



2015 Annual General Meeting

People | Partners | Process | Product | Profit



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All references to dollars, cents or \$ in this presentation are to Australian currency unless otherwise stated.

Your Company
Your Business
Your Tomorrow

*On the path to
sustainable
and growing
profitability*

Greg Pynt - Chairman

Meeting open

Agenda

- Meeting Open - Greg Pynt, Chairman
- Business & Financial Review - Peter Andronicos, CEO
- Operations and Strategy
- Outlook
- Formal Business - Greg Pynt, Chairman

Your Company
Your Business
Your Tomorrow

*A year of
consolidation,
transformation
and renewal*

Peter Andronicos - CEO

Business & Financial Review

FY2015 Business Review

- Industry specialist business leaders
- New contracts with eChoice's business partners
- Lead generation, retention and database monetisation programs
- Five new alliance partnerships – ancillary products
- Launch of an industry first Concierge service
- Broker Academy's graduates are now eChoice Home Loan Managers
- Leading technology and systems

Our core mandate over the last twelve months has been our clear commitment to refocusing this extraordinary business in line with its core competencies and strengths.

FY2015 Results

- Cash operating EBITDA \$9.8 million (down 12.7%) in line with guidance
- Settlement volumes \$3.0 billion, similar to prior year
- Non-cash impairments \$20.1 million; one-off costs \$1.7 million
- Loan book in line with expected run-off at \$17.3 billion
- Operating cost reductions of \$2.1 million partly offset revenue decline
- NPV trail movement will continue to impact future statutory results

\$million	FY15	FY14	△
Revenue	67.8	78.6	(13.7%)
Gross margin	19.0	24.3	(21.9%)
Operating EBITDA ¹	2.1	5.4	(60.1%)
NPV trail movement	7.7	5.9	(30.4%)
Cash operating EBITDA	9.8	11.2	(12.7%)
Reported net loss attributable to members	(21.1)	(4.1)	
Add back: impairments	20.1	2.3	
NPAT before impairments	(1.0)	(1.8)	

Note: Cash Operating EBITDA represents operating Earnings Before Interest, Tax, Depreciation and Amortisation, and is adjusted for movement in the NPV net asset, abnormal items including share based payments, acquisition costs and restructuring costs.

Operating Cost Reductions

- 3-year cost program enabling investment in growth initiatives
- Additional savings anticipated in FY16

Operating Costs	FY15	FY14	Variance
<i>Sales related expenses</i>			
Advertising and promotion	1.7	1.6	7.2%
IT and communication	1.6	1.6	2.1%
<i>Total Sales related expenses</i>	3.3	3.2	4.6%
<i>Employment and Overheads</i>			
Contractor and outsourcing	0.8	1.1	(29.8%)
Employee benefits	9.1	10.7	(15.0%)
Insurance and compliance	0.6	0.7	(7.5%)
Professional fees	1.4	1.5	(7.9%)
Occupancy	1.1	1.2	(8.6%)
Other expenses	0.5	0.5	3.7%
<i>Total employment and overheads</i>	13.5	15.7	(14.2%)
<i>Total operating costs</i>	16.8	18.9	(11.1%)

Financial Position

- Senior debt facility extended for a further 2 years to July 2018
- Net debt \$54.4 million at 30 June 2015, down \$1.9 million
- Repayments of \$9.25 million since 30 June 2015
 - Quarterly repayment of \$1.25 million as scheduled
 - FF Capital loan book sale proceeds of \$8.0 million



