

# Q3 FY21 Results Presentation

ASX: CCR  
29 April 2021

**creditclear** limited

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## QUARTERLY HIGHLIGHTS

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**Strong financial results:** Top line growth and increasing digital revenue mix



Total revenue  
up **35%**  
on Q2 FY21



Growing conversion  
from traditional to  
digital debt recovery,  
with **digital revenue**  
up **76%** on Q2 FY21  
and up **198%** on pcp



Accelerating growth  
in **digital revenue**,  
which comprise **37%**  
of total revenue  
(Q2 FY21 28%)

**Operational achievements:** 23 new customers signed, with 100% client retention



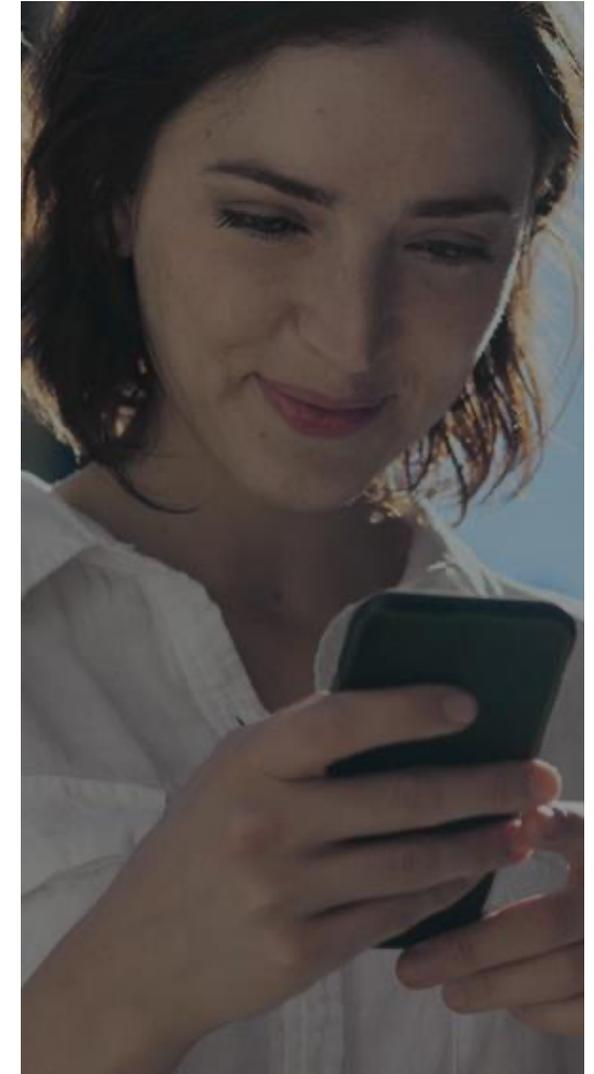
Suncorp Group Ltd  
(ASX:SUN) signed as  
first insurance client



Push into education  
sector with >100  
existing customers  
moving to digital  
platform

