



Eclipx Group Limited

1H18 Results Presentation

8 May 2018

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Agenda

1. Highlights and guidance
2. Core competencies
3. Financial results and business performance
4. Strategies for delivering sustainable growth
5. Summary
6. Appendices

Highlights and guidance

Key Messages

1

Since IPO, Eclix has transitioned into an integrated and rapidly growing asset services company generating multiple revenue streams across the asset and customer life cycles.

2

GraysOnline and Right2Drive are service based businesses which broaden and improve our customer value proposition, enhance our earnings and provide a platform for further market share gains and strong organic growth.

3

Eclix has a proven track record of leveraging its core competencies including risk management, treasury and digital technology to provide innovative solutions to customers. Eclix is well placed to continue the delivery of profitable growth, strong free cash flow and is focused on driving superior returns to shareholders.

4

Following delivery of 1H18 NPATA of \$38.5m, Eclix reaffirms its FY18 guidance of 27-30% growth in NPATA.

1H18 Results Highlights

GraysOnline, Right2Drive and continued strong performance in Fleet headline 1H18 results

AUD million (unless stated)	1H17	1H18	Growth pcp
Net Operating Income (NOI)	114.9	159.3	39%
NPATA ¹	31.2	38.5	23%
AUMOF ² (closing)	2,113	2,330	10%
R2D Hire volume (units)	14,249	19,830	39%
Grays sales volume ³	237	267	13%
New Business Writings (NBW) ⁴	458	501	9%
Cash EPS ⁵ (cents)	11.8	12.3	4%
Dividend per share (cents)	7.50	8.00	7%

1H18 PERFORMANCE

- 23% growth in NPATA to \$38.5m; 39% increase in Net Operating Income
- Growth in Fleet NPATA to \$25.9m as we continue to take market share
- Grays delivers \$5.9m NPATA, on track to deliver \$14.0-15.4m in FY18
- 30% increase in Right2Drive NPATA to \$4.2m - 39% growth in hires from 35 branches now in operation
- \$3.4m (pre-tax) start-up and ramp-up costs expensed in 1H18 NPATA
 - NZ SME equipment/vehicle start-up (\$2.0m)
 - Investment in additional R2D branches (\$1.4m)
- ECX acquired areyouselling.com.au, used car trade-in platform in Dec17
- Continued investment in technology including new customer portals, online delivery and integrated vehicle & equipment platforms
- 10%-12% forecast Cash EPS growth for FY18 including its first full year contribution from Grays
- Fully franked interim dividend of 8c per share

1. NPATA is net profit after tax and tax adjusted add back of amortisation of intangibles

2. AUMOF is assets under management or financed, includes balance sheet and principal and agency (P&A) funded assets

3. Grays 1H17 sales volumes in 1H17 have been provided for Grays Industrial and Auto on a pro-forma basis as Grays was acquired on 11 August 2017

4. NBW excludes sale and leaseback agreements totaling \$8.7m in 1H17 and \$1.3m in 1H18

5. Cash EPS is defined as each period's NPATA divided by the total weighted number of ordinary shares on issue for that period.

ECX Guidance reaffirmed

FY18 guidance of 27-30% increase in NPATA

- Continued earnings momentum into 2H18 in line with 27-30% NPATA growth for FY18 vs pcg
- 10%-12% forecast Cash EPS growth for FY18 vs pcg
- High single digit asset growth in Fleet (AU and NZ) - stable NPATA margins - EOL income expected to remain at current profit per vehicle
- Grays to benefit from solid industrial pipeline, continued significant growth in Auto platform with more active auction period in March-Nov
- All time record Right2Drive hires achieved in March providing a strong growth trajectory into 2H18
- Expect continued positive economic conditions in Australia and New Zealand
 - ✓ Australia benefiting from significant infrastructure spend on the east coast

