



ASX: CCR
Q4 FY22
Investor Presentation

CONTINUED GROWTH & PROFITABILITY

Reinvesting cash flow into sales, client onboarding and technology

Disclaimer

This presentation has been prepared by, and is the sole responsibility Credit Clear Limited ACN 604 797 033 (Company). The information contained in this presentation was prepared as at 20 July 2022, and remains subject to change without notice. The information in this presentation is of a general nature provided solely for the purpose of giving you background information about the Company.

The provision of this presentation is not a representation to you or any other person that an offer of securities will be made. Any prospective transaction would be undertaken solely on the basis of disclosure documentation prepared in accordance with applicable laws (to the extent required). The information in this presentation may differ materially in both content and presentation from that presented in any disclosure document prepared in connection with any proposed transaction (to the extent required).

This presentation does not constitute an offer to issue, or arrange to issue, securities or other financial products. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The information has been prepared without taking into account the investment objectives, financial situation or particular need of any particular person. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

This presentation is intended for those persons to whom it is delivered personally by or on behalf of the Company. By attending this presentation, you represent and warrant that (i) if you are in Australia, you are a person to whom an offer of securities may be made without a disclosure document (as defined in the Corporations Act 2001 (Cth) (Corporations Act)) on the basis that you are exempt from the disclosure requirements of Part 6D.2 in accordance with s 708(8) or 708(11) of the Corporations Act; if you are outside Australia, you are a person to whom an offer and issue of securities can be made outside Australia without registration, lodgement or approval of a formal disclosure document or other filing in accordance with the laws of that foreign jurisdiction.

No representation or warranty, express or implied, is made by any person as to the

fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of the Company, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability for any loss, claim, damages, costs or expenses of whatever nature (whether or not foreseeable), including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it or any errors or omission in it.

The Company has not independently verified any of the contents of this presentation (including, without limitation, any of the information attributed to third parties). No person is under any obligation to update this presentation at any time after its release to you. This presentation is strictly confidential and is intended for the exclusive benefit of the person to which it is presented. It may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the express consent of the Company.

This presentation contains certain forward-looking statements with respect to the financial condition, operations and business of the Company and certain plans and objectives of the Company. Forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms “believes”, “estimates”, “anticipates”, “expects”, “predicts”, “intends”, “plans”, “targets”, “aims”, “outlook”, “guidance”, “forecasts”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology.. Such forward looking statements are subject to internal and external risks and uncertainties that may have a material effect on the Company. As such, undue reliance should not be placed on any forward looking statement. Past performance is no guarantee of future performance. Nothing contained in this presentation should be relied on as a promise, representation, warranty or guarantee whether as to the past, present or future.

All references to dollars, cents or \$ are a reference to Australian currency, unless otherwise stated.

Investment highlights: Q4 FY22



RECORD REVENUE

- New monthly revenue record set in June with **\$3.12 million**¹ (Following revenue record in May)
- Quarterly revenue record of **\$8.63 million**¹ up **41% QoQ** and **160% PCP**
- Revenue run rate climbs to **\$37.44 million**¹ p.a.



GROWING PROFITABILITY

- Consecutive operationally profitable² months in May and June
- FY2023 intention is to **reinvest free cash flow** (in line with growing revenues) into sales, client onboarding and technology



NEW CLIENT WINS

- **60 new client wins** during the quarter
- Several clients added during the quarter expected to become **top 10 clients by revenue** including a financial services provider, a state government service provider and a large water utility
- Ability to land larger accounts simultaneous demonstrates the **scalability of the technology**



TECHNOLOGY PERFORMANCE

- Credit Clear's **AI driven** software has delivered a **35% uplift** in collections for a major toll road operator in Q4FY22
- The "Champion / Challenger" case study measured **optimised workflows** using SMS, Email and dialler calls, using the Credit Clear platform and the same templates
- The differentiator was the **use of Credit Clear AI** to decide which action to take next for a particular customer, based on what had already happened to date