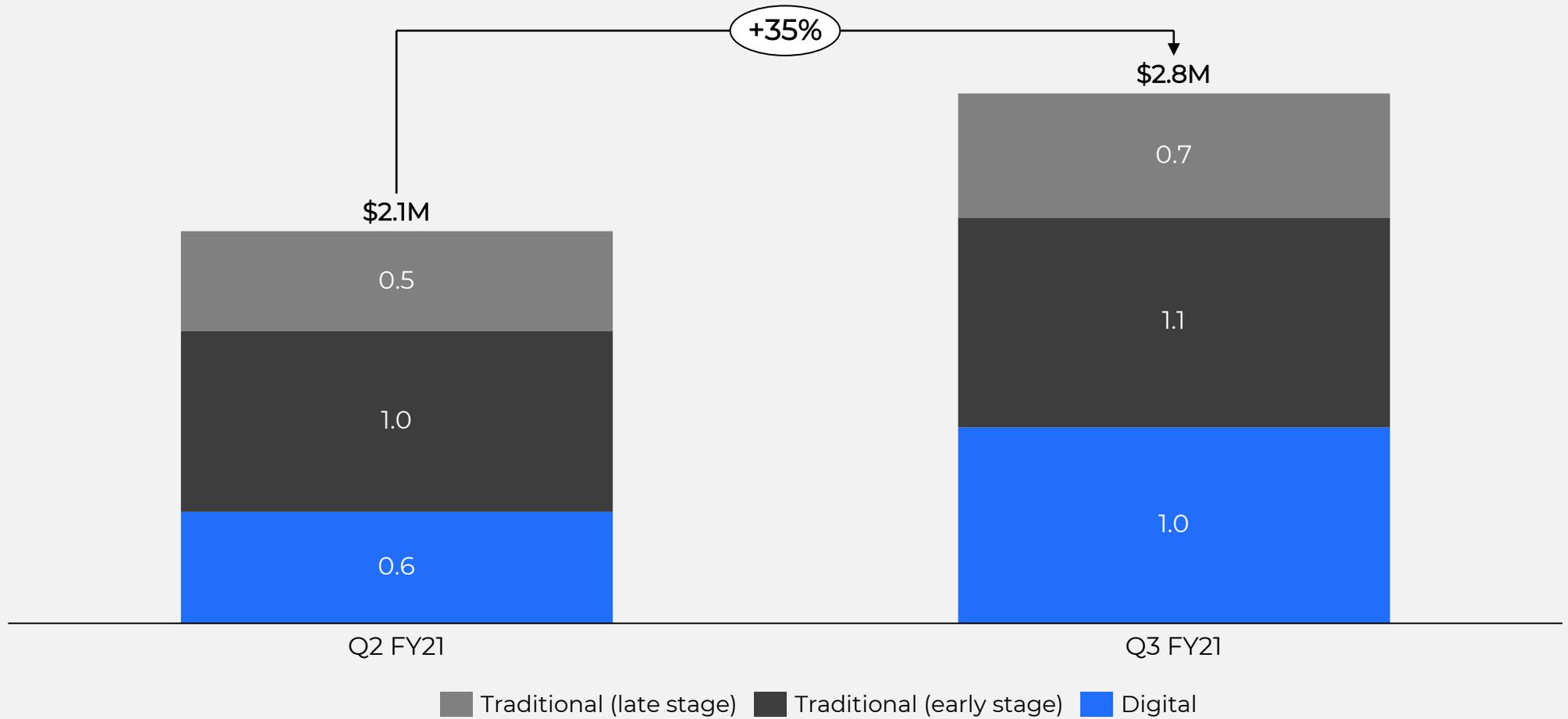


Water, automotive  
and electricity sector  
growth with strong  
pipeline of new  
opportunities



