



TechKnow Investor Roadshow

Sam Budiselik

CEO & Managing Director

Full-year period ended 30 June 2024 (unaudited)

Cash Converters International Limited (ASX:CCV)
July 2024



Who We Are

- Established in Perth in 1984 we listed on the ASX in 1997 (ASX:CCV)
- From a single store in WA retailing pre-owned goods and pawnbroking, the business has grown to become an international brand
- We now have more than 150 stores in Australia with a total of 669 stores across 17 countries (opening in the UK in 1991 and Europe and South Africa in 1994)
- We operate a corporate owned and franchised store network
- Buying and selling pre-owned items and providing finance solutions
- In 1999 we introduced personal loans
- In 2007 we launched our online retail site *Webshop*
- In 2010 we launched our online lending platform, enabling us to grow loan books to over \$288m*
- We have high brand awareness and customer satisfaction**
- Our business model and stores have changed over time...




*30 June 2024 (unaudited)

**Aided Brand Awareness 83% (Source: Luma research, 2022) | Net Promoter Score 50+



Our Purpose









- We exist to provide choice and opportunity for all.
- For many Australian households, financial issues are a feature of daily life.
- We make aspirational purchases possible by repurposing inventory.
- We work to eliminate financial bias for up an estimated **3 million Australians who suffer from financial exclusion**[^].
- We support all households, we don't discriminate;
- Through our stores and online;
- By leveraging our data and technology to make that possible;
- Understanding our customers financial positions and needs;
- Working to **improve** their credit profiles and **lower** borrowing costs;
- In a responsible, **trusted** and transparent manner.



To work together in
pursuit of a world free
from financial bias, where
choice and opportunity
is possible for all.

[^]<https://assets.csi.edu.au/assets/research/Amplify-Insights-Financial-Wellbeing-Report.pdf>

Our Business Model

Customers	Channels	Technology	Activities	Revenue Streams
<div></div> <div>600k* retail transactions processed in FY24 on our proprietary platform</div> <div>780k* Personal Loan applications (including redraws) in FY24</div> <div>93,000* active personal loan customers</div> <div>Within Australia alone</div>	<div><div></div><div>Corporate Stores</div></div> <div><div></div><div>Franchise Stores</div></div> <div><div></div><div>Online</div></div> <div><div></div><div>Global</div></div>	<div>In-house developed Retail Point of Sale platform</div> <div>In-house developed Loans Management system</div> <div>Proprietary – AI enabled - credit assessment model</div> <div>App, mobile site, Globally Cloud Based</div>	<div><div>Retail Buy/Sell</div><div></div></div> <div><div>Pawnbroking</div><div></div></div> <div><div>Personal Lending</div><div>Small Loans < \$2k Medium Loans < \$5k Line of Credit < \$10k</div></div> <div><div>Franchising</div><div></div></div>	<div>Retails sales from second hand goods & pawnbroking</div> <div>Interest revenue from personal loans & pawnbroking</div> <div>Franchise fees domestic and international</div>

*FY2024 figures unaudited.

Our Global Network

Across Australia, New Zealand and the United Kingdom, Cash Converters operates Corporate owned stores and is the Master Franchisor of a franchise network of stores.