Q4 FY22 Revenue

Record high

\$8.63m

Revenue for Quarter

41%

QoQ



160%

PCP

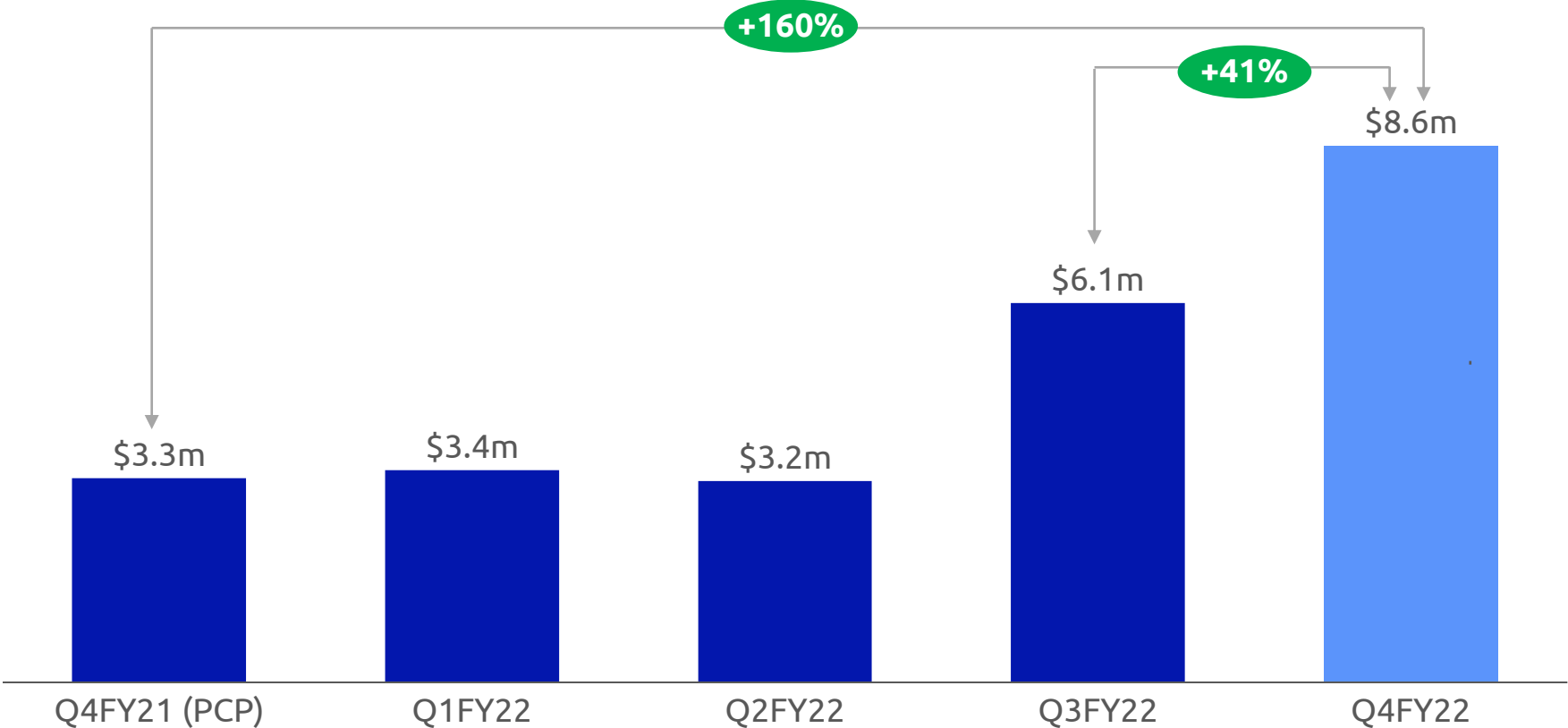


Record high

\$3.12m

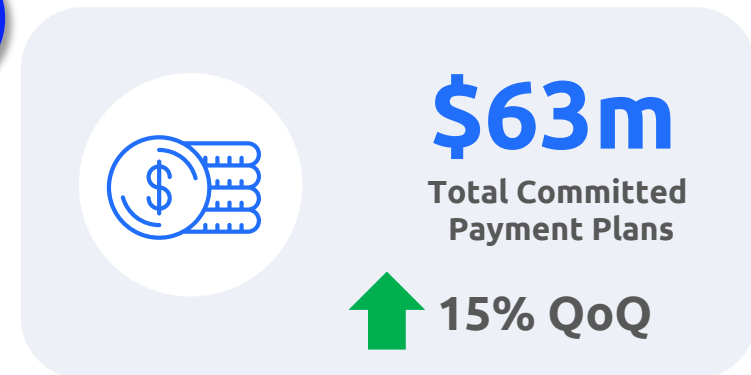
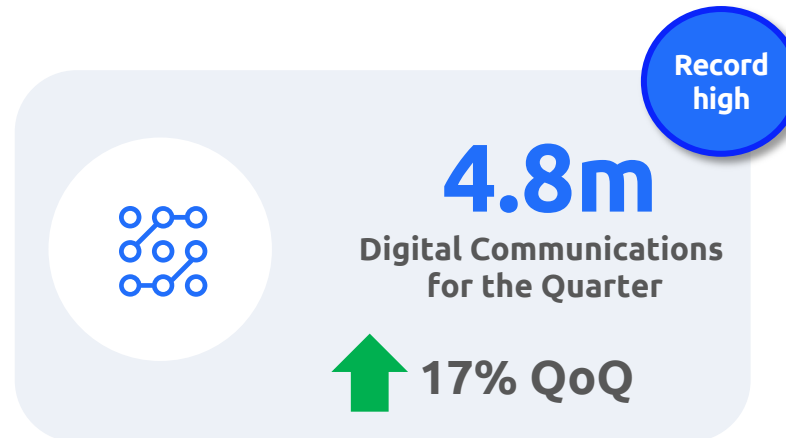
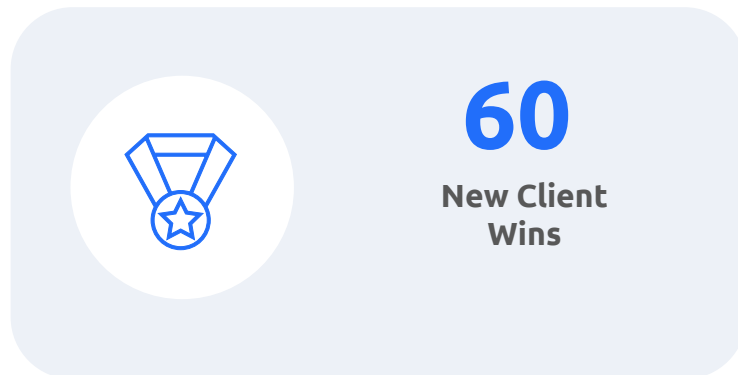
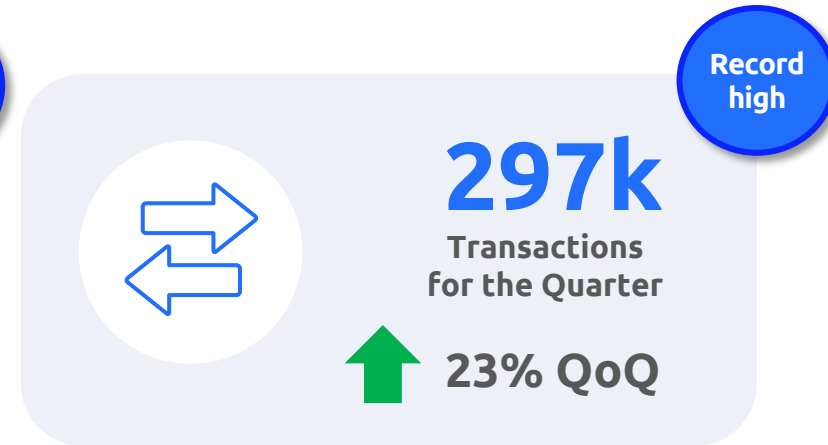
Revenue for June

ANNUALISED REVENUE RUN RATE OF \$37.44M¹



1. Preliminary unaudited operational numbers, based on annualised June 2022 revenue, does not include expected revenue from new clients currently being onboarded, or revenue from Techub deployment in South Africa

Q4 FY2022 Operational Highlights



Profitable, reinvesting for growth



May and June profitable¹

May and June were consecutive operationally profitable months. Strong cash at bank position of over \$10.2m



Revenue growth

Revenues have materially improved this quarter with all parts of the business achieving strong growth. June was particularly strong with a record \$3.12m in revenue



Cost base in line with revenue growth

Having achieved profitability, the intention for FY2023 will be to reinvest cash flow into sales, client onboarding and technology



Margin uplift

The ARMA acquisition significantly increased operational scale, adding material digital volume through the platform with associated margin uplift



International Update

Credit Clear to progress international opportunities in **Q1FY23**



In **South Africa**, Techub and Credit Clear will meet potential new clients under the teaming agreement.



