

## ASX Announcement (ASX: CCV)

### 2023 CCV AGM Addresses and Presentation

Cash Converters International Limited (ASX: CCV) (“Cash Converters” or “the Company”) will today address shareholders at its Annual General Meeting to be held as a virtual meeting, commencing at 9.30am (WST).

Attached is a copy of the addresses to be delivered by Chairman, Timothy Jugmans and Managing Director, Sam Budiselik and the related presentation material.

This information will provide shareholders an update on the company’s performance and key strategies.

*Authorised for release by the Board of Cash Converters International Limited.*

**Sam Budiselik**  
Managing Director  
info@cashconverters.com

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About Cash Converters Cash Converters (ASX: CCV) is a diverse international group generating revenue from personal and vehicle finance, retail store operations and franchising. We believe that everyone should have options in life, and we provide solutions that ‘make life possible’ for our customers in an environmentally conscious, responsible, regulated and transparent way.

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## Chairman's AGM Address

The Board and I remain excited and optimistic about the long-term prospects of the Company. Both Board and Management remain focused on positioning the business well for ongoing long-term growth through leveraging our strategic pillars: Customer and Purpose, Expansion and Acquisitions, and Operational Excellence. These pillars focus on putting our customer at the heart of our business, and driving growth through optimizing our existing operations and pursuing select acquisition targets, predominantly from across our franchised store network, which meet our valuation metrics and bring long term earnings opportunities.

I would like to thank Sue Thomas for her effort, contribution, and commitment during her tenure with the Board. Sue served diligently as a non-executive director and provided valuable support and advice to the Audit and Risk Committee, Governance Remuneration and Nomination Committee, and the Board Investment Committee. I wish her the very best with her future endeavours.

On 6 October we welcomed Mark Ashby to the Board of Directors as a non-executive director. Mark is an experienced board member and advisor with over 30 years' experience in senior roles in both listed and private sectors in Australia and the United States. Mark's appointment complements the Board's existing composition with a focus on corporate finance, strategy, and growing shareholder value.

Underpinning the Board's optimism, this year we have delivered strong revenue growth off the back of record demand for our products coming out of a disrupted period. Our loan books have grown rapidly, with gross loan books up to \$278.5m in Q1 FY24, up 30% on the comparative period last year. This was achieved during a period of legislative change, passed by the Australian Government during the financial year - as a part of a Financial Sector Reform Act. As mentioned in the Annual Report, this has considerably impacted our SACC business. Our new non-SACC loan products have performed well and offer customers more flexibility, choice, and lower cost options as we continue to transition away from the SACC sector – with our overall loan book now well diversified.

We have made notable progress in growing our corporate store footprint locally and internationally with acquisition of the New Zealand master franchise, acquiring the largest franchisee store network in the United Kingdom and several local franchise store acquisitions. We have been able to pursue these acquisitions while maintaining a strong balance sheet position which allows us to continue seeking future opportunities.

Following the formal AGM our Managing Director will present an outline of the past financial year and provide an update on Q1 FY 2024. I'm pleased with the solid performance of FY 2023, including payment of a fully franked 1c final dividend, which demonstrates the Board's confidence in our earnings and balance sheet position. This is our sixth straight half year dividend.

I would like to thank my fellow Board members for their contributions, and management and their teams for their commitment and work towards the Company strategy and for their continued focus on serving our customers. Finally, I would like to thank our shareholders for their continuing support and look forward to an exciting future for Cash Converters.

*Authorised for release by the Board of Cash Converters International Limited.*

**Timothy Jugmans**

Non-executive Chairman

info@cashconverters.com

## Managing Director Address

Following formal close of Annual General Meeting

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Thank you, Tim, and good morning fellow Shareholders.

I would like to begin by reflecting on our achievements in financial year 2023 and then provide an update on the first quarter of the financial year 2024.

I am proud to lead a passionate and dedicated team here at Cash Converters, spanning our store operations, head office, and loan assessing centres – within Australia and across the globe. Our management team was pleased to report strong financial performance in FY2023, which continues to enable the pursuit of future growth opportunities both domestically and abroad. I want to express my gratitude to everyone across our global business who contributed to this outcome.