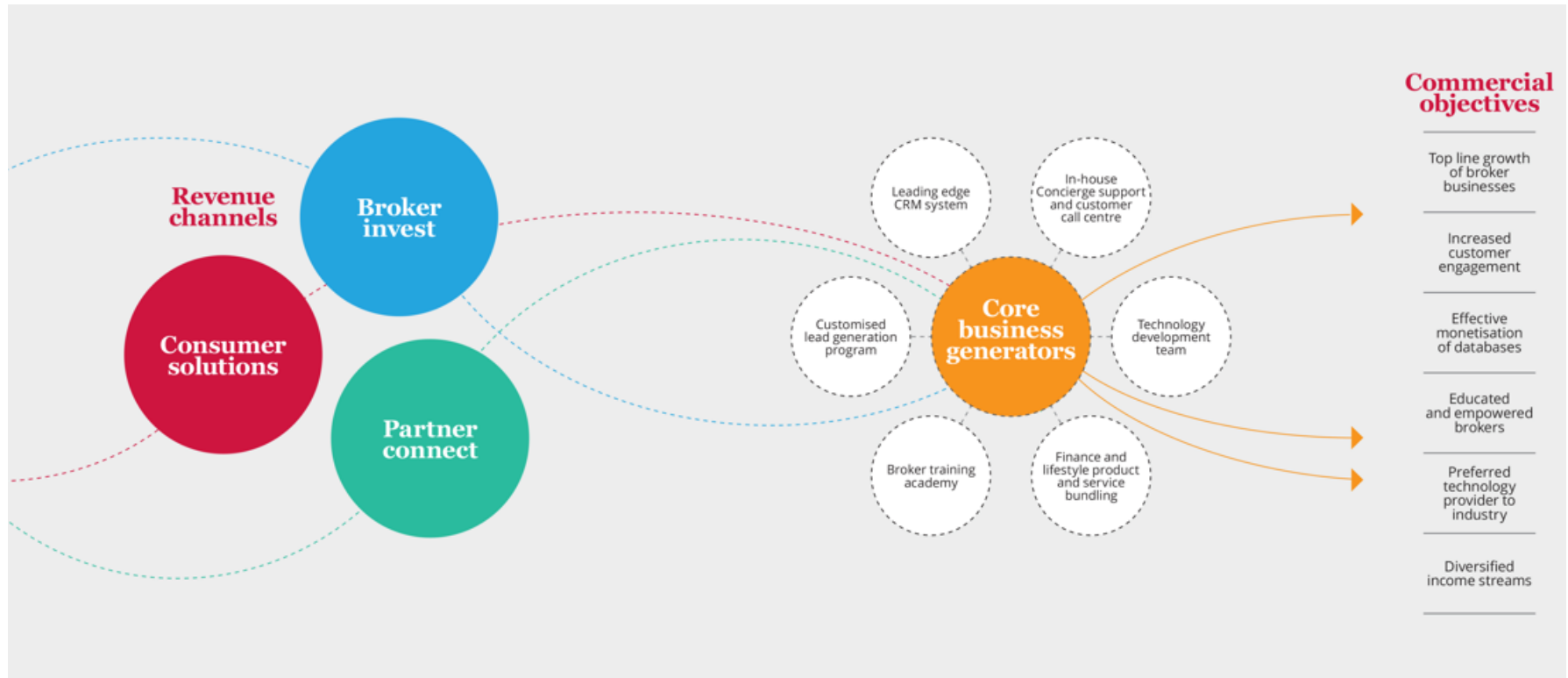
Your Company
Your Business
Your Tomorrow

*I am committed
to growing
this market-leading
business through
continued innovation
and a superior
product offering*