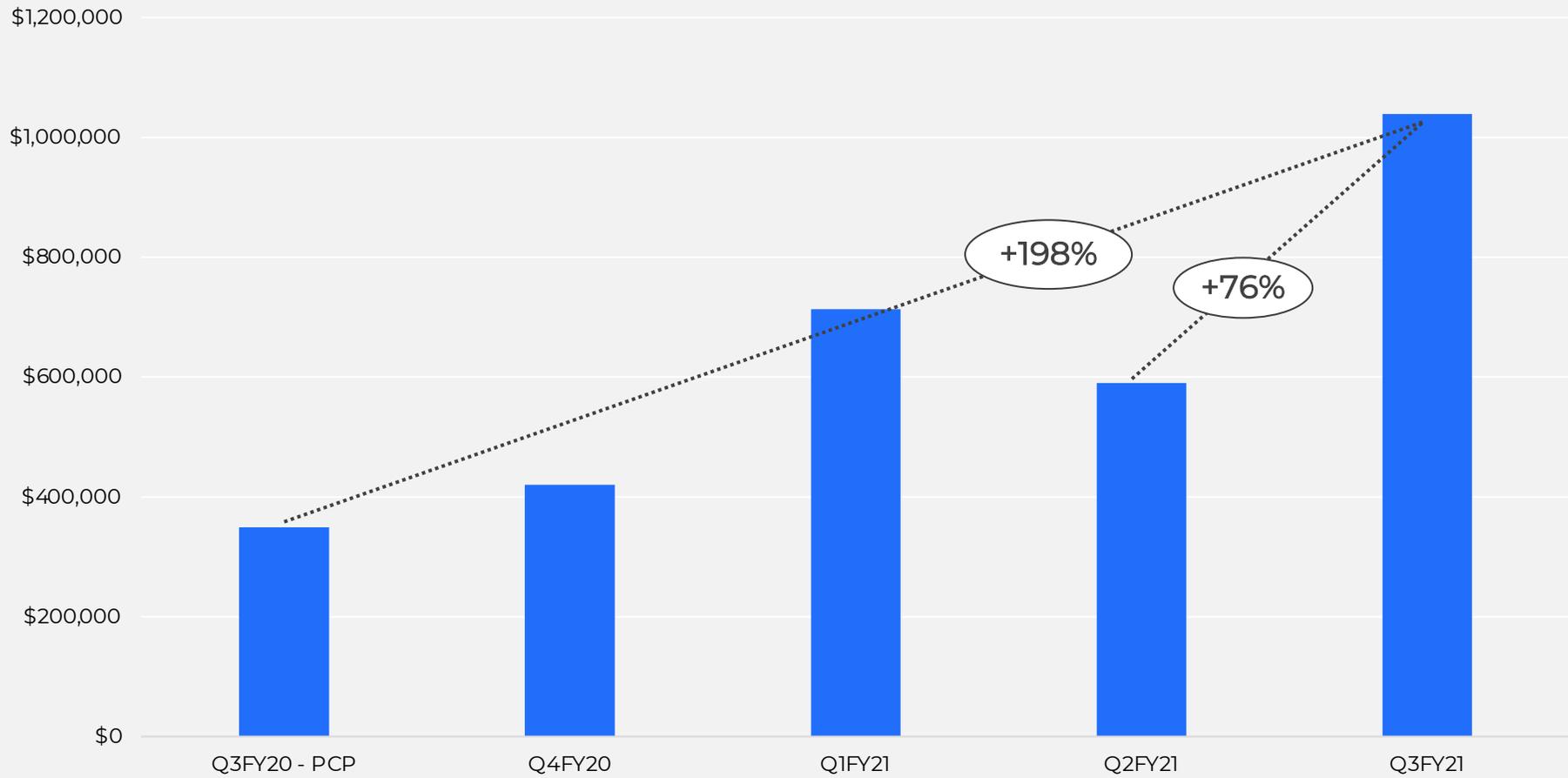
# TOTAL REVENUE UP 35% ON Q2 FY21

Total Revenue – Q2 FY21 vs. Q3 FY21 (A\$M)



# DIGITAL REVENUE UP 76% ON Q2 FY21 & 198% ON PCP

## Digital Revenue (A\$)



## SUNCORP SIGNED AS FIRST INSURANCE CLIENT

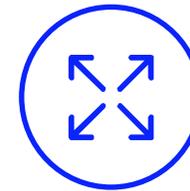
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Win follows Credit  
Clear's recent push into  
**insurance sector**



**Initial contract term of two  
years (\$800,000 paid in  
advance) with further two-  
year option (\$800,000)**



Scope to secure  
**additional business**  
over time

## SCHOOLING SECTOR GROWTH

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### CONVERTING THE EDUCATION SECTOR

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Previously foreshadowed push into the education sector has now begun with Credit Clear successfully moving more than 100 of its existing school-based customers across to its digital platform