### Financial Performance

Turning to our financial performance, I was delighted to report robust results for FY2023. Our revenue grew 23% over the previous year, reaching \$302.7 million. Operating EBITDA stood at \$57.2 million, with an operating profit after tax of \$20.1 million, reflecting the sustained momentum across our business. These results have fortified our balance sheet and our cash position, allowing us to internally fund new loan book growth, acquire new stores, and continue our fully franked dividend payments to shareholders for the 6th consecutive half year period. Top line revenue momentum into FY2024 has continued with 24% growth achieved in the September quarter, Q1 FY2024, up 47% compared to Q1 FY2023 (pcp).

Our balance sheet remains strong at \$58.4m of cash and cash equivalents at 30 September 2023, after funding loan book growth and the settlement of the recent UK franchise acquisition.

### Lending operations

Throughout FY2023, we witnessed strong underlying demand, highlighted by a record number of applications for our personal finance lending solutions, with application volume up 21% from the previous year. Noting that we decline 7 out of 10 applications speaks to our prudent risk management policies, our responsible lending focus and to the 'high quality' of our growth as a result. Our FY23 loan originations rose by 24% compared to FY2022, reaching \$348 million. As a result, our total gross loan book reached a high-water mark of \$271.4 million at June 30, 2023, representing a remarkable 27% increase over the end of FY2022, as illustrated by the following Gross Loan Book table contained in the release materials.

### H2 FY2023 Gross Loan Book Values (\$m)

		30 Jun 2020	30 Jun 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	PCP Jun 2023 vs Jun 2022	Jun 2023 vs Dec 2022
Small Loan <sup>1</sup>	Loan Book	\$63.1m	\$67.6m	\$75.6m	\$82.2m	<b>\$78.0m</b>	3%	-5%
	% Of Total	38%	38%	35%	32%	<b>29%</b>		
Medium Loan <sup>2</sup>	Loan Book	\$31.7m	\$49.4m	\$76.1m	\$90.9m	<b>\$102.0m</b>	34%	12%
	% Of Total	19%	28%	36%	36%	<b>38%</b>		
Vehicle Loan (GLA) <sup>3</sup>	Loan Book	\$61.4m	\$44.3m	\$46.7m	\$54.0m	<b>\$62.9m</b>	35%	17%
	% Of Total	37%	25%	22%	21%	<b>23%</b>		
PB <sup>4</sup> (Corp)	Loan Book	\$9.4m	\$16.8m	\$15.5m	\$16.8m	<b>\$16.0m</b>	3%	-5%
	% Of Total	6%	9%	7%	7%	<b>6%</b>		
International Loan Book <sup>5</sup>	Loan Book	\$0.0m	\$0.0m	\$0.0m	\$12.2m	<b>\$12.5m</b>	-	2%
	% Of Total	0%	0%	0%	4%	<b>4%</b>		
Total Gross Loan Book		\$165.6m	\$178.1m	\$213.9m	\$256.1m	<b>\$271.4m</b>	27%	6%
Half Year Net Loss Rate <sup>6</sup>		10.9%	6.1%	8.3%	8.6%	11.0%	-	-

The changing loan book composition reflects the diligent execution of our product transition strategy following significant regulatory change. We have been focused on developing products that reduce borrowing costs and add flexibility for our customers as we transition away from the Small Amount Credit Contract (SACC) market. Notably, our Medium Loan book grew by 34% in FY2023, reaching \$102 million, and affirming the success of this strategy. We are also excited about the performance of new loan products, particularly our Line of Credit, which provides better flexibility and a lower cost option for our customers. Momentum into FY2024 has continued with 3% growth achieved in the September quarter, Q1 FY2024, or up 30% compared to Q1 FY2023 (pcp).

### Store Operations

Our store operations have played a pivotal role in serving our customers and have delivered a strong result off the back of that customer centric approach, with revenue growth of 15% during FY2023. We've optimized our inventory mix, bringing more focus to higher value items such as prestige jewellery and watches, designer handbags and high-end electronics. This shift has not only boosted overall sales trading activity but also improved gross margins.

Our retail business model emphasises sustainability, contributing to a circular economy by repurposing pre-owned goods, and our multi-channel approach allows our customers to transact both in-store and online.

