

ASX ANNOUNCEMENT

9 April 2020

Market Announcement Officer
Australian Securities Exchange Limited
Level 4 Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Collection House Limited (ASX Code: CLH) – Company Update

1. Execution of Standstill Agreement with Lenders

Further to its announcements on 18 February and 17 March 2020, Collection House Limited (CLH or the Company) advises that it has today entered into a Standstill Agreement (SA) with its lenders, Commonwealth Bank of Australia and Westpac Banking Corporation.

By entering into the SA, the lenders have agreed to support the progress of CLH's operational strategic review and recapitalisation process. Subject to compliance with its terms, the SA, among other things, modifies the financial covenants under CLH's lending facilities during the standstill period to 30 September 2020 (unless extended), and provides that the lenders will not take any action during this period in relation to any potential or existing defaults that occurred under the facilities prior to the commencement of the standstill period. In addition, CLH has agreed to adjust the maturity dates of its lending facilities to 30 April 2021, and CLH and its group companies will suspend any dividend or other distribution payments during the standstill period.

During the standstill period, CLH will undertake a comprehensive recapitalisation process with the support and assistance of its lenders and professional advisers: Flagstaff Partners, Deloitte and Clayton Utz.

Collection House Limited

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2. Finalisation of 31 December 2019 Interim Financial Report

The Company is continuing to work with its auditor to finalise the Group's 31 December 2019 interim financial report, which will take into account the impact of changes to its collection strategy on the carrying value of the CLH Group's purchased debt ledger assets. CLH expects to finalise the interim financial report and provide a further update to the market in this respect over the coming weeks.

3. Withdrawal of Earnings and other Performance Guidance for FY20

Due to the review of matters outlined in the next paragraph and prior announcements and the uncertain impacts arising from the economic and operational implications of the Coronavirus (Covid-19), CLH withdraws its earnings and other performance guidance for the twelve months to 30 June 2020. While the impact of Covid-19 on the Company's financial performance has to date been limited, the potential for further deterioration in general economic conditions will inevitably impact the capacity of some of our customers to fully engage with us and make repayments.

4. Operational Update

CLH is continuing to undertake the comprehensive review of its operating model and collection strategies, and the other matters outlined in its announcements of 18 February and 17 March 2020. The results of this review will be announced over the coming weeks.

The Company remains fully committed to our people, our customers, our clients and the wider community. During this unprecedented time for everyone, and following a transition to home working for almost our entire staff across Australia, New Zealand and Manila some three weeks ago, the Collection House group remains open and fully available to assist our customers and clients.

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Yours faithfully
Collection House Limited

A handwritten signature in black ink, appearing to read "Doug McAlpine".

Doug McAlpine, Chief Executive Officer and Company Secretary
Email: Doug.McAlpine@collectionhouse.com.au

For further information please contact Collection House Limited Investor Enquiries:

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