as owners, and other transfers				
Transaction costs	(922)	-	-	(922)
Share based payments	150	-	925	1,075
Shares issued during the period	15,340	-	-	15,340
Total transactions with owners and other transfers	14,568	-	925	15,493
Balance at 30 June 2021	35,747	(20,334)	1,120	16,533

Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	Consolidated Group	
	2020 \$000	2021 \$000
Cash Flows From Operating Activities		
Receipts from customers	6,018	10,421
Payments to suppliers and employees	(9,392)	(16,066)
Finance costs	(63)	(6)
Government stimulus payments received	752	1,248
R&D tax incentive received	492	435
Income tax paid	-	-
Net cash generated by operating activities	(2,193)	(3,968)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(12)	(134)
Payment for purchase of business	(5,000)	(284)
Capitalised development costs	(243)	(437)
Net cash (used in)/generated by investing activities	(5,255)	(855)
Cash Flows From Financing Activities		
Proceeds from issue of shares, net of transaction costs	8,524	13,469
Repayment of borrowings other	(163)	(84)
Repayment of lease liabilities	(234)	(613)
Net cash provided by/(used in) financing activities	8,127	13,382
Net increase in cash equivalents	679	8,559
Cash acquired from business combination	36	-
Cash and cash equivalents at the beginning of financial year	1,474	2,189
Cash and cash equivalents at the end of financial year	2,189	10,748

Experienced Board & Management Team

Board



Gerd Schenkel
Independent
Chairman

- Extensive experience as a management consultant with The Boston Consulting Group, with successful executive appointments at NAB, Citigroup and Telstra.
- Formerly the CEO of Tyro Payments and also served on the Federal Government of Australia's task force for small business digitisation.



Marcus Price
Independent Non-
Executive Director

- Over 25 years' experience building successful businesses and maximising shareholder returns.
- Previously CEO of Property Exchange Australia Limited (PEXA), and he developed and exited financial services businesses as the CEO and Executive Director for both Equifax and Dun & Bradstreet.



Christine Christian
Independent Non-
Executive Director

- Over 35 years' experience as a business executive and entrepreneur across financial services, investment, private equity, credit risk, digital media and publishing.
- Currently Deputy Chairman and Director of FlexiGroup Limited, Non-Executive Director of MaxCap Group and Non-Executive Director of Lonsec.



Mark Casey
Non-Executive Director
& Co-Founder

- Over 30 years' experience in property development, funds management and investment in early stage technology ventures.
- Credit Clear's cornerstone investor (Casey Capital).



Lewis Romano
Executive Director
& Co-Founder

- Lewis is a key driver of many fundamental client and strategic relationships for the business.
- Prior to founding Credit Clear in 2016, he was the founder and MD of Australia's third largest job site, spotjobs.com.

Executive Team



David Hentschke
Chief Executive Officer

- Industry experience: 30 years
- Previous: PEXA, M-H Group, Australian Steel Institute, Telstra, Equifax and The Boston Consulting Group.



Brenton Glaister
Managing Director - Credit Solutions

- Industry experience: 35 years
- Previous: Credit Solutions, Hudson Lawyers, Thorn Group, NCML and Tradehouse Limited.



Victor Peplow
CFO

- Industry experience: 30 years
- Previous: Finance consultant, Morgan Stanley, Citigroup and ANZ Bank.



Jason Serafino
Chief Technology Officer

- Industry experience: 20 years
- Previous: Intraverse Technology, Liberty Financial, Sunsuper, Intelligent Enterprise Systems.



Veronica Johns
Chief Customer Officer

- Industry experience: 15 years
- Previous: Fiat Chrysler.



Piero Gross
Chief Operations Officer

- Industry experience: 19 years
- Previous: Credit Solutions, NEXXA, Thorn Group, NCML, Collection House and Telstra.

Corporate Overview

Financial Information

ASX Code	CCR
Shares on issue	225.7m
Share price ¹	\$0.53
Market capitalisation	~\$120m
Cash at bank (30 June 2021)	\$10.7m
Options & Rights	30.4m

Shareholder Information

Casey Consulting Services	13.67%
Thorney Investment Group	9.11%
Board and Management ²	7.21%

Share Price Performance (since IPO)



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