### Strategic Acquisitions

Our recent strategic acquisitions have begun to contribute to group financial performance, and integration with our wider group is progressing. The results as of the most recent trading update reflect the full cash outlay for acquisitions, with the returns to follow across the financial year 2024.

The Capital Cash Ltd acquisition in the United Kingdom combines with our existing UK franchisor operations to provide a key hub to propel further growth into the UK & Europe, diversifying our geographic operations and revenue streams. UK operations are performing well with revenue and earnings in line with expectations.

Integration of the New Zealand business into group operations commenced in the second half of FY23 with an initial focus on optimizing the business model to unlock the available efficiencies available between Australia and NZ. Underlying performance is in line with expectations. We have recently implemented additional controls to manage credit risk in NZ and we remain confident in the outlook of that business over time.

## Q1 FY2024 Update

FY23				
<b>\$302.7m</b> Revenue <small>Up 23% on pcp (\$245.9m in FY2022)</small>	<b>\$57.2m</b> Operating EBITDA <small>Up 8% on pcp (\$52.7m in FY2022)</small>	<b>\$20.1m</b> Operating NPAT <small>Up 6% on pcp (\$19.0m in FY2022)</small>	<b>2c per share</b> Dividend paid for FY23 <small>Follows 2c paid FY22</small>	
Q1 FY24				
<b>\$101.4m</b> Revenue <small>Up 47% on pcp (\$69.0m in Q1 FY2023)</small>	<b>\$278.5m</b> Gross Loan Book <small>Up 30% on pcp (\$214.5m in Q1 FY2023)</small>	<b>\$100.9m</b> Medium loan book <small>Up 31% on pcp (\$77.1m in Q1 FY2023)</small>	<b>\$69.7m</b> Vehicle loan book <small>Up 40% on pcp (\$49.8m in Q1 FY2023)</small>	<b>4.8%</b> Quarterly Net Loss Rate <small>Down from 5.0% average Net Loss Rate over preceding four quarters</small>
<small>Notes:</small> <ul style="list-style-type: none"> <li>• FY23 revenue growth continues into Q1 FY24 driven by continued Australian corporate store trading improvements and inclusion of trading results from New Zealand and UK franchises acquired.</li> <li>• Net Loss Rate (NLR) increasing from post COVID stimulus lows but in line with expectations as loan books continue to perform well, remains well below historical levels pre-Covid.</li> </ul>				

Looking to FY24, I am pleased to report the momentum we built in the business through FY23 has continued into the new fiscal year, as touched on earlier in terms of revenue and gross loan book growth.

As confirmed in a trading update released to the ASX on October 24 this year, In Q1 FY2024, we achieved group revenue of \$101.4 million, a 24% increase from the previous quarter and a notable 47% uplift compared to the same period last year. This revenue growth is driven by continued loan book growth and inclusion of the first quarter of trading results from our recent New Zealand and UK acquisitions. This underscores the resilience of our diversified business model and the sustained demand for credit across our customer segment and various geographies.

Our gross loan book also reached another record high in Q1 FY2024, totalling \$278.5 million, a 30% uplift compared to Q1 in the prior year.

## Outlook

Now looking further forward, we're excited by the opportunities that lie ahead. Several of our strategic initiatives have begun delivering revenue growth across the global group. Our store network continues to expand, and our digital platforms are performing strongly and reaching new customers. Loan book growth through FY2023 and into FY2024 has been strong, and there are further opportunities for us to continue to both grow market share and optimise performance.

Our customers have been impacted by legislative changes that we are doing our best to manage but has resulted in rendering us unable to assist many customers that we may have responsibly supported in the past. For Cash Converters, in many instances we have

been able to offset this financial impact with growth in new products and other non-impacted product lines. The competitive landscape also continues to evolve favourably and we remain focused on taking advantage of our strong position in the market.

## **Closing**

In summary - the strategic growth focus for the Company remains:

- Growing organic demand driving loan book growth;
- New product releases growing new loan books;
- Executing value accretive store acquisitions.

In closing, I want to extend my gratitude to our colleagues for the passion and commitment we bring to our customers every day, and to our shareholders for your continued support.

