

ASX ANNOUNCEMENT

1 November 2019

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

Dear Sir/Madam

Correction to AGM outlook slide

The Company has identified that slide 11 of the CEO presentation at the Company's Annual General Meeting held today is incorrect.

The slide states:

"EPS Guidance equates to growth of up to 23% and growth of 16.1%, excluding PEP, on FY19 statutory guidance"

The slide should read:

"EPS Guidance equates to growth of up to 14% and growth of 8%, excluding PEP, on FY19 statutory results"

We have attached an amended version of the full CEO presentation. We apologise for any confusion this may have caused.

Yours faithfully
Collection House Limited



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Collection House
Group

Annual General Meeting 2019

Collection House Limited

November 2019

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This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to CLH Group's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Forward-looking statements can generally be identified by the use of words such as "guidance", "objective", "outlook", "anticipate", "project", "expect", "believe", "forecast", "estimate", "intend", "should", "could", "may", "target", "plan" and other similar expressions. Readers are cautioned not to place undue reliance on these forward looking statements. CLH Group does not undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forward looking statements, forecasts and hypothetical examples are not guarantees of future performance and involve risks, uncertainties and other factors which may be outside CLH Group's control. Past performance is not a reliable indication of future performance.

Chairman's Address

- ☐ **FINANCIAL PERFORMANCE**
- ☐ **STRATEGY**
- ☐ **GOVERNANCE AND CULTURE**
- ☐ **RESOLUTIONS** – Director Elections and Remuneration Report

AGENDA

- ☒ **Chairman's Address**
- ☐ **Company Summary**
- ☐ **FY19 Financial Performance**
- ☐ **A Year In Review**
- ☐ **Investment in Leading Technology – Meet Kash**
- ☐ **Outlook**



COMPANY SUMMARY



FINANCIAL SUMMARY (CLH.ASX)

Share price (1 November 2019)	\$1.23
Shares on issue	141.95 million
Market Capitalisation	\$174.6 million
Cash (30 June 2019)	\$1.6 million
Drawn Debt (30 June 2019)	\$210.6 million
Enterprise Value	\$383.6 million



BOARD AND SENIOR MANAGEMENT

Leigh Berkley	Independent Chairman
Anthony Rivas	Chief Executive Officer
Michael Knox	Indep. Non-executive Director
Sandra Birkenleigh	Indep. Non-executive Director
Catherine McDowell	Indep. Non-executive Director
Kristine May*	Company Secretary & CFO
Doug McAlpine**	Company Secretary & CFO
Denica Saunders	Chief Operating Officer
Jonathon Idas	Chief Legal Officer
Anand Adusumilli	Chief Data Scientist

* Resigned 30 June 2019

** Appointed 1 July 2019

FY19 FINANCIAL PERFORMANCE

2019 AGM



Revenue of \$161.1m was up 12% on FY18, derived from a second transaction with Balbec Capital LP (“Balbec”), PDL growth and a positive revenue recognition change under AASB 9.



Earnings Before Interest & Tax (EBIT) of \$51.3m were up 18% (FY18:\$43.4m) lifted by performance and the lower amortisation charge incurred under AASB 9. Excluding one-off items and the \$14.0m gain on the Portfolio Enhancement Programme (PEP), EBIT grew 9% pcp to \$38.0m (FY18: \$34.9m).



PDL purchases were \$132.6M up 64% on FY18 including the purchase of two smaller competitors ACM and RML (NZ). This sets us up for a significant increase in Cash Collection in the years ahead and by extension profit growth.