Eclipx is a Diversified Asset Services Business

Integrated asset services driving growth, high returns and strong free cash flow

	Fleet		Diversified Asset		High growth adjacencies	
	Fleet leasing	Novated leases	Consumer car buying and finance	Commercial equipment finance	Medium term car rental accident replacement	Vehicle & commercial equipment trading platform
Addressable market size	\$4bn NBW p.a. ¹	\$2bn NBW p.a. ²	\$15bn NBW p.a. ³	\$12bn NBW p.a. ⁴	\$550-\$700m revenue p.a. ⁵	\$7bn sales p.a. ⁵
Assets financed						
Product offering	- Operating Lease - Finance Lease - Fleet Management - Telematics/FBT	- Novated Lease - Value-added services - Telematics/FBT	- Consumer vehicle loans - Car-buying services	- Operating Lease - Finance Lease	- Accident replacement vehicles - Vehicle hire	- Industrial auctions - Vehicle auctions - Wine auctions
Eclipx distribution channels	- Direct sales - Distribution partnerships - Co-branding - Online digital channels	- Direct sales - Distribution partnerships - Co-branding - Online digital channels	- Online digital channels - SMEs - Corporates - Government	- Direct sales / relationships - Broker networks - Online digital channels	- Growing branch network - Referral network	Online digital channels
Brands	 	 	 			 

1. Excludes novated leases and non-funded fleet. Sourced from Australian Fleet Lessors Association (AFLA) and management estimates for New Zealand market and non-AFLA reporting fleet lessors

2. Sourced from AFLA and management estimates

3. Sourced from Australian Bureau of Statistics (ABS), 5671.4 – Lending Finance, Australia (Table 4)

4. Commercial equipment leasing addressable market size for equipment types targeted by Eclipx Commercial. Sourced from Australian Equipment Lessors Association (AELA)

5. Management estimates

Multiple income streams across the asset and customer life cycle

	1H18 Net Operating Income (\$m)	1H18 Net Operating Income (%)	Income sources	Key business drivers
Sale and purchase of vehicles	\$10.2m	6%	• Upfront fees • Retail margin	• New business written (\$)
Financing	\$19.7m	12%	• Net interest income	• Balance sheet financed leases • Net interest margins (%)
Vehicle (incl fleet) Management	\$51.6m	33%	• Management fees • Maintenance fees • Telematics • 3rd party brokerage	• Operating lease fleet (units) • New business written (\$)
Car Rental	\$21.1m	13%	• Right2Drive car hire	• Hire volume (units) • Days on hire (units) • NOI per hire (\$)
End of Lease Profit	\$17.5m	11%	• End of lease proceeds • Transportation and sales preparation costs	• End of lease volume (units) • Profit per vehicle (\$)
Online Auction Fees	\$39.2m	25%	• Online auction fees • Asset valuations and audits • Insolvency services	• Auction value (\$) • Auction margin (%)
	\$159.3	100%		

Core competencies

Core competency - Risk management

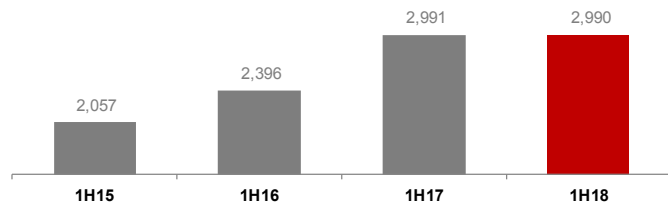
ECX has consistently grown volume and delivered end of lease (EOL) profits while maintaining a conservative risk setting

1 Significant end of lease initiatives drives yield

- Extensive proprietary vehicle sale data and technology enable objective conservative formulaic residual value setting
- ECX accounting policies impair any vehicles where projected EOL values (based on latest data) are below set Residual Values – stability in EOL earnings - embedded vehicle disposal profits only recognized on sale
- Conservative approach to impairment on a vehicle by vehicle basis without netting of losses against profitable vehicles
- Increased EOL distribution channels including Grays increase EOL revenue
- ECX data & technology platform – vehicles sold where returns are maximised

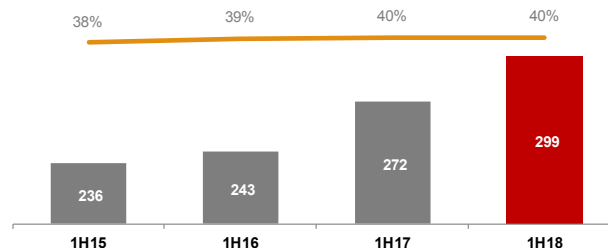
3 ...has led to sustainable end of lease profits

End of Lease profit per vehicle



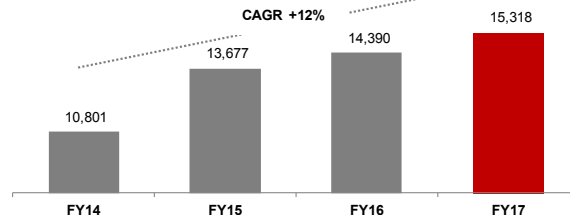
2 ...an 8% CAGR in fleet NBW with consistent and conservative RV settings

