27 August 2026
ASX Announcement

FY26 Results & FY27 Guidance:

Continued Organic Earnings Growth and Successful Integration of Accretive UK Acquisitions

Australian technology and debt collection provider Credit Clear Limited (ASX: CCR) ("Credit Clear" or "the Company") is pleased to announce its full year financial results for the period ended 30 June 2026 (FY26).

Highlights:

- **Revenue Growth:** $60.0m in revenue for FY26, a 28% increase on the prior corresponding period (pcp), driven by organic growth of 9% and via recent acquisitions of Illion Digital Tech Solutions Holdings Limited (DTS), a well-established SaaS collections provider and ARC Europe, a UK based debt collection agency.

- **Earnings Improvement:** Underlying EBITDA reached $10.5m, up 41% on pcp, with EBITDA margins of ~17.5% (FY25: 15.9%). Underlying NPATA reached $6.7m, up 65% on pcp, with Underlying EPS up 45% to 1.4 cps. The Company continues to strive for and drive operating leverage with underlying earnings (EBITDA) growth continuing to be higher than revenue growth. This trend is supported by increasing digital collections and operational enhancements. AI based tools and selective off-shoring are also a key driver of many of those enhancements.

- **Robust cash position:** Underlying operating cashflow increased 25% to $8.3m. Net cash balances at the end of the period were $16.9m.

- **Unlocking New Opportunities:** Entry into the UK market, estimated to be four times the size of the Australian market, providing a new medium-term growth platform.

- **FY27 Outlook:** FY27 revenue to $73.0 million - $77.0 million and Underlying EBITDA to $12.0 million - $14.0 million.

Credit Clear grew revenue by 28% to $60.0m for FY26 (FY25: $46.9m), comprising organic growth of $4.0m (9%) and initial contributions from the ARC Europe (6 months) and DTS (5 months) acquisitions of $9.1m. On an annualised pro-forma basis for both acquisitions, FY26 revenue would be $70.0m. Organic growth was driven by Credit Clear's continued digital-first platform adoption across the core Australian collections business, growth in the client base, and an increased share of wallet.

The Company achieved Underlying EBITDA of $10.5m for FY26, a 41% improvement on FY25 ($7.4m), comprising organic growth of $1.3m (17%) and initial contributions from the ARC Europe and DTS acquisitions of $1.7m. FY26 delivered continued operating leverage, with underlying EBITDA margin increasing from 15.9% to 17.5%, reflecting disciplined cost management and the shifting channel mix towards higher-margin digital collections, which continue to grow at a rate that outpaces total revenue. AI-based tools are increasingly assisting agents in customer discussions.

The Company retained a healthy financial position, with underlying operating cashflow increasing 25% to $8.3m. The acquisitions were funded via a $20.75m institutional placement completed in October 2025, with notable support from Chair Paul Dwyer, and the Group arranged a new bank debt facility with ANZ Bank during the period to provide a balanced funding mix with prudent levels of gearing. The year closed with net cash balances of $16.9m. During the second half, the Group also enacted a share buy-back program as an interim use of excess cash holdings, purchasing $7.7m in shares, with a further allowance of up to 13m shares remaining under the stated initial buy-back amount of 10% of issued shares. This strong balance sheet delivers flexibility to execute on the Company's growth strategy, including the integration of recent acquisitions, to drive geographic expansion.

Acquisitions

The Company successfully completed two acquisitions: ARC Europe, a UK-based debt collection agency established in 2001, completed 1 January 2026. Initial consideration of $10.3m (cash plus scrip) was paid and a deferred component is payable at the second year anniversary. DTS (illion Digital Tech Solutions), a global SaaS digital collections and voice technology provider, completed 1 February 2026 for a total consideration of $7.9m. Both acquisitions align with Credit Clear's vision to deliver innovative, technology-driven solutions to clients and will be earnings-accretive from the first full year of ownership.

Importantly, they significantly expand Credit Clear's Total Addressable Market. By entering adjacent high-value sectors, the Company will diversify revenue streams and strengthen its competitive position in recession-resilient industries such as utilities, insurance, and telecommunications.

DTS brings established relationships with major blue-chip clients, while ARC Europe's strong UK presence opens valuable cross-selling opportunities by leveraging Credit Clear's digital platform, fuelling organic growth and market share gains.

Initial feedback from both DTS and ARC Europe customers has been positive and earnings are ahead of our expectations. Early indications highlight an interest from both customer cohorts in utilising an expanded product suite. The Company is currently initiating system integrations across DTS and ARC Europe with its digital platform. Transition efforts have commenced smoothly, focusing on data migration, and operational synergies to ensure seamless service delivery. While these processes are ongoing, early progress indicates potential for enhanced scalability, cost efficiencies, revenue synergies and accelerated innovation in digital offerings.

ACCC Investigation

Further to the Company's note of 24 June 2026, the Australian Competition and Consumer Commission (ACCC) has commenced Federal Court proceedings against ARMA Group Holdings Pty Ltd (ARMA) and Force Legal Pty Ltd (Force Legal), wholly owned subsidiaries of Credit Clear. The proceedings allege contraventions of the Australian Consumer Law in relation to debt collection communications sent to certain consumers by ARMA and Force Legal between February 2022 and September 2025, and that ARMA was knowingly concerned in, or aided and abetted, Force Legal's alleged contraventions.

Credit Clear, ARMA and Force Legal continue to deny the allegations and intend to defend the proceedings. An initial Federal Court case management hearing occurred on 31 July 2026, at which the ACCC was ordered to provide further and better particulars by 14 August, ARMA and Force Legal are to file their Concise Statements in response by 18 September, and a further case management hearing has been listed for 16 October 2026. Given the ongoing proceedings, and subject to its continuous disclosure obligations, the Company is not able to provide further ongoing commentary at this time.

FY27 Outlook

Credit Clear remains confident in the future prospects of the Group, with an expectation of continued organic revenue and earnings growth across core operations in both Australia and the UK. At present, the ACCC proceedings have not materially impacted financial results. The Company anticipates FY27 revenue to be in the range of $73.0 million to $77.0 million and underlying EBITDA is expected to be in the range of $12.0 million to $14.0 million. The Company expects a skew to second-half performance consistent with prior periods. This guidance assumes no material operational impact from the ACCC proceedings.

FY26 Results Webinar Details

The Company will host an investor webinar today, Thursday, 27 August 2026 at 12.30pm AEST.

Register for the investor webinar via the link below:
https://us02web.zoom.us/webinar/register/WN_zSXCK41sTdK9Z6Ku2md0HA.

Investors can submit questions prior to the webinar to melanie@nwrcommunications.com.au

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

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