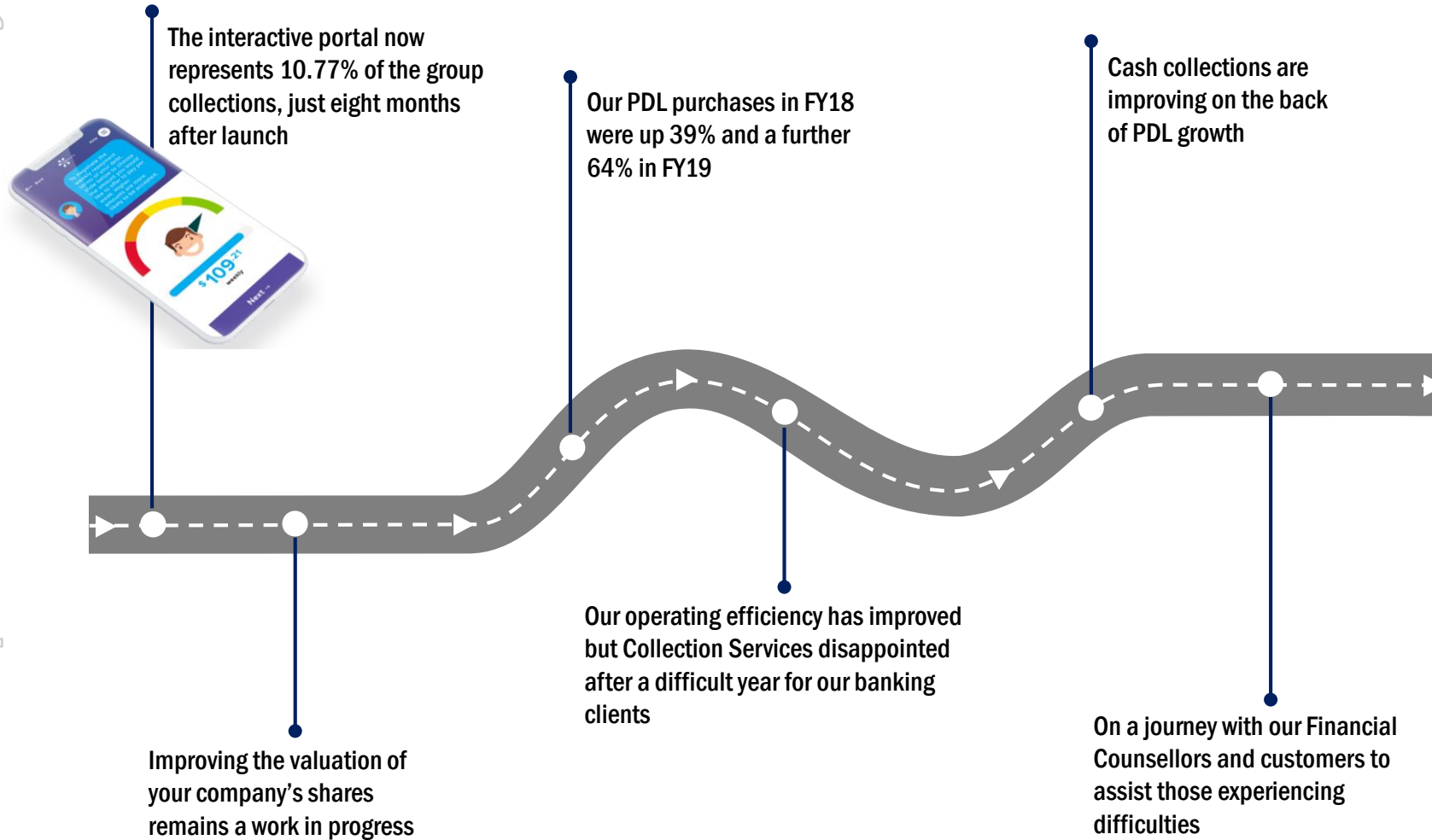
Earning per share of 22.2¢ps statutory and was above guidance and underlying EPS (ex the gain on PEP) were 15.8¢ps, also above guidance.



Dividends of 8.2¢ps (fully franked) were distributed and the DRP was once again available to shareholders at a 5.0% discount.