I look forward to providing another update on our progress at the conclusion of the half-year period in February. Once again, thank you for your attendance at this Annual General Meeting.

## **ENDS**

*Authorised for release by the Board of Cash Converters International Limited.*

**Sam Budiselik**  
Managing Director  
info@cashconverters.com

## **Notes:**

<sup>1</sup> Small loans include SACC and PayAdvance products.

<sup>2</sup> Medium loans include MACC and Line of Credit products.

<sup>3</sup> Green Light Auto (GLA) is a fully owned subsidiary of CCV offering secured vehicle loans through a network of brokers and dealers.

<sup>4</sup> Pawnbroking Loan Book – Corporate Stores only.

<sup>5</sup> Includes recent New Zealand franchise acquisition.

<sup>6</sup> Net Loss Rate (NLR) is defined as Bad Debt Written off Expense net of Recovery of Write Offs for the quarter or half year period as applicable, compared to average Gross Loan Book for the quarter or half year period as applicable.

# Annual General Meeting (AGM) Investor Presentation

23 November 2023

# Attendees

## Board of Directors

**Timothy Jugmans**  
Non-executive Chairman

**Sam Budiselik**  
Managing Director

**Peter Cumins**  
Executive Deputy Chairman

**Lachlan Given**  
Non-executive Director

**Julie Elliott**  
Independent Non-executive Director

**Robert Hines**  
Independent Non-executive Director

**Henry Shiner**  
Independent Non-executive Director

**Mark Ashby**  
Independent Non-executive Director

## Executives

**Lisa Stedman**  
Chief Operating Officer

**Jonty Gibbs**  
Chief Financial Officer

**James Miles**  
Chief Information Officer

**Andrew Kamp**  
Chief Strategy & Commercial Development Officer

**Meagan Hamblin**  
Joint Company Secretary

## Auditors

**Peter Rupp**  
Lead Audit Partner – Deloitte

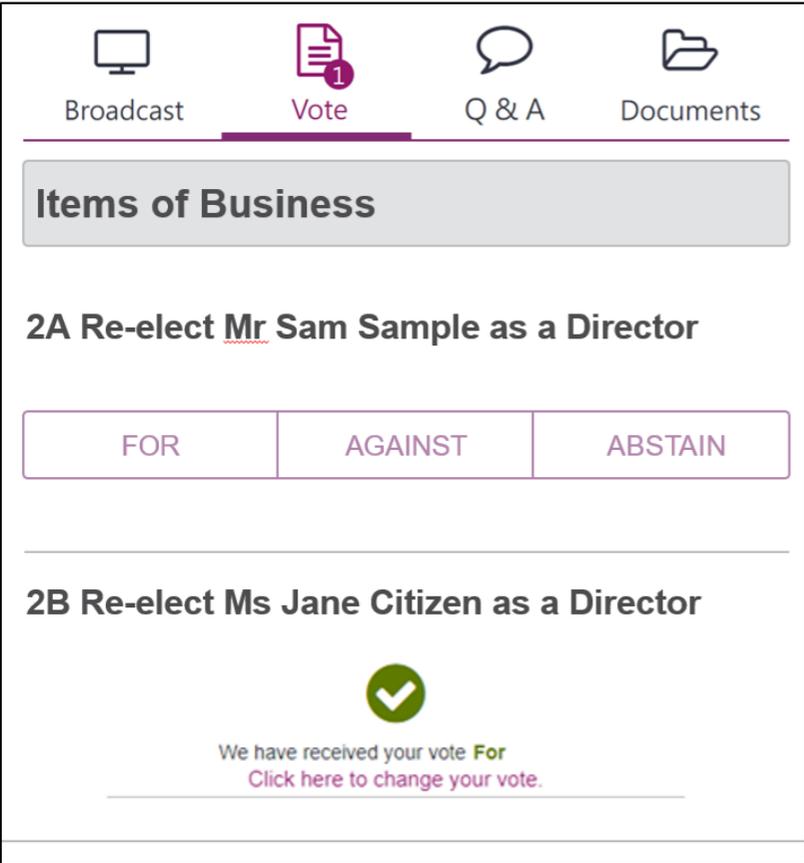
**Nicholas Gordon**  
Audit Director - Deloitte

# Timothy Jugmans

Non-executive Chairman

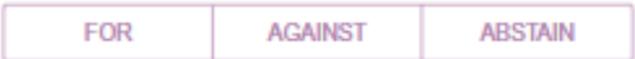
# Procedural Matters

# Voting



← When open, the vote will be accessible by selecting the voting tab at the top of the screen

← To vote, simply select the direction in which you would like to cast your vote. A tick will appear to confirm receipt of your vote.