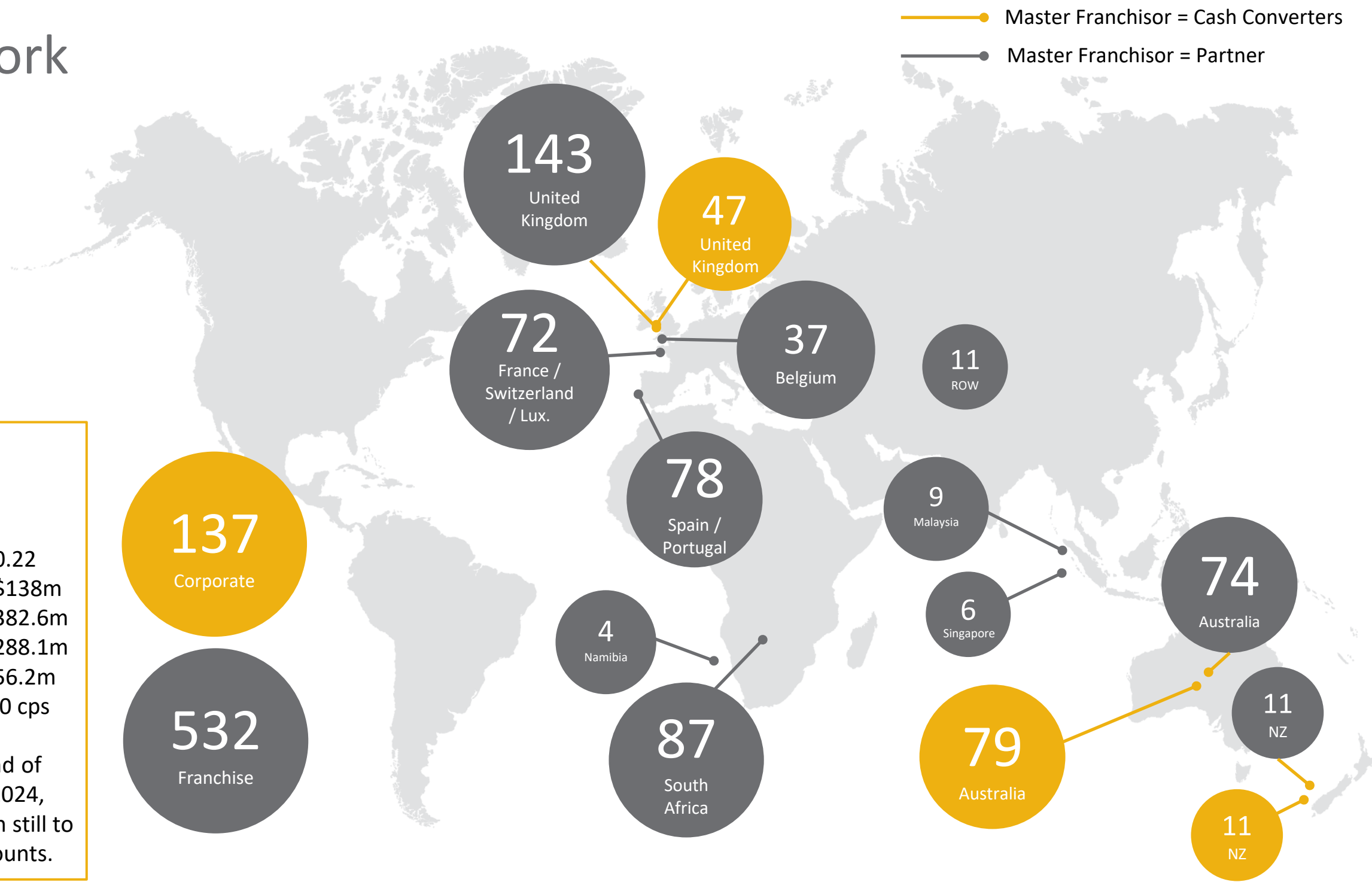
The balance of the international operations are run by Master Franchisors that pay a royalty for the right to the intellectual property and brand to operate a network of Cash Converters stores.

Financials

As at 30 June 2024 (unaudited):

- Share Price \$0.22
- Market Cap. ~\$138m
- Revenue \$382.6m
- Gross loan book \$288.1m
- Cash & Equivalents \$56.2m
- Annual Dividend FY2023 2.0 cps

* 7th consecutive half-year dividend of 1.0 cps paid 12 April 2024 for H1 FY2024, final H2 FY2024 dividend declaration still to be determined pending audited accounts.



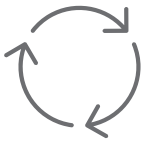
Our Technology



Proprietary machine learning based credit risk tools, trained using over 170m data points



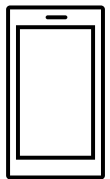
Over 770,000 loan applications scored and assessed each year



