21 October 2024
ASX Announcement

On track to meet or beat FY25 guidance

Highlights:

- **Record revenue:** FY25 YTD[1] revenue of $11.96m[2] up 19% on prior corresponding period (pcp)
- **FY25 Guidance:** Revenue run rate of ~$48m[3], on track to meet or beat FY25 guidance of $48m - $50m in revenue
- **Developing clients:** Eight potential tier-1[4] clients worth an expected $8m - $10m in revenue[4] that have already been signed continue to be developed towards tier-1 level
- **Tier-1 clients:** 22 tier-1 clients, up two from FY24 – 95% or 19 of the 20 tier-1 clients in FY24 remain tier-1 in FY25 YTD[1]
- **Tier-2 clients:** 48 tier-2[4] clients, up four from FY24 – 86% or 38 of the 44 tier-2 clients in FY24 remain tier-2 clients in FY25 YTD[1].
- **New clients:** 79 new clients signed in FY25 YTD[1] including five potential tier-2 clients

Australian technology and debt resolution provider **Credit Clear Limited (ASX: CCR)** ("**Credit Clear**" or "**the Company**") is pleased to provide a business update for FY25 YTD (30 September 2024).

Revenue

Credit Clear has delivered record revenue of $11.96m[2] YTD in FY25, up 19% on pcp. On an annualised run rate basis of ~$48m[3], the Company is on track to meet or beat its FY25 revenue guidance of $48m - $50m. Revenue growth was driven by existing tier-1 clients, where the Company is winning more share of wallet from existing clients and building revenue from new clients.

Tier-1 and tier-2 clients

The quality and recurring nature of tier-1 accounts is highlighted by 95% or 19 of the 20 tier-1s from FY24 continuing to contribute as tier-1s in FY25 YTD[1]. The one client that dropped out of the tier-1 cohort is now the largest tier-2 client and is expected to return to tier-1 status in the coming months. Similarly, 86% or 38 of the 44 tier-2 clients in FY24 continue to contribute as tier-2s in FY25 YTD[1]. New tier-2 clients include ANZ and Energy Australia which are expected to become tier-1 clients.

New clients signed and being developed

The Company signed 79 new clients YTD[1] in FY25 including five potential tier-2[4] clients. The new business pipeline remains strong; the Company is in discussions with several potential tier-1[4] meaningful tier-2[4] clients, with opportunities present in the energy, education, water, local government, and insurance sectors.

In addition, there are eight clients signed that have the potential to become tier-1 clients representing at least $8m - $10m in expected revenue[5]. One of these eight clients begun contributing at tier-1 level in FY25 YTD[1], four of them have become tier-2 clients in FY25 YTD[1], two went live in September and two are being onboarded.

Credit Clear CEO and MD, Andrew Smith, said: "The strong start to FY25 leaves the Company well-positioned meet or beat FY25 guidance of $48m to $50m. Our confidence is further supported by the increasingly recurring nature of our largest clients and by the quality of clients already signed that we are still developing. We continue to manage the business with a profitable growth mantra and are maintaining our collection performance advantage over competition while continuing to invest in new client acquisition, business improvement and technology development. I look forward to updating investors further at the Company's AGM on 21 November 2024."

Notes:

1. End of September 2024
2. FY25 YTD Revenue is Unaudited
3. Annualised FY25 YTD Revenue
4. Tier 1 clients = revenue of >$500k p.a., Tier 2 clients = revenue of >$100k and <$500k p.a. and Tier-3 clients of between >$12k and <$100k
5. Expected revenue is based on information provided by clients

This ASX announcement was authorised for release by the Board of Credit Clear Limited.

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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 re-payments 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, insurance, government, and utilities. The Company is based in Australia with headquarters in Sydney and offices in Melbourne, Brisbane, Adelaide, and Perth.

www.creditclear.com.au