← To change or cancel your vote “click here to change your vote” at any time until the poll is closed

There is no submit or send button, your selection is automatically recorded.  
You can change your mind or cancel your vote any time before the poll is closed

# Questions

The screenshot shows a user interface with four navigation tabs at the top: 'Broadcast', 'Vote', 'Q & A', and 'Documents'. The 'Q & A' tab is highlighted with a purple underline. Below the tabs is a large text area labeled 'Your question(s)'. Underneath this is a smaller text input field with a 'Select Topic' dropdown menu to its left. Below the input field is a character count '0 character(s)' and a 'Send' button.

← When the question function is available, the Q&A messaging tab will appear at the top of the screen

← To submit a question under the Q&A tab, select the topic of your and type your question into the box and press Send



If you require assistance before or during the meeting please call +61 3 9415 4024.

# Verbal Questions

To ask a verbal question, follow the instructions below the broadcast window

# Business of Meeting

# Financial Report

To receive and consider the financial report for the year ended 30 June 2023 and the related directors' report, directors' declaration and auditors' report.

**Note:** There is no requirement for Shareholders to approve the financial statements and reports.



## 2023 Annual Report

### Strong Operating Result in Challenging Economic Environment

- Revenue \$302.7m (up 23%)
- Operating EBITDA \$57.2m (up 8%)
- Operating NPAT \$20.1m (up 6%)
- NTA 29.1 cps

# Resolution One – Re-election of Mr Lachlan Given

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That Mr Lachlan Given who retires by rotation under clause 52.1 of the Company’s Constitution, and being eligible, is re-elected as a Director of the Company.”*

Proxy Results						
Resolution One	Votes	For	Against	Proxy's discretion	Abstain	Exclude
			347,478,328	27,183,722	890,495	181,263
	% of Voted Securities	92.53%	7.24%	0.23%	N/A	N/A
	% of Total Securities	55.37%	4.33%	0.14%	0.03%	N/A

# Resolution Two – Re-Election of Mr Robert Hines

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That Mr Robert Hines who retires by rotation under clause 52.1 of the Company’s Constitution, and being eligible, is re-elected as a Director of the Company.”*

Proxy Results						
Resolution One	Votes	For	Against	Proxy's discretion	Abstain	Exclude
			372,377,966	2,288,584	891,995	175,263
	% of Voted Securities	99.15%	0.61%	0.24%	N/A	N/A
	% of Total Securities	59.34%	0.36%	0.14%	0.03%	N/A

# Resolution Three – Election of Mr Mark Ashby

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That Mr Mark Ashby, retires under clause 51.2 of the Company’s Constitution, and being eligible, is elected as a Director of the Company.”*

Proxy Results						
Resolution One	Votes	For	Against	Proxy's discretion	Abstain	Exclude
		371,463,168	3,169,382	885,995	215,263	-
	% of Voted Securities	98.93%	0.84%	0.23%	N/A	N/A
	% of Total Securities	59.19%	0.51%	0.14%	0.03%	N/A

# Resolution Four – Non-binding resolution to adopt the remuneration report

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That the remuneration report of the Company for the financial year ended 30 June 2023 be adopted.”*

Proxy Results						
Resolution Four	Votes	For	Against	Proxy's discretion	Abstain	Exclude
			307,527,563	46,942,293	885,995	178,911
	% of Voted Securities	86.54%	13.21%	0.25%	N/A	N/A
	% of Total Securities	49.00%	7.48%	0.14%	0.03%	3.22%

# Resolution Five – Approval of grant of performance rights to Managing Director

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval be given for the grant of 4,729,730 performance rights to Mr Sam Budiselik, Managing Director of the Company, under the Company’s Equity Incentive Plan on the terms described in the Explanatory Memorandum.”*