Open Banking, New Payments Platform, Custom Banking Infrastructure



AI enabled product authentication enabling new markets

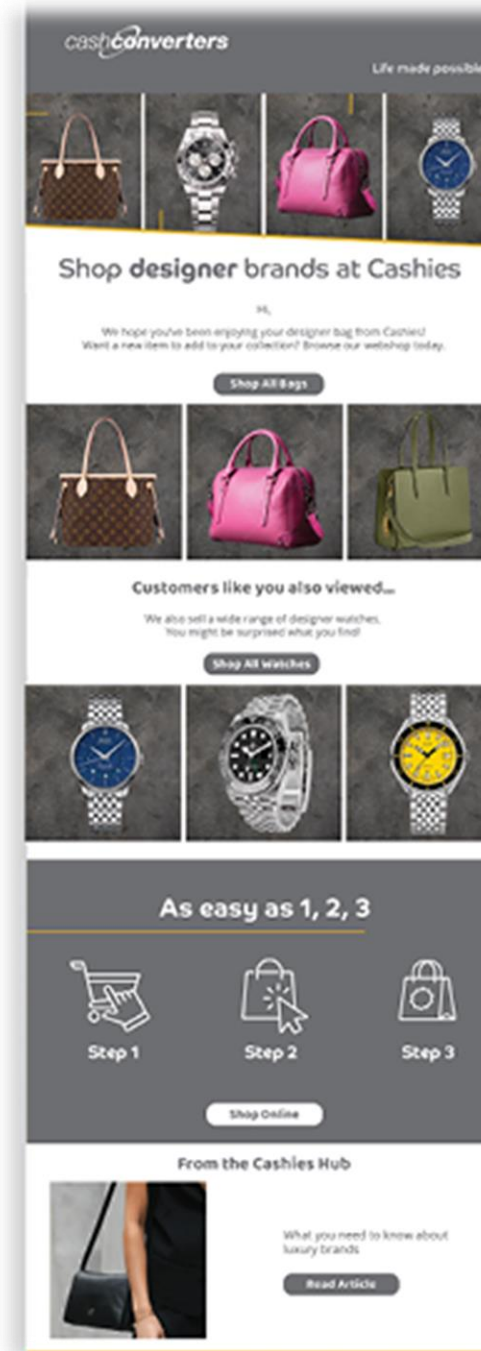


App and mobile website deployed, customer self-service and payment portals in place



Pre-Owned Retail is Changing...

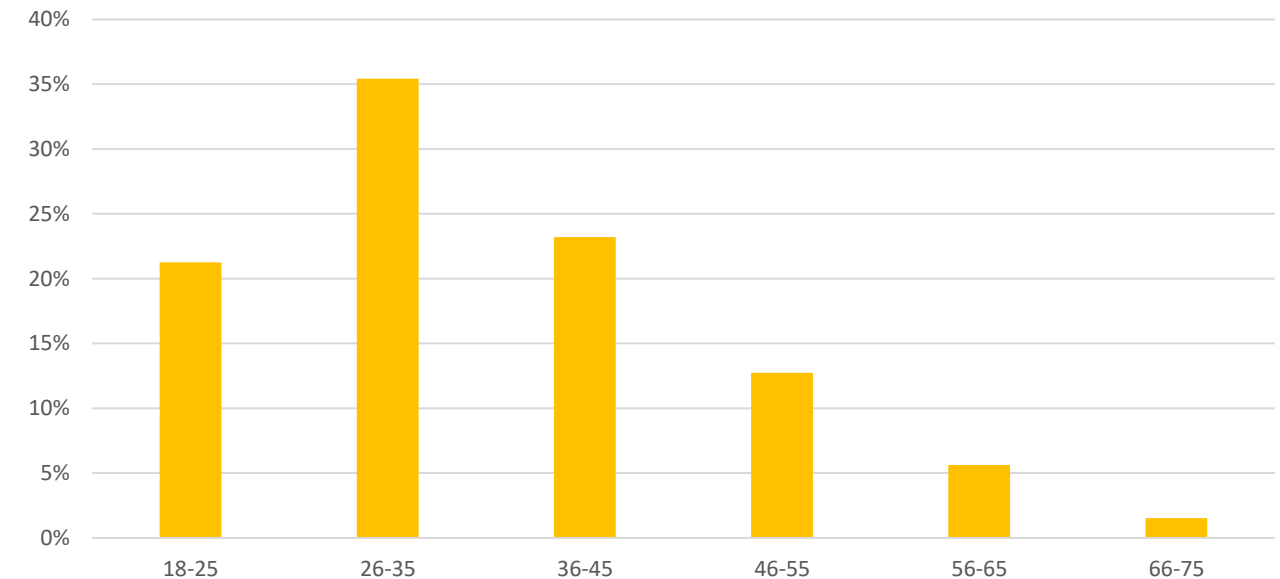
AI-powered solutions for product verification enabling new luxury markets, authenticating handbags, verifying lab grown diamonds...