Operating lease NBW and RV (%)^{1,2}



4 ...with future EOL profits underpinned by over 50,000 vehicles coming off lease 3-4 years post origination

Operating leases written (units) by year of origination



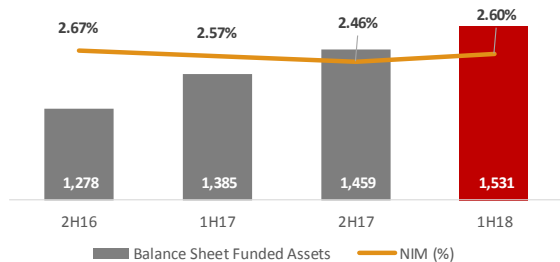
1. ECX RV (%) has been calculated by dividing the residual value at the time of origination by the vehicles recommended retail price (RRP), for vehicles financed in the FPAU warehouse

2. Operating lease NBW reported in this chart exclude Fleet originated finance leases in the Australian and New Zealand fleet businesses

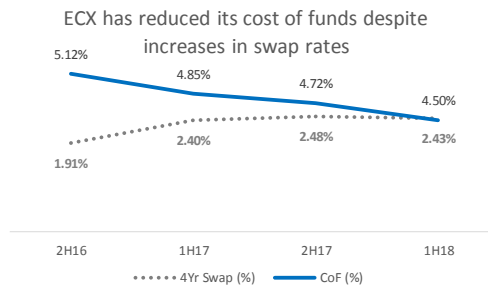
Core competency - Treasury and funding

ECX has a conservative and diversified financing model delivering competitive funding costs with growth headroom

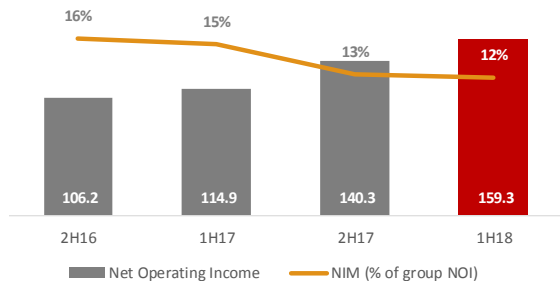
1 Strong asset growth¹ and stable interest margins



2 Treasury hedging strategies lower funding costs despite increasing swap rates

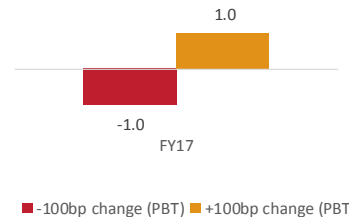


3 Net interest margins are a small component of income



4 Conservative hedging policy results in immaterial interest rate risk in ECX balance sheet

A 100bp change in interest rates impacts ECX PBT by +/- \$1m



¹ Balance sheet funded assets are an average for each period

Core competency – Delivering digital solutions to customers

1 Commitment to technology and innovation

- Forecast \$22m FY18 investment in technology (capitalised) (\$12.7m 1H18)
- 60 inhouse IT including 20 developers led by highly experienced banking and e-commerce technology leaders
- Core systems based on Sofico, Oracle, TSD platforms
- GraysOnline eCommerce platform is bespoke and owned by ECX

3 Investment focused to build key ECX Intellectual Property

- Customer portals (fleet portal integrates telematics and fleet services)
- Online auction eCommerce platform
- New car sale platform
- Vehicle trade-in platform
- Vehicle valuation/projection/EOL optimization platform
- Product linkages to provide seamless solutions to customers (incl SME)
- Online credit approval/scorecard platform
- Treasury and risk management platform

2 Cost effectively leveraging globally available platforms

ORACLE®

SOFICO

TSD

sas | THE POWER TO KNOW.

di decision intellect
a Dun & Bradstreet Company

CALUMO
BUSINESS INTELLIGENT™

4 Delivering a great customer experience

“... innovative fleet and telematics technology solutions have enabled the optimisation of our fleet, and continue to help us get our employees home safely”

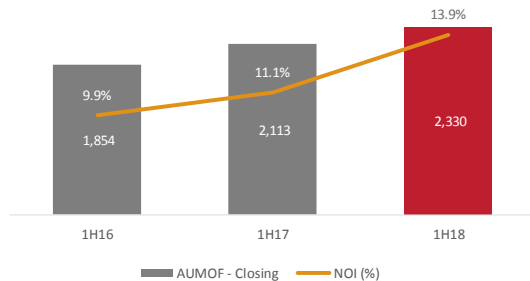
- FleetPlus Corporate Customer

Execution track record

Growth, customer satisfaction and increasing returns to shareholders...