### QUANTITATIVE AND QUALITATIVE DATA

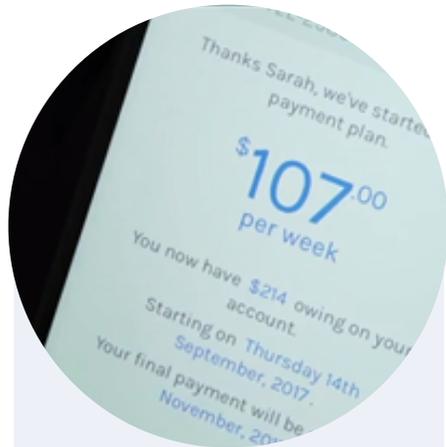
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Quantitative and qualitative data collected from this initial 100 school-based customers will be used to market to the nationwide education sector



# WATER, AUTOMOTIVE AND ELECTRICITY SECTOR GROWTH

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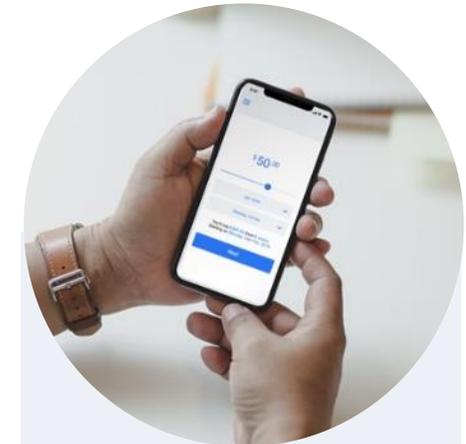
New Victorian water utility client, Gippsland Water, is set to begin using Credit Clear's digital services



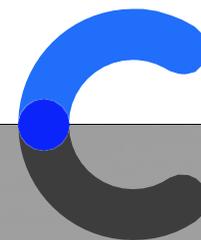
Water Corporation WA and SA Water have both granted Credit Clear contract extensions