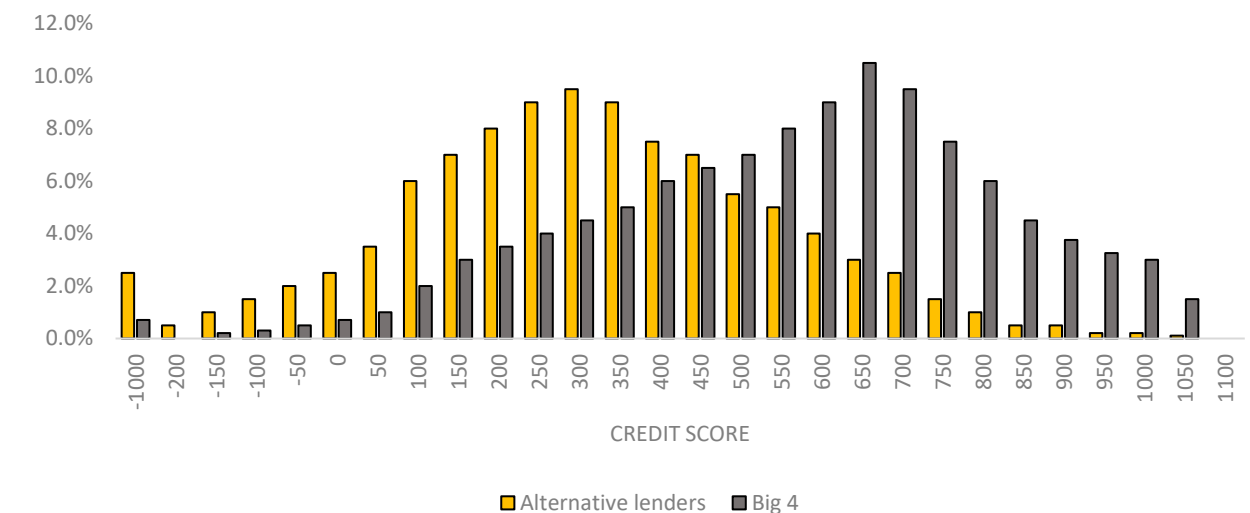
Our Finance Customers

- Large... and growing customer base
- Primary market is sub-prime and near-prime borrowers
- These segments represent almost \$16b of credit applications*
- Loan applicant age concentrated around the 26-35 and 36-45 ranges
- Average credit score on loan applications = 448[^]
- Average credit score on loans written = 500[^]