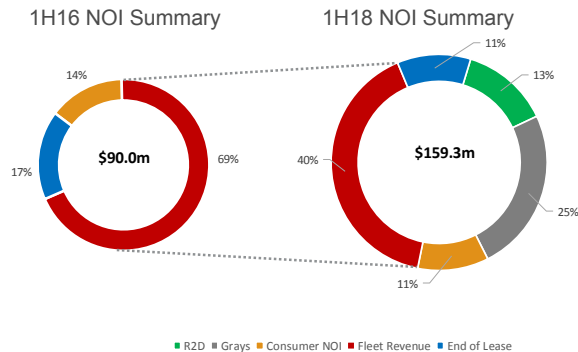
1

Sustained asset growth whilst increasing services revenue and margins



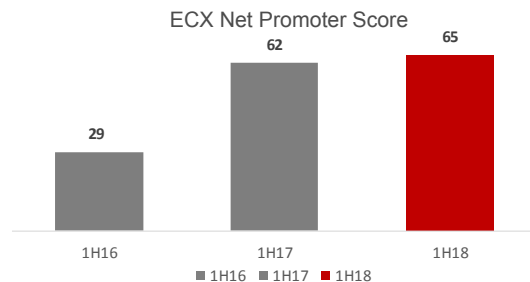
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Services revenue from Grays and R2D contributed 38% of ECX NOI in 1H18



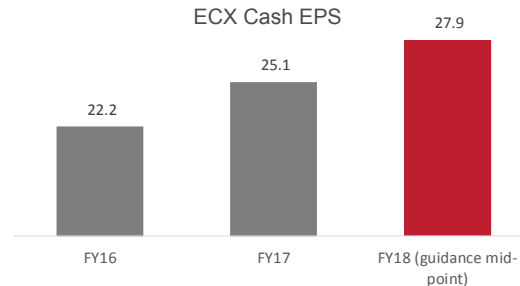
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Delivering market leading customer satisfaction (NPS)



4

... and strong earnings growth



Financial results and business performance

1HFY18 Income statement

\$ million	1H17	1H18	Growth pcp (%)
Net operating income before end of lease income and impairment	99.5	142.8	
End of lease income	17.4	17.5	
Net operating income before impairment charges	116.9	160.3	
Fleet impairment	0.0	-	
Credit impairment	(1.9)	(1.1)	
Net operating income	114.9	159.3	39%
Employee benefits expense	(41.2)	(63.2)	
Occupancy expense	(4.3)	(9.5)	
Technology expense	(4.8)	(4.9)	
Other operating expenses	(14.6)	(20.2)	
Total operating expenses	(64.9)	(97.8)	
EBITDA	50.0	61.5	23%
Depreciation expense	(2.0)	(1.9)	
PBITA before significant items	48.1	59.6	
Acquisition and restructure costs ¹	(0.3)	(10.5)	
PBITA	47.7	49.0	
Interest on corporate debt	(4.1)	(6.7)	
PBTA	43.6	42.3	
Amortisation of intangible assets	(3.6)	(5.1)	
PBT	40.0	37.2	
Tax expense	(11.6)	(9.7)	
NPAT	28.4	27.5	
Amortisation and impairment of intangible assets (post-tax)	2.5	3.6	
Acquisition and restructure costs (post-tax)	0.2	7.4	
NPATA	31.2	38.5	23%

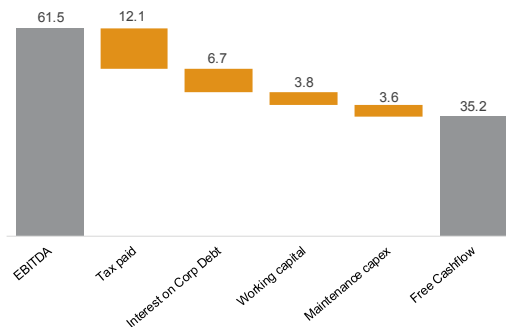
HIGHLIGHTS

- 23% growth in NPATA to \$38.5m
- GraysOnline reporting a \$5.9m NPATA
- 17% growth in Right2Drive hire revenue
- Stable End of Lease profit despite new vehicle supply issues in NZ - delays in revenue associated with return of vehicles and lease renewals, positive impact expected in 2H18
- Overall cost/income has increased to 63% due to the inherently higher ratio in GraysOnline
- Cost to income ratio in fleet has reduced by 150bps to 51.5% since FY15
- Acquisition and restructure costs of \$10.5m reflect \$7.5m from acquisition of GraysOnline and CarBuyers (areyouselling.com.au) and \$3m in costs from the installation of a car rental system and Oracle EBS in R2D. Refer reconciliation in Appendix 1