Major NSW water utility has invited Credit Clear to tender for its business

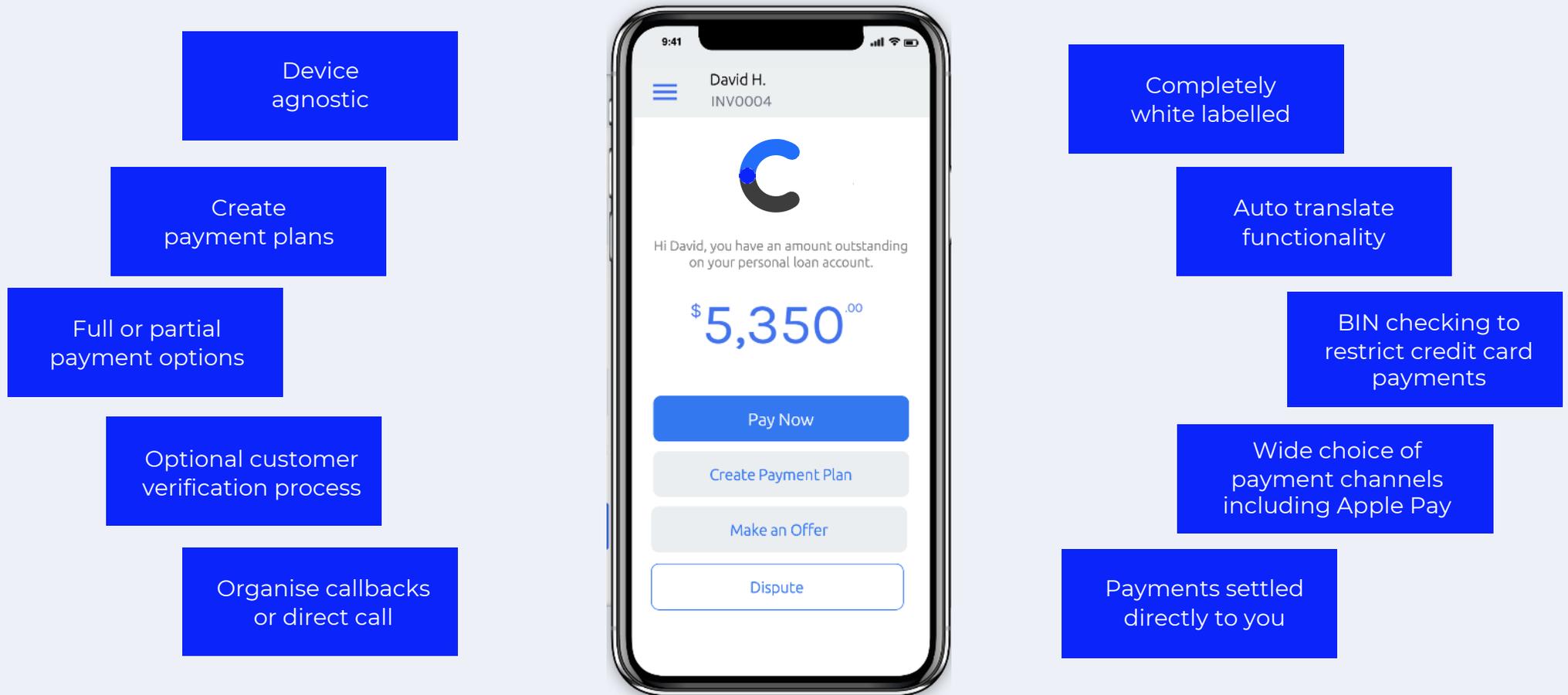


Credit Clear is in advanced contract discussions with two major automotive brands' finance arms and two major electricity utilities about implementing its digital debt recovery solution



# COMPANY OVERVIEW

# THE MOST INTUITIVE, EASY-TO-USE PAYMENT APP ON THE MARKET.



With clear calls to action and an intuitive navigation system, our payment app allows customers to choose the option that suits them, whether that's paying now, setting up a payment arrangement, requesting a callback, or seeking further information.

## STRONG CUSTOMER VALIDATION

In December 2020, Credit Clear introduced NPS to see how likely customers would be to recommend the experience.



The Net Promoter Score (NPS) typically predicts company growth and customer lifetime value. Any NPS score above 0 is "good". It means that your audience is more loyal than not. Anything above 20 is considered "favourable". Bain & Co, the creator of the NPS system, suggests that above 50 is excellent, and above 80 is world class.

### CUSTOMER FEEDBACK

*Quick and easy*

*Convenient*

*Easy to use*

*Easy and fast*

*Because it's realistic, assessable and reliable way of maintaining bill payment. Thanks so much fir tour (sic) kind and helpful service*

*Easy, quick simple. Please have this sent out the day before the bill is due.*

*Easy to understand and simple to choose options and an easy process.*

*Have 4 kids and it's not always easy to remember to call places, this was quick and easy.*

*Super easy to use! Thanks for reaching out to me via sms, it's extremely useful... sometimes emails end up in the junk or spam folder.*