Loan Applicant Age



Finance Application
Credit Score distribution

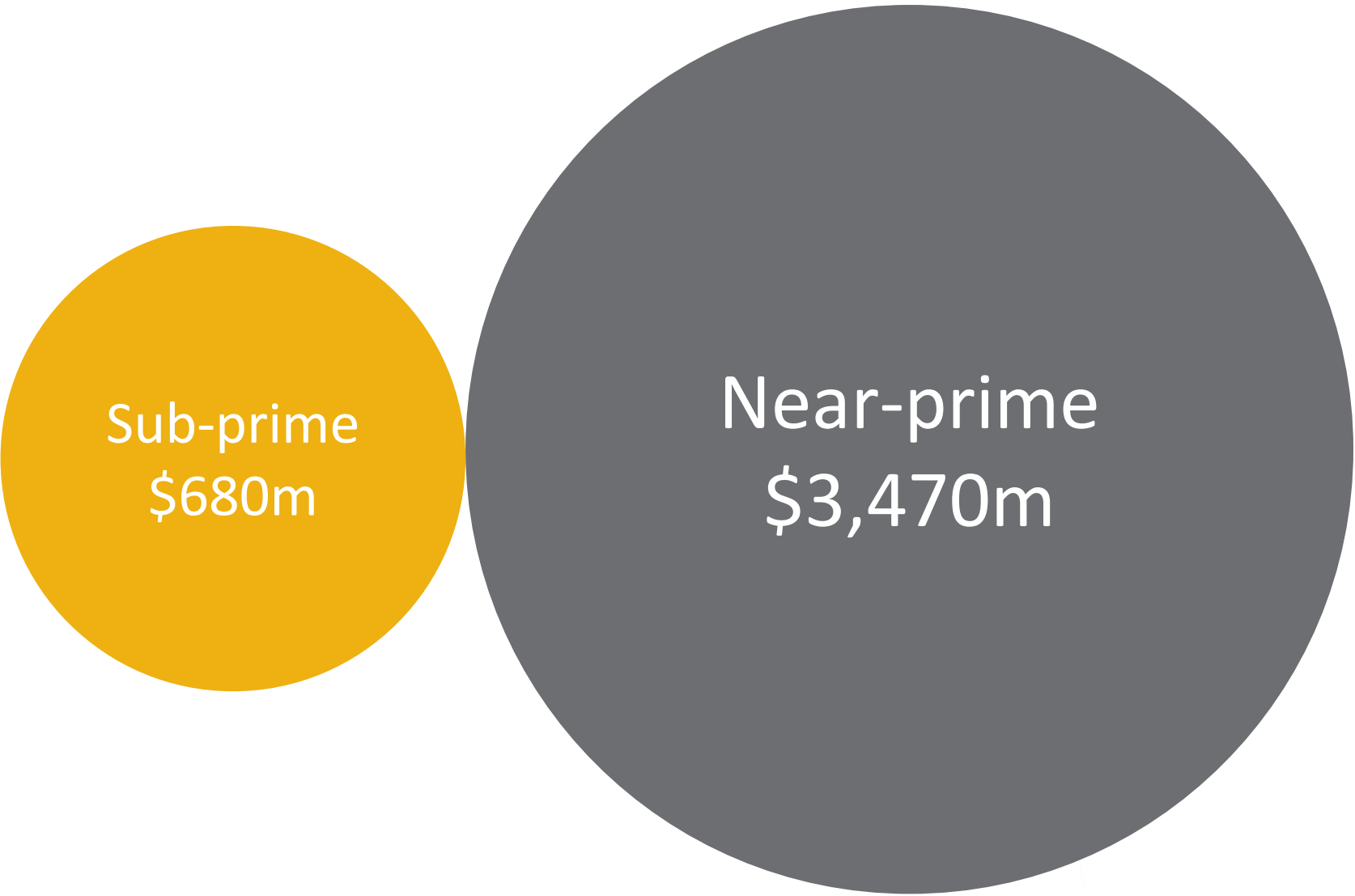


* Source: Equifax report April 2024

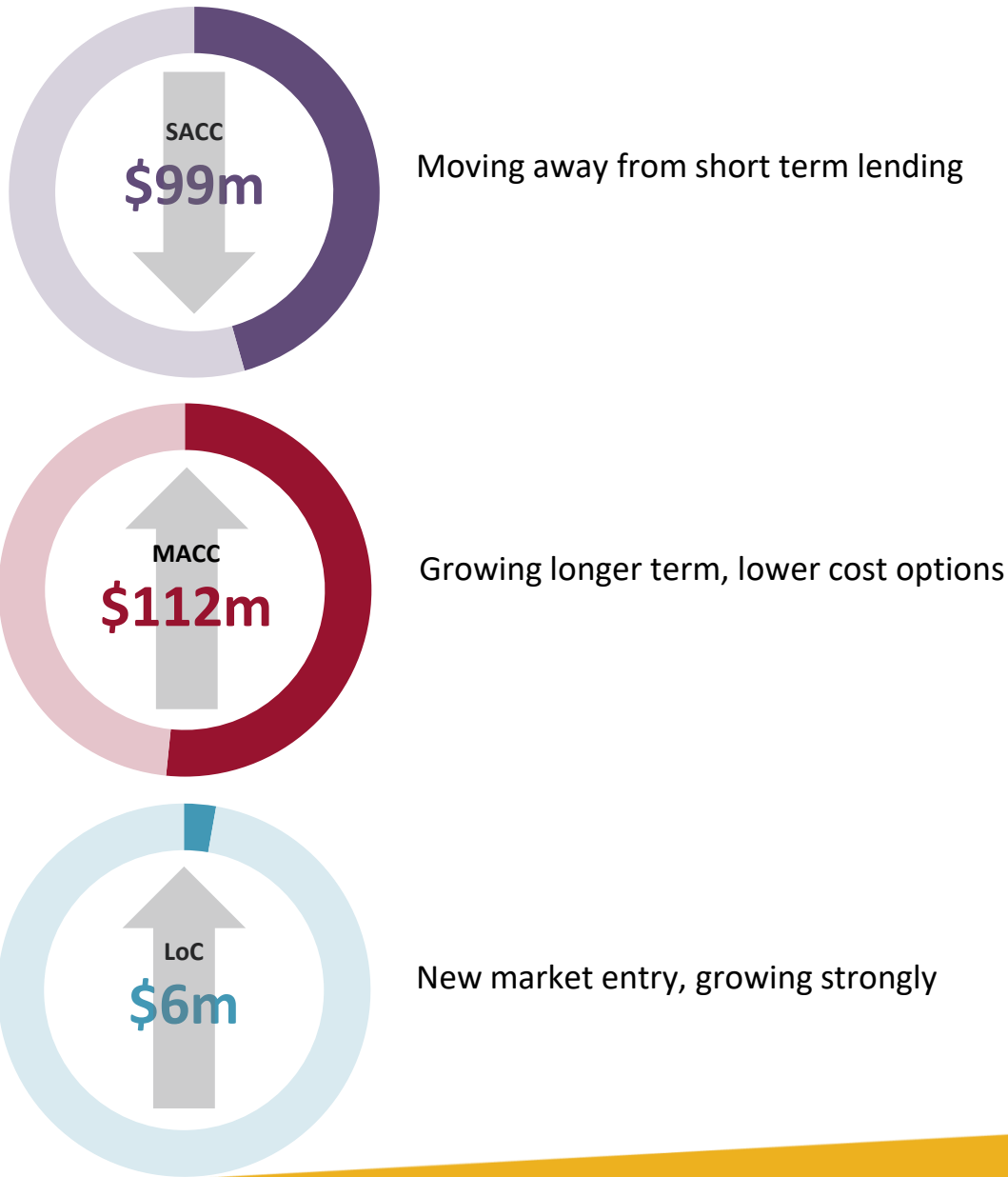
[^] Cash Converters loan applications received January – July 2024

Market Size – credit originations

We are the largest operator offering small and medium loans in our markets.



CCV originations – calendar year 2023



* Source: Equifax report April 2024, credit originations CY2023.

The Business Opportunity

Optimise

Leverage customer data insights to develop and improve our product offering

Enhance technology platforms to drive efficiency gains and improve customer experience

Empower and develop our people to improve effectiveness of the business model across all channels

Grow

Execute appropriate opportunities to scale our business within Australia and overseas

Capitalise on low-risk growth through acquisition of franchise stores and loan books

