

9 May 2023
ASX Announcement

CREDIT CLEAR RAISES \$8.5M FROM INSTITUTIONAL SHAREHOLDERS FOLLOWING MARQUEE CLIENT WINS

Highlights:

- CCR has raised \$8.5m from new and institutional shareholders via a Placement
- The Placement was conducted at an Offer Price of \$0.23 per share (4.2% discount to the last trading price of \$0.24)
- Funds will be used to accelerate growth by funding integration of marquee contract wins and take advantage of a strong pipeline of further client acquisitions and opportunities
- Directors of CCR intend to participate in the Placement for a total of \$0.5m, subject to shareholder approval

Australian provider of technology solutions to the debt collections industry **Credit Clear Limited (ASX: CCR) (Credit Clear or the Company)** is pleased to announce that it has raised approximately \$8.5m from new and existing institutional shareholders via a Placement. The Placement was conducted at an Offer Price of \$0.23 per share, a 4.2% discount to the last close price.

Bell Potter Securities Limited and E&P Corporate Advisory Pty Limited acted as Joint Lead Managers to the Placement.

Use of funds

The proceeds of the Placement will be used to:

- Fund initial onboarding and integration costs of recently secured marquee clients and prospective clients;
- Fund specific data and security compliance requirements for new marquee clients;
- Fund Business Processing Outsourcing opportunities with prospective clients;
- Invest in sales team to maximise pipeline client acquisitions and SaaS sales;
- Fund channel sales acceleration; and
- Transaction costs.

In the past six months Credit Clear has been successful in winning several marquee clients across each of its industry sector verticals (Insurance, Commercial, Consumer and Government). The onboarding and integration of these marquee clients is typically longer and more resource intensive than smaller clients and involves adherence to specific data and security compliance requirements. Credit Clear's sales pipeline includes several additional marquee clients.

The Company is progressing Business Process Outsourcing (BPO) opportunities, where initial set up and resourcing costs are incurred upfront.

Funds will also be invested in sales resources, where the Board has decided that given the Company's recent new business success and high win rate, it should accelerate sales activities, particularly in selling the high-margin SaaS solution.

Andrew Smith, Credit Clear CEO, said:

"Credit Clear, with \$5m in the bank at the end of March 2023 and a trend towards cash flow positivity over the past several quarters, is in a strong position. The Board's decision to raise capital now is a result of the tremendous success the business has achieved in winning new clients, particularly large marquee clients, and the associated resources required to onboard and service these clients.

"Additionally, it is the Board's view that new client success could be accelerated further with additional funding, with a particular focus on selling Credit Clear's high-margin SaaS solution."

The Placement comprised the issue of approximately 37 million New Shares, comprising:

- 34,782,608 million New Shares within Credit Clear's existing placement capacity under Listing Rule 7.1 ("Tranche 1 Placement"); and
- 2,173,914 million New Shares subject to shareholder approval at an Extraordinary General Meeting ("EGM") to be held in or around June 2023 ("Tranche 2 Placement")

Tranche 1 shares are expected to settle on Monday, 15 May 2023, with allotment and normal trading on ASX to commence on Tuesday, 16 May 2023. The Board intends to call a general meeting to be held in June to seek approval for the Tranche 2 shares subscribed for by the Directors.

New Shares issued under the Placement will rank equally with existing Credit Clear shares on issue.

Authorised for release by the Board of Credit Clear Limited.

To receive Credit Clear's investor updates directly from the Company please subscribe to the mailing list [here](#).

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About Credit Clear

Credit Clear Limited is an Australian technology company that has developed a digital billing and communication platform that helps organisations drive smarter, faster and

more efficient financial outcomes by changing the way customers manage their repayments through a user experience that the market demands in a digital age, powered by award winning artificial intelligence.

Credit Clear manages customer accounts across a range of industries including transport, financial services, commercial, insurance, government and utilities. The Company is based in Australia with headquarters in Melbourne and offices in Sydney, Brisbane, Adelaide and Perth.

www.creditclear.com.au