*Easier then talking to someone on the phone they ask too many questions.*

*Very easy and got the info where I wanted it. Thanks.*

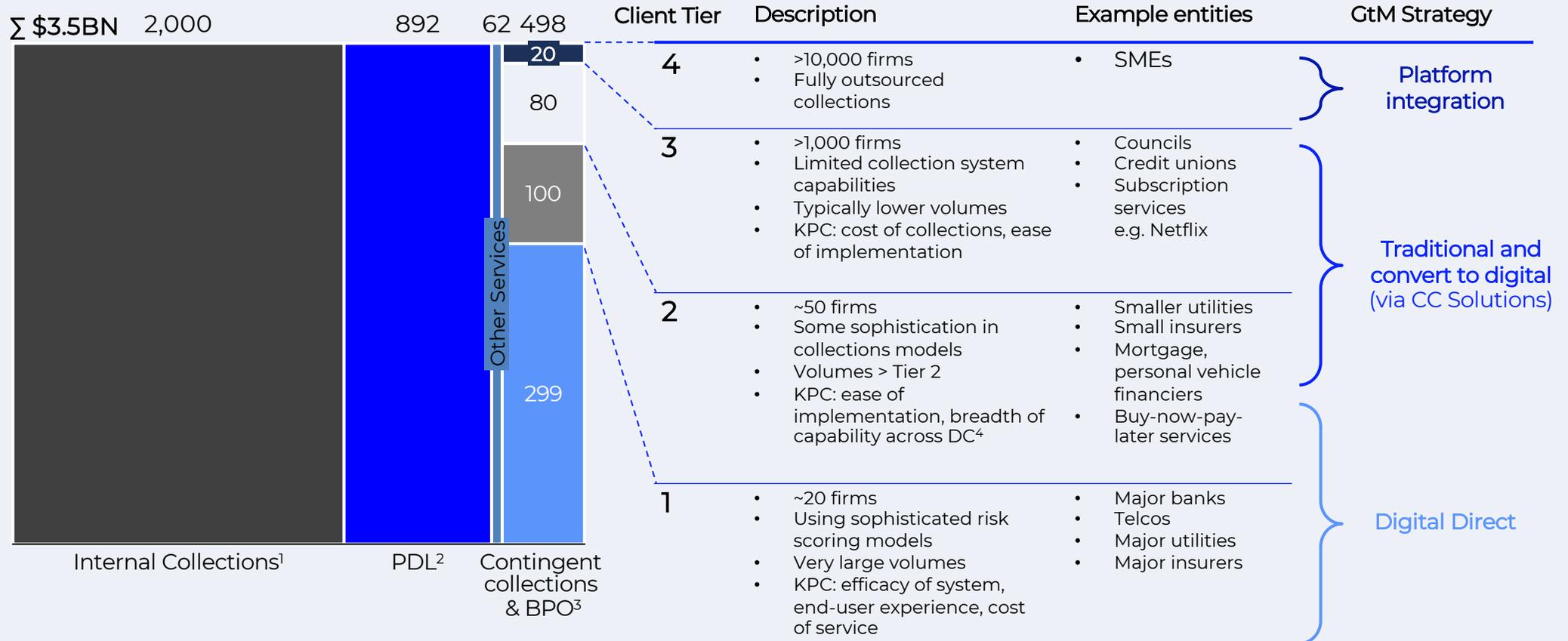
*Easy as on the go method when busy at work or travelling.*

*Easy and simple quick to solve and didn't take up much of my time.*

*I liked this digital thing . More easy and convenient.*

# DISRUPTING THE TRADITIONAL \$3.5BN DEBT COLLECTIONS MARKET

AUSTRALIAN DEBT COLLECTION MARKET SIZE & CLIENT SEGMENTS, 2020 (AUD \$M)\*



Sources: IBISWorld Debt Collection 2018-19 market report, IBISWorld Industry Wizard time series data

Notes: 1. Internal Collections includes the estimated internal resources cost of collecting debt by companies (Indicative only)

2. PDL: Purchased Debt Ledgers;

3. BPO: Business Process Outsourcing;

4. DC: Delinquency Cycle

# TECHNOLOGY ROADMAP

Strong focus on continuing to advance product development over the next 12 months.

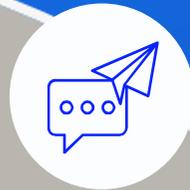
In doing so, we're providing a better service for our clients, a better customer experience and we're widening the technology gap between us and our competition.