Peter Andronicos - CEO

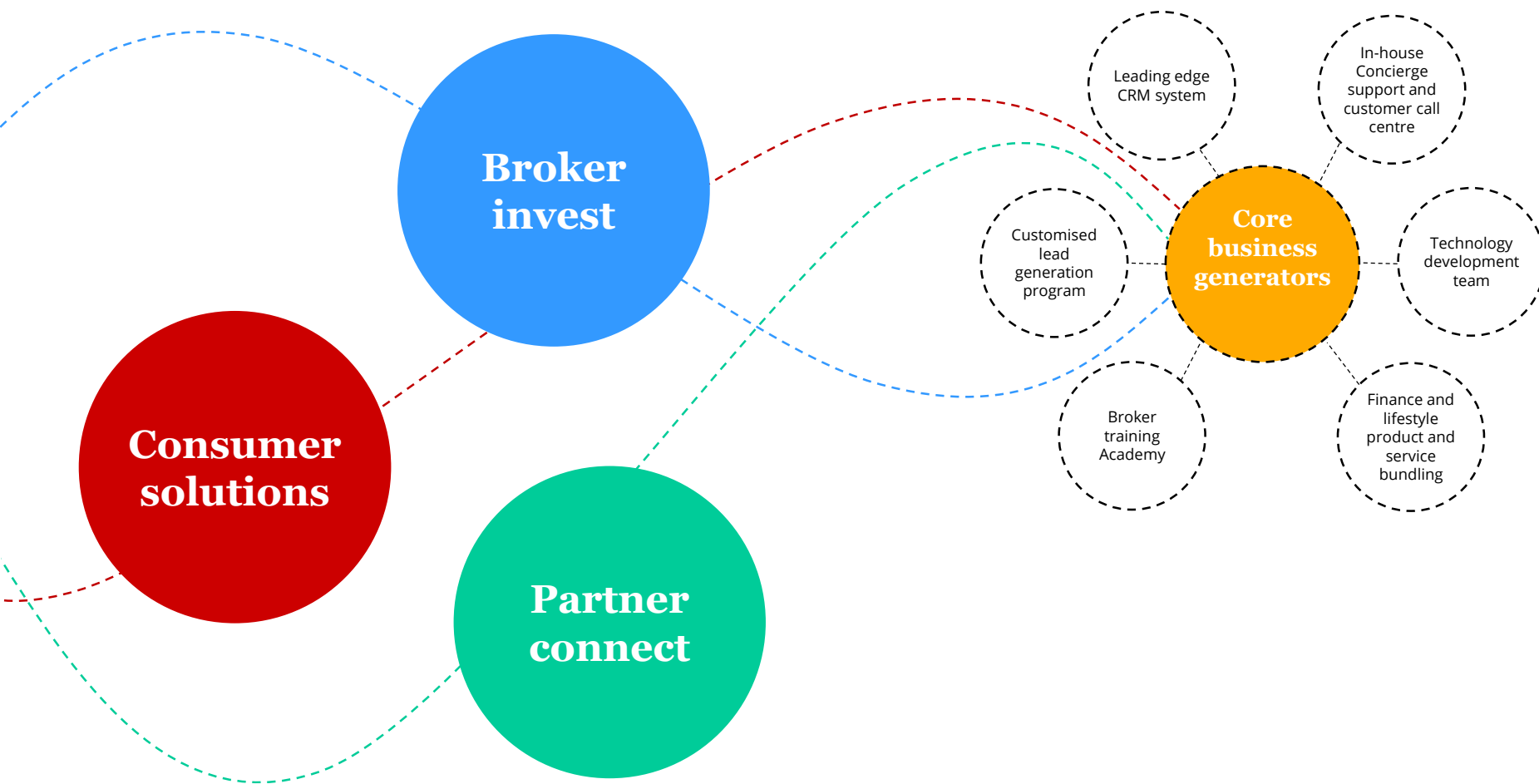
Operations and Strategy

Welcome to the new *eChoice*

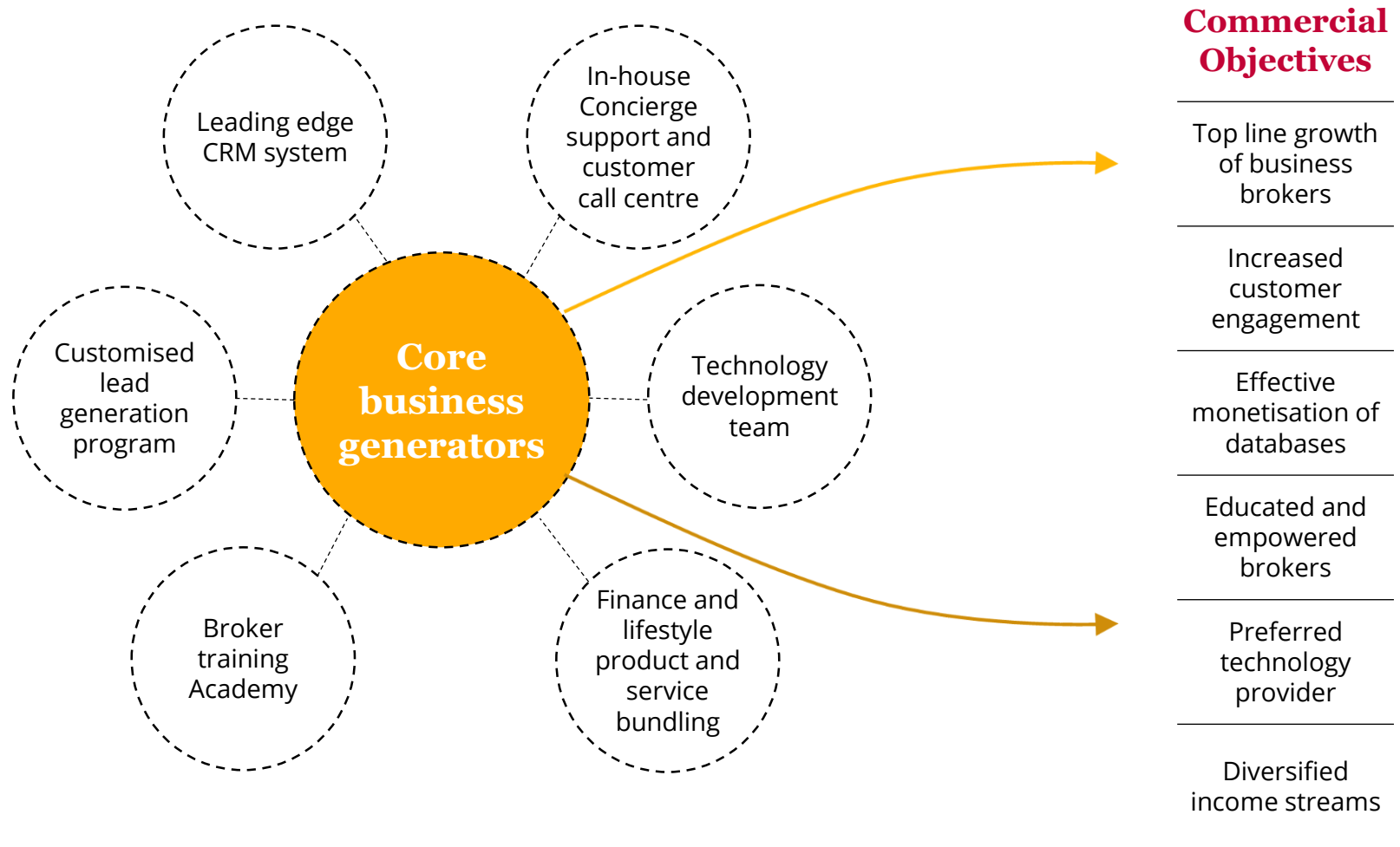


We are a whole business enabler

Business Revenue Channels

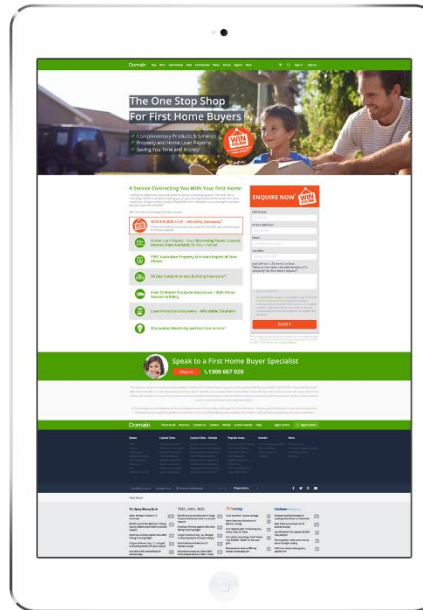


Business Core Generators



Delighting consumers

- Anticipating consumer needs and providing **solutions**
- Leading edge CRM system – seamless delivery through **technology**
- Ongoing broker engagement – **Concierge Service**



- Expansion of product suite combined with **effortless access**
- First home buyer hub - Fairfax Media's **Domain** Group
- Range of ancillary products
- A network of **over 200 websites**

Offering a complete borrower solution to empower consumers.

*The business of **broking***

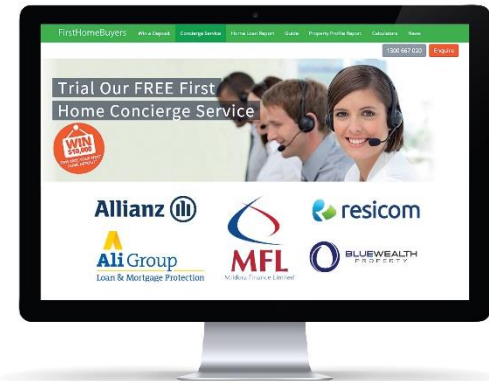
- Aggregation and Direct is the **core** of our broking business.
- Focus on **building and enabling** our broker network to build wealth.
- Brand and marketing solutions
 - **social media** management plan
- Education and empowerment
 - **next generation** of brokers
 - **instant access** to information, products, services
- Lead generation gold
 - **monetise** existing books with the **Concierge** Service
- Wholesale is a non-core complementary business
 - focussed on service to existing customers and partners



Brokers are our past, present and future.

Connecting our *partners*

- **Technology solutions** driving this revenue source
- **Monetising** partner databases with tailored platforms/portals
- Anticipating needs and providing solutions
- Five **alliance** partners for ancillary products:
 - ✓ General insurance
 - ✓ Specialist lending
 - ✓ Leasing
 - ✓ Mortgage protection
 - ✓ Property investment
- Long term revenue source with infinite **potential**



Touch more potential borrowers with cutting edge technology.