Optimise capital allocation to maximise investment returns

Realise Value

Operating Leverage: grow profits and free cashflow

7th consecutive half-year dividend paid 12 April 2024

Investment framework delivering return on invested capital



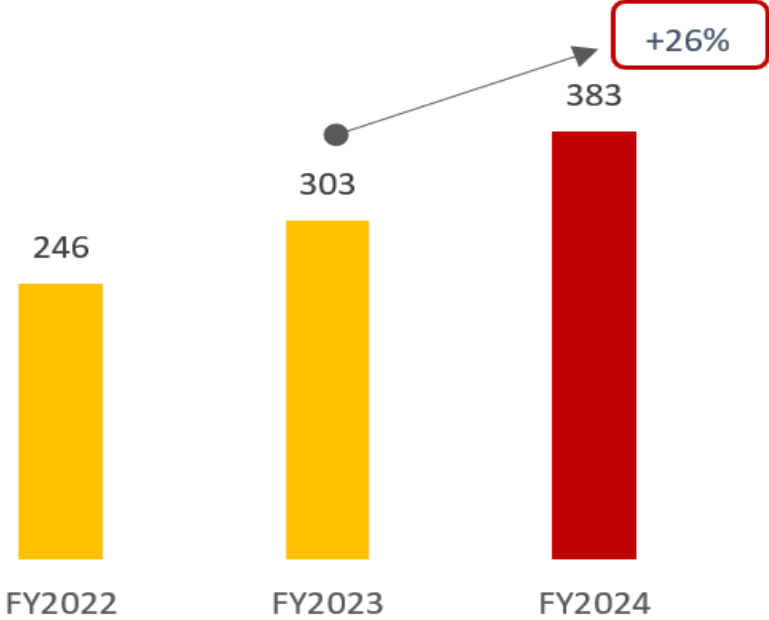
Financial Highlights

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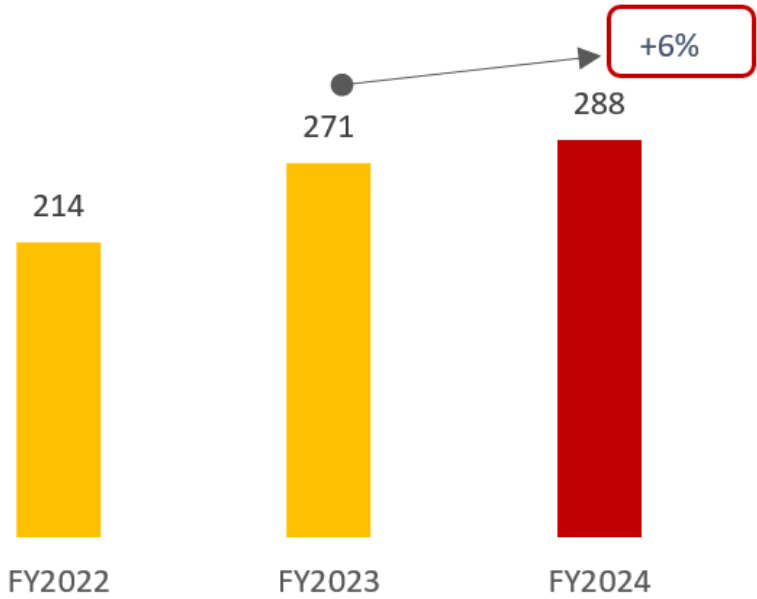
FY24 : Unaudited Financials

- **Revenue up 26% pcp to \$382.6m**
- **Net Operating Profit** – is not expected to differ materially from the prior period
- **Gross Loan Book up 6% pcp to \$288.1m** – product mix change executed
- **Corporate Store** retail revenue increased 11.0% on pcp in Australia, with over 600,000 retail transactions during the period
- **Dividend** – 1 cent per share fully franked interim FY2024 dividend was paid in April representing the seventh straight half-year dividend.

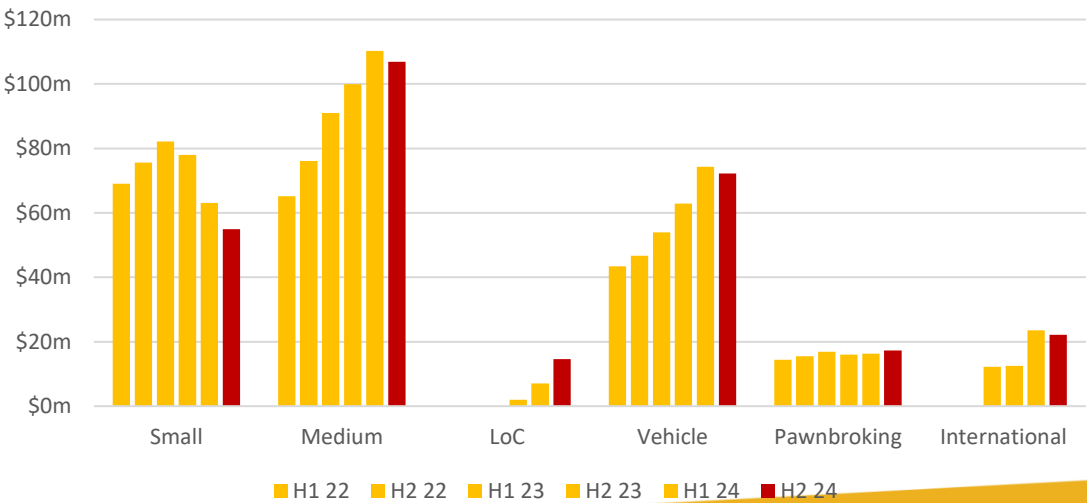
Revenue \$m



Gross Loan Book \$m



Gross Loan Book by Product



Strategy and Outlook

Where the Company is the Master Franchisor our primary focus remains on allocating capital to franchise store acquisitions and growing loan books.