## PLANNED DEVELOPMENT

### Strategy Manager, Tracking & Control, Data & Electronic Billing

- Strategy Manager – allowing for client lead self service experimentation (Champion/Challenger strategies)
- Expanded AI and Machine Learning functionality
- Additional communications channels (e.g. WeChat), payments gateways (e.g. Google Pay and NPP), and enterprise-level features
- Data warehouse build
- Dashboards
- Data bureau
- Bill presentment/electronic billing



## FUNCTIONALITY LAUNCHED AND ITERATING

### Channel Controller



- Expand communications reach through secure digital channels (WhatsApp)
- Increase our digital payment reach (Apple Pay)
- Give customers more options to handle their debt (Hardships, Disputes, Promises)
- AI send time optimisation v2

# OUTLOOK

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## Digital development

Develop content and delivery capabilities to better engage consumers, such as AI to optimise message send time and payment incentives.

Leverage our technology in other adjacencies to improve effectiveness and/or create efficiencies.



## Markets normalising

Almost all Credit Clear customers have now fully resumed debt collection activities. Many have a 'debt balloon' to be worked through.

This is expected to boost Credit Clear's revenues in subsequent quarters.



## Expanding pipeline

The Credit Clear business pipeline is continuing to expand. Growth will continue in the water, electricity, insurance and automotive sectors.

Education sector push to scale up significantly from this quarter.



## Transformation

Assess traditional RM opportunities with proven ability to convert into digital clients.

Assess international expansion (through replicating our business model), licencing, partnership and M&A opportunities.



# APPENDIX

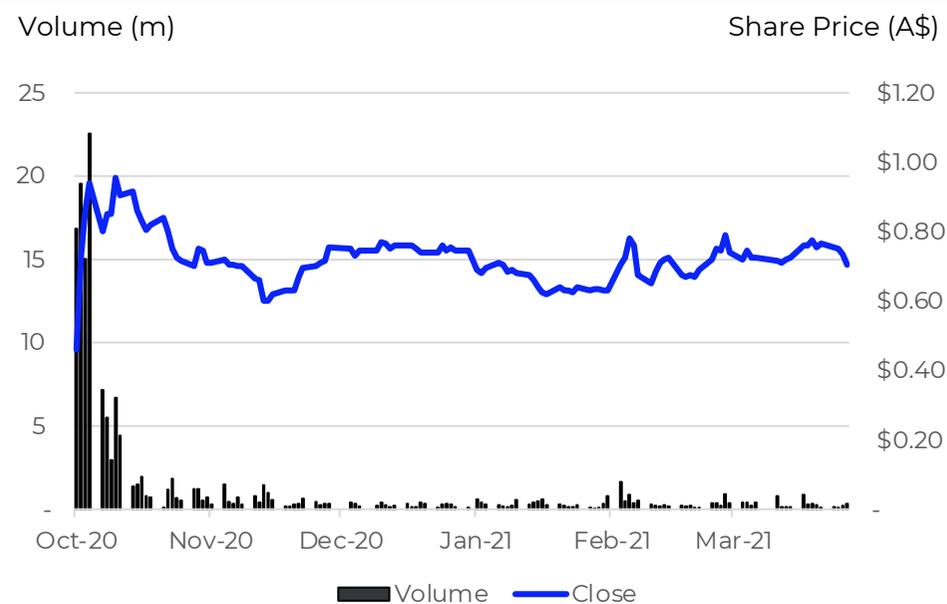


# CORPORATE SNAPSHOT

## Capital Structure

ASX Code	CCR
Shares on issue	225.69m
Share price <sup>1</sup>	70.50c (Up 100% on IPO price of 35c in October 2020)
Market capitalisation	~\$159m
Cash at bank (Dec '20)	\$12.82m
Options & Rights	27.98m

## Share Price Performance (since IPO)



## Substantial Shareholders

Casey Consulting Services	13.67%
Thorney	9.11%

# OUR KEY PERSONNEL

## Board



**Gerd Schenkel**

Chairman

Gerd combines extensive experience as a management consultant with The Boston Consulting Group with successful executive appointments at National Australia Bank, Citigroup and Telstra. Most recently, Gerd was the CEO of Tyro Payments and was also appointed to serve on the Federal Government of Australia's task-force for small business digitisation.