Proxy Results						
Resolution Five	Votes	For	Against	Proxy's discretion	Abstain	Exclude
			345,626,932	19,953,681	885,995	9,267,200
	% of Voted Securities	94.32%	5.44%	0.24%	N/A	N/A
	% of Total Securities	55.08%	3.18%	0.14%	1.48%	N/A

# Meeting Close

# Sam Budiselik

Managing Director & Chief Executive Officer

# H2 FY 2023 Gross Loan Book Values \$m

		30 Jun 2020	30 Jun 2021	30 Jun 2022	31 Dec 2022	30 Jun 2023	PCP Jun 2023 vs Jun 2022	Jun 2023 vs Dec 2022
Small Loan <sup>1</sup>	Loan Book	\$63.1m	\$67.6m	\$75.6m	\$82.2m	<b>\$78.0m</b>	<b>3%</b>	<b>-5%</b>
	% Of Total	38%	38%	35%	32%	<b>29%</b>		
Medium Loan <sup>2</sup>	Loan Book	\$31.7m	\$49.4m	\$76.1m	\$90.9m	<b>\$102.0m</b>	<b>34%</b>	<b>12%</b>
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Vehicle Loan (GLA) <sup>3</sup>	Loan Book	\$61.4m	\$44.3m	\$46.7m	\$54.0m	<b>\$62.9m</b>	<b>35%</b>	<b>17%</b>
	% Of Total	37%	25%	22%	21%	<b>23%</b>		
PB <sup>4</sup> (Corp)	Loan Book	\$9.4m	\$16.8m	\$15.5m	\$16.8m	<b>\$16.0m</b>	<b>3%</b>	<b>-5%</b>
	% Of Total	6%	9%	7%	7%	<b>6%</b>		
International Loan Book <sup>5</sup>	Loan Book	\$0.0m	\$0.0m	\$0.0m	\$12.2m	<b>\$12.5m</b>	-	<b>2%</b>
	% Of Total	0%	0%	0%	4%	<b>4%</b>		
Total Gross Loan Book		\$165.6m	\$178.1m	\$213.9m	\$256.1m	<b>\$271.4m</b>	<b>27%</b>	<b>6%</b>
Half Year Net Loss Rate <sup>6</sup>		10.9%	6.1%	8.3%	8.6%	11.0%	-	-

## Footnotes

1. Small loans include SACC and PayAdvance products.
2. Medium loans include MACC and Line of Credit products.
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4. Pawnbroking Loan Book – Corporate Stores only.
5. Includes recent New Zealand franchise acquisition.
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# Key Highlights

## FY23

**\$302.7m**

Revenue

Up 23% on pcp  
(\$245.9m in FY2022)

**\$57.2m**

Operating EBITDA

Up 8% on pcp  
(\$52.7m in FY2022)

**\$20.1m**

Operating NPAT

Up 6% on pcp  
(\$19.0m in FY2022)

**2c per  
share**

Dividend paid for  
FY23

Follows 2c paid FY22

## Q1 FY24

**\$101.4m**

Revenue

Up 47% on pcp  
(\$69.0m in Q1 FY2023)

**\$278.5m**

Gross Loan Book

Up 30% on pcp  
(\$214.5m in Q1 FY2023)

**\$100.9m**

Medium loan book

Up 31% on pcp  
(\$77.1m in Q1 FY2023)

**\$69.7m**

Vehicle loan book

Up 40% on pcp  
(\$49.8m in Q1 FY2023)

**4.8%**

Quarterly Net Loss  
Rate

Down from 5.0% average Net  
Loss Rate over preceding four  
quarters

### Notes:

- FY23 revenue growth continues into Q1 FY24 driven by continued Australian corporate store trading improvements and inclusion of trading results from New Zealand and UK franchises acquired.
- Net Loss Rate (NLR) increasing from post COVID stimulus lows but in line with expectations as loan books continue to perform well, remains well below historical levels pre-Covid.

Thank You

# Disclaimer

The material contained in this presentation is intended to be general background information on Cash Converters and its activities current at the date of the presentation. The information is supplied in summary form and is therefore not necessarily complete. It is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending on their specific investment objectives, financial situation or particular needs. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

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