- ✓ Underlying credit demand growing in an under-serviced customer segment;
- ✓ Increased regulatory focus on non-regulated credit products such as Buy Now Pay Later; likely that over time consumers return to dealing with regulated responsible lenders such as Cash Converters;
- ✓ Additional value accretive franchise store network acquisition opportunities under review in core markets;
- ✓ Net loss rates demonstrating the value of advanced proprietary machine learning-powered credit risk models;
- ✓ Diversification into new loan books successful, strong demand growing Medium and LoC Loan books in particular;
- ✓ Balance sheet strength, continuing to invest for future growth;
- ✓ Dividend paying track record (7 straight half-year dividends now paid).



Thank you

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Appendices

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Gross Loan Books (\$m)

AUD Millions		30 Jun 2021	30 Jun 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024 (unaudited)	PCP Jun 2024 vs Jun 2023	Jun 2024 vs Dec 2023
Small Loan ¹	Loan Book	67.6	75.6	78.0	63.1	54.9	-30%	-13%
	% Of Total	38%	35%	29%	21%	19%		
Medium Loan ²	Loan Book	49.4	76.1	99.9	110.2	106.9	7%	-3%
	% Of Total	28%	36%	37%	37%	37%		
Line of Credit ³	Loan Book	0.0	0.0	2.1	7.0	14.6	n/m	108%
	% Of Total	0%	0%	1%	2%	5%		
Vehicle Loan (GLA) ⁴	Loan Book	44.3	46.7	62.9	74.3	72.2	15%	-3%
	% Of Total	25%	22%	23%	25%	25%		
PB ⁵ (Corp)	Loan Book	16.8	15.5	16.0	16.3	17.3	8%	6%
	% Of Total	9%	7%	6%	6%	6%		
International Loan Book ⁶	Loan Book	0.0	0.0	12.5	23.5	22.2	78%	-6%
	% Of Total	0%	0%	4%	9%	8%		
Total Gross Loan Book		178.1	213.9	271.4	294.4	288.1	6%	-2%
Half Year Net Loss Rate ⁷		6.1%	8.3%	11.0%	9.0%	8.0%	-	-

1.

Small loans include SACC and PayAdvance products.

2.

Medium loans includes the MACC product.

3.

Line of Credit product launched Q3 FY2023.

4.

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

5.

Pawnbroking Loan Book – Australian Corporate Stores only.

6.

International Loan Book includes pawnbroking and Personal Finance loan books for New Zealand and pawnbroking and buyback loan book for United Kingdom.

7.

Net Loss Rate (NLR) is defined as Bad Debt Written off Expense net of Recovery of Write Offs for the half-year period, compared to average Gross Loan Book for the half-year period.

ESG Framework

Operating for over 40 years, we understand the importance of adding value to the lives of our customers by operating a sustainable business over the long term.



Environmental

- Our retail trade is driven by pre-owned (second-hand) items, which directly contributes to the Circular Economy.
- This extends the useful life of products, reducing waste and lessening demand for new manufacturing and mining.
- We run a neighborhood-oriented business, reducing the need for customer travel and delivery services.
- Each store serves as its own “supply chain.” We do not rely on mass supply, distribution or warehousing facilities.
- Our store operations leave a small carbon footprint when compared to big-box or other mass retailers.
- We promote environmental stewardship by reducing consumption, recycling paper products and responsibly disposing of computers, electronics and related accessories.



Social

- Our business serves as an essential and responsible financial resource for customers who are predominantly underserved by traditional sources.
- We improve the reach and access to financial services through neighborhood-based stores and digital channels.
- Our transactions are simple, transparent, regulated and safe.
- We foster a culture that values diversity, inclusion and development for all.
- We directly contribute to the identification and prevention of fraud and criminal activity working closely with legislators and regulators to contribute to a trustworthy, reliable financial services industry.



Governance

- We support a culture that reflects real people who are passionate and proud, caring and respectful, and our team are tenacious customer problem solvers.
- We maintain a culture of zero-tolerance for compliance risk that is monitored and overseen by our Board.
- Our Board of eight directors has four independents.
- Our Audit & Risk and Governance Remuneration & Nomination Committees all require a composition of majority independent directors.
- Protecting the privacy, integrity and security of our customers’ data and our enterprise network is a top priority.



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