**Marcus Price**

Non Executive Director

Prior to joining the Credit Clear Board, Marcus was CEO of Property Exchange Australia Limited (PEXA). He has over 25 years' experience building successful businesses and maximising shareholder returns. He developed and exited financial services businesses as the CEO and Executive Director for both Equifax and Dun & Bradstreet.



**Christine Christian**

Non Executive Director

Christine Christian is a business executive and entrepreneur with more than 35 years' experience in financial services, investment, private equity, credit risk, digital media and publishing. Christine is currently Deputy Chairman and Director of FlexiGroup Limited, Non-Executive Director of MaxCap Group and Non-Executive Director of Lonsec.



**Mark Casey**

Director & Co-Founder

As Credit Clear's cornerstone investor Mark brings a wealth of knowledge with over 30 years' experience in property development, funds management and investment in early stage technology ventures.



**Lewis Romano**

Executive Director & Co-Founder

Prior to founding Credit Clear in 2016, Lewis was founder and MD of Australia's third largest job site spotjobs.com. Lewis is a key driver of many fundamental client and strategic relationships for the business.

## Senior Management Team



**Brenton Glaister**

Chief Executive Officer

Industry experience: 35 years  
Previous: Credit Solutions, Hudson Lawyers, Thorn Group, NCML and Tradehouse Limited.



**Victor Peplow**

CFO

Industry experience: 30 years  
Previous: Finance consultant, Morgan Stanley, Citigroup and ANZ Bank.



**Jason Serafino**

Chief Technology Officer

Industry experience: 20 years  
Previous: Intraverse Technology, Liberty Financial, Sunsuper, Intelligent Enterprise Systems.



**Veronica Johns**

Head of Customer Success

Industry experience: 15 years  
Previous: Fiat Chrysler.



**David Hentschke**

Group GM, Technology & Strategy

Industry experience: 30 years  
Previous: PEXA, M-H Group, Australian Steel Institute, Telstra, Equifax and The Boston Consulting Group.



**Mike Tauschek**

General Counsel & Company Secretary

Industry experience: 10 years  
Previous: Leading boutique litigation law firms; Atanasokovic Hartnell, Sarvass Clappara and Watson Mangioni.



**Piero Gross**

Chief Operations Officer

Industry experience: 19 years  
Previous: Credit Solutions, NEXXA, Thorn Group, NCML, Collection House and Telstra.



**Stella Hulm**

Director – Client Services

Industry experience: 20 years  
Previous: Credit Solutions, Creditsoft, Thorn Group, NCML and SME Invoice Finance Limited (UK).

# UNDERLYING OUR GROWTH STRATEGY ARE THREE KEY CAPABILITIES

Three key pillars of Credit Clear's growth strategy



## DISTRIBUTION & DIGITAL REACH

*Expand our digital technology distribution to reach more customers by:*

- Broadening communications channels (e.g. WhatsApp, Google RCS)
- Broadening payments gateways (e.g. Apple Pay, NPP)
- Ensure regulatory and compliance obligations covered for each market segment targeted



## DIGITAL MESSAGING & ENGAGEMENT

*Develop content and delivery capabilities to better engage consumers such as:*

- AI and ML to optimise message send time and payment incentives
- Strategy Manager and Analytics & Reporting modules to optimise message content & frequency
- Customer data repository and analytics capability to develop deeper customer insights



## TRANSFORMATION

*Seek transformational opportunities to leverage our technology*

### **In existing markets:**

- Acquire traditional RM clients organically and via M&A, then convert them to digital
- Leverage our technology in other adjacencies to improve effectiveness and/or create efficiencies

### **In new markets:**

- International expansion through replicating our Australian business model and/or seeking licencing and partnership opportunities



# creditclear **limited**

## CONTACT US

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