A YEAR IN REVIEW

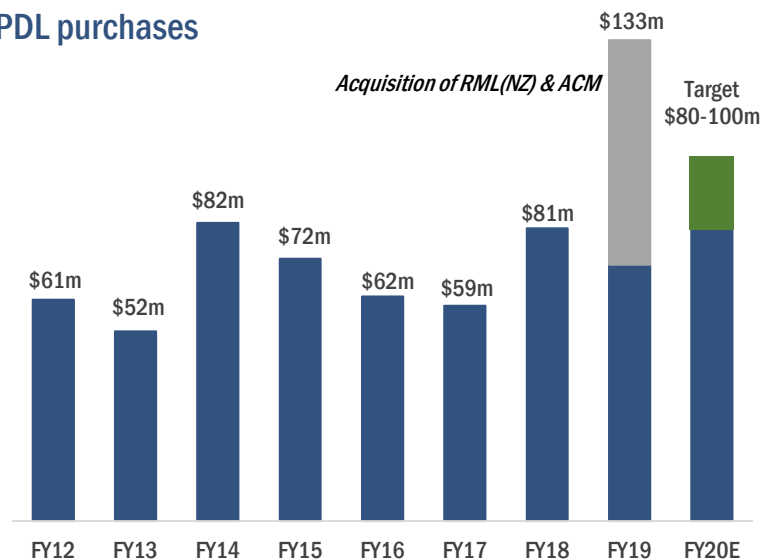
2019 AGM



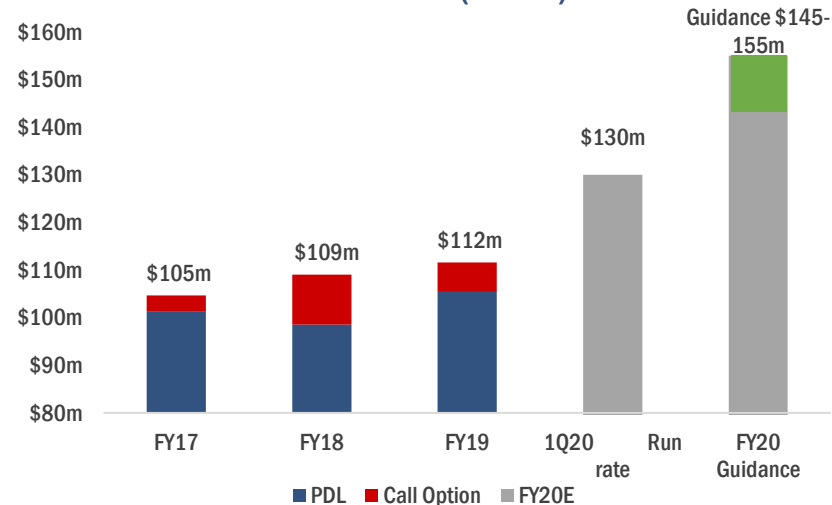
A YEAR IN REVIEW

2019 AGM

PDL purchases



Lion Finance - Cash Collections (ex PEP)



INVESTING IN LEADING TECHNOLOGY – MEET KASH

Partnering with Artificial Intelligence and Emotional Intelligence Leader to turn Kash, and soon, Kara, into digital humans.

Kash able to interact with our customers like never before.



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Video Presentation

OUTLOOK

The year has started well and we remain confident of the outlook for Cash Collections, PDL purchases and profit growth.

Our FY20 Cash collection guidance of \$145-155m is reiterated.

We have provided today profit guidance of:

- Statutory EPS of 23¢ps-24¢ps
- Statutory EPS, excluding the Portfolio Enhancement Programme with Balbec, of 17¢ps-18¢ps.
- EPS Guidance equates to growth of up to 14%, and growth of up to 8%, excluding PEP, on FY19 statutory results.

Our FY20 PDL Purchase Target is \$80-100m.





Debt collection and receivables management for third parties



Legal services including insolvency administration



Nationally recognised training provider in financial services and leadership



Licensed specialist finance broker for the provision of credit



Debt purchasing and recovery



Tailored debt collection services, specialising in Local Government



Customer service outsourcing for third parties



Provision of financial hardship services for third parties



AGM Presentation 2019

Thank you

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