In the **UK**, Credit Clear is meeting with a large multinational BPO and Collection Agency to progress partnering and teaming discussions.



In **Singapore** CCR is pursuing a licensing agreement with a large APAC debt collection provider.

Global expansion strategy:

- Australian growth and expansion remains immediate priority
- Preference is to adopt a low capex and low risk approach, following Australian and New Zealand based clients into new international jurisdictions
- Significant partnering and teaming opportunities (similar to Techub) are attracting strong interest from major international BPOs and collection agencies

Techub update:

- Localisation and optimisation continues in South Africa
- Several key data and technical projects have been completed during the quarter that are typical of large, complex organisations embarking on their digitisation journey
- Message delivery rates and engagement is broadly consistent with Australian metrics
- Email messages have recently been added to the workflow, enhancing digital reach
- Techub is progressively adopting a “digital-first” approach, by providing Credit Clear the opportunity to process untreated portfolios



Genuine validation of our performance

TOLL ROAD OPERATOR – ARTIFICIAL INTELLIGENCE

- AI experiment achieves a **35% uplift** for a major toll road operator
- Case study clearly shows the power of Credit Clear's AI which predicts the next best channel, message and timing
- Importantly, it demonstrates improvement over Credit Clear's already **optimised hybrid workflow**
- Both the champion and challenger were workflows using SMS, Email and dialler calls. Both workflows were using the CCR platform and both using the same templates
- **The differentiator was the use of our AI** to decide which action to take next for a particular customer, based on what had already happened to date

FINANCIAL SERVICES – WORKFLOW OPTIMISATION

By adding three additional digital communications into an existing Credit Clear hybrid workflow:

- Increased conversation by a further 3% and 5% in two portfolios
- Achieved an uplift in collections of 41% in debt greater than \$1,000 for one portfolio

WATER UTILITY – WORKFLOW OPTIMISATION

By adding additional digital steps to a hybrid workflow:

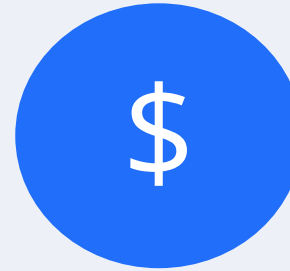
- 22% higher collections
- 8% engagement uplift
- 19% high conversation rate

Pipeline – Targeting materially larger opportunities

Government



Financial services



Insurance



Utilities



Credit Clear outlook

Current revenue run rate of \$37.44m¹ per annum

Growing profitability

International expansion

New business pipeline

- Based on annualised revenue from June 2022 of \$3.12 million
- Does not include expected revenue from Techub
- Does not include expected revenue from new clients currently being onboarded
- May and June consecutively operationally profitable months
- Strong balance sheet with cash at bank of \$10.2m (30 June, 2022)
- Growing revenue and profitability trajectory expected accelerate into Q1FY23
- Reinvest in sales, client onboarding and technology line with revenue growth
- In August, executive management will visit our international partners in South Africa along with meeting potential partners in the UK and Singapore to progress active opportunities in these new jurisdictions
- A UK opportunity with large multinational BPO and associated collection agency on a “partnering and teaming” basis
- Singapore licencing agreement in late stages of negotiation
- Larger client opportunities in Financial Services (Australian bank) and Insurance (tier 1 Australian Insurer)
- Multiple large utility opportunities in progress, with growing pressure on customers due to higher inflation
- Addressable market expanding due to hybrid end-to-end capabilities along with strong counter cyclical economic tailwinds



Contact Us

Company

Andrew Smith

Credit Clear

E: andrew@creditclear.com.au

Investors

Warrick Lace

Credit Clear

m: +61 404 656 408

e: warrick.lace@creditclear.com.au