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Your Business
Your Tomorrow

*We are not only
focused on what's
happening now, but
are already preparing
for what's next.*

Peter Andronicos - CEO

Outlook

Our goals and priorities

- Leverage market leading technology and business partnerships
- Invest in our broker network
- Optimise returns from existing businesses and assets
- Touch more potential borrowers than any other business in our space

The future direction of eChoice is clear

Outlook

- **Alternative revenue streams to drive long term returns**
 - ✓ Partnerships and the Broker Academy to make initial modest contribution to settlements in FY16
 - ✓ Lead generation commissions expected to become major driver of group earnings growth in coming years
- **eChoice focussing on the Aggregation and Direct loans**
 - ✓ Provides for higher settlement growth without capital commitment
- **Cash operating earnings expected to grow**
 - ✓ Operating expenses lower and structure and personal in place to deliver on strategy
 - ✓ Non-cash NPV adjustments will continue to impact accounting profit
- **Continue to target business-appropriate debt level**

Poised and positioned for growth

Your Company
Your Business
Your Tomorrow

*As a trusted **innovator**, eChoice
develops the **leading edge** tools of today
and tomorrow to provide a **complete
solution** for brokers, partners and
consumers.*

**ECHOICE LIMITED (ACN 002 612 991)
CHAIRMAN'S NOTES**

**ANNUAL GENERAL MEETING – WEDNESDAY, 25 NOVEMBER 2015 AT 10.00 AM
AT LEVEL 9, 50 BRIDGE, SYDNEY NEW SOUTH WALES**

Opening – 10.00 AM

Ladies and Gentlemen,

Welcome to the eChoice 2015 annual general meeting. The company secretary has informed me that we have a quorum and I declare the meeting open.

Special Welcome

My name is Greg Pynt and I am Chairman of eChoice. To those of you that I have not met, I hope we can meet over refreshments following the meeting. May I remind guests that this is a meeting of shareholders. It is shareholders only that will be called on to vote on the resolutions put forward and to put questions.

I would like to take this opportunity to introduce to you the members of the Board and Senior Management:

- Peter Andronicos – Managing Director and CEO
- Tony Wales – Non-Executive Director
- David Walker – Non-Executive Director
- Tim Burton-Taylor – Non-Executive Director
- Dustine Pang – Deputy CEO, CFO and Company Secretary

I would also like to introduce to you to Philip Hardy of the Company's auditors, Deloitte Touche Tomahtsu.

Apologies

We have received no apologies from any shareholders.

Notice of Meeting

As the Notice of this Annual General Meeting and the Explanatory Notes have been circulated in accordance with the requirements set out in the Company's Constitution and the *Corporations Act* 2001 (Cth) and additional copies have been made available today, I will regard the Notice of AGM and Explanatory Notes as having been read unless there are any objections.

Declaration of Proxies

The Company Secretary has advised that valid proxies have been received from **80** shareholders, representing **215,588,738** shares or **27.86%** of the issued capital of the Company.

As Chairman of the meeting I am holding useable open proxies which I intend to vote in favour of the resolutions to be put.

CHAIRMAN'S ADDRESS AT ANNUAL GENERAL MEETING

Before attending to the formal agenda, I would like to update you on the significant progress we have made over the last 12 months in establishing a stronger financial footing, significantly reducing operating costs and implementing an exciting new growth strategy.

Our CEO Peter Andronicos will outline in detail the re-positioning of our operations to take advantage of the opportunity in the digital space.

Finally I will return to answer the very important question: What does this mean for shareholders?

During the last financial year eChoice faced a number of challenges: uncertainty over our debt funding; high operating costs; and declining margins.

Since the boom times the industry enjoyed three years ago, the Australian mortgage market has changed rapidly with the ongoing decline of the non-bank providers and increasing competition from the banks. The glory days when there were more clients than the industry as a whole could deal with has passed, and the industry is concentrating on margins and costs. These changes have eroded our traditional business, squeezed commissions and back book income.

In this context we needed to act on a number of fronts to protect shareholder value, and I am pleased to report we have made significant progress. With the ongoing support of Tony Wales and Welas Pty Ltd we have refinanced our debt and extended its maturity date to July 2018. We have sold non-core assets to reduce debt, and sharply reduced operating costs by cutting waste and becoming more efficient.

Importantly, we had to think long and hard about the shift in industry trends and moves by the banks to originate more loans internally. To continue as if nothing had happened was not an acceptable option. Peter spotted the opportunity to use our existing systems and data to launch an exciting new strategy to grow revenue outside

of our traditional lending business and reduce our exposure to this mortgage margin pressure.

While our \$17.3 billion loan book is running down, it remains a high value asset that provides reliable cash flow and financial stability to help us address our debt burden as well as invest in our growth businesses.

In summary, eChoice is in an exciting new phase. It is deeply enmeshed in the digital age and in new ways is exploiting the wealth of data held by eChoice and its clients in order to generate income.

This is not just in our traditional mortgage broking area but also from a range of other attractive sectors that lend themselves to e-commerce, which Peter will now discuss in more detail.

CEO/Managing Director address – refer to presentation