1. Restructure costs consist of exceptional non-recurring items not reflecting ongoing operations. See Appendix for reconciliation of one off costs

Highly cash generative with predictable free cash flow

1H18 Analysis of Free Cash Flow (\$m)



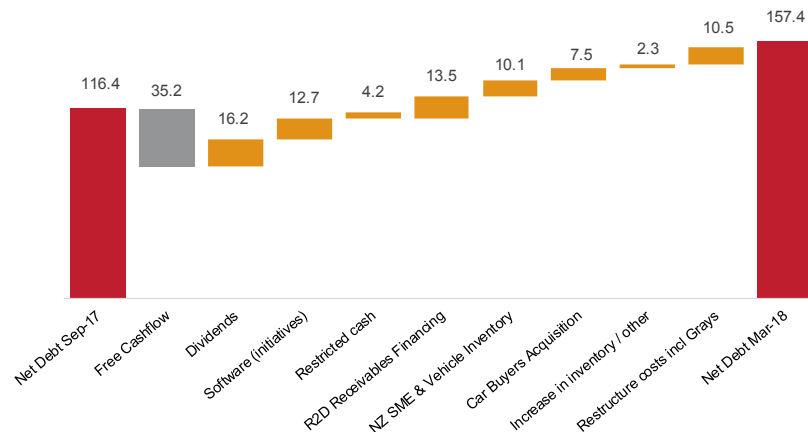
FREE CASH FLOW

- 23% growth in EBITDA to \$61.5m in 1H18
- Significant free cashflow of \$35.2m was generated throughout 1H18
- Free cashflow represented approx. 92% of ECX NPATA

GROWTH INITIATIVES

- Free cashflow invested in growth related software initiatives and payment of dividends
- Eclix also undertook other investments in 1H18 including:
 - ✓ Acquisition of CarBuyers in Dec-17 (including acquisition costs)
 - ✓ Financing of NZ SME
 - ✓ Financing vehicle inventory awaiting sale
 - ✓ Restructure costs in Grays and Right2Drive
 - ✓ Right2Drive receivables financing
- Closing net debt of \$157.4m is after investment spend

ECX 1H18 changes in net debt (\$m) ^{1,2}



1. Sep-17 Net debt has been calculated by taking drawn corporate debt \$254.8m, less cash and equivalents \$59.1m, less mezzanine notes held by ECX available for sale \$79.3m

2. Mar-18 Net debt has been calculated by taking drawn corporate debt \$328.2m, less cash and equivalents \$53.6m, less mezzanine notes held by ECX available for sale \$117.2m

Diversified funding profile

HIGHLIGHTS

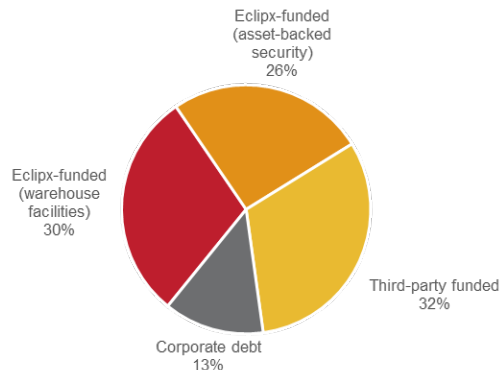
- Accessed the term ABS market in November 2017 with an AUD351m ABS issue including fleet, consumer auto and equipment finance receivables allocated to 20 investors – reduced funding costs
- AUD360m committed corporate facility, with ability to increase to AUD425m providing additional capital for growth
- AUD458m in available financing resources for growth including unrestricted cash (\$53m) and undrawn committed facilities (\$288m), warehouse mezzanine notes held by ECX for sale (\$117m) and Principal and Agency funding agreements with 20 financiers.

OUTLOOK

- Since balance date, ECX has also received a credit approved term sheet for the private placement of up to cAUD100m in bonds to a large US global fund manager (delivered in AUD hedged with no exchange or interest rate risk). This issuance will have a 7 year term with a fixed rate and be issued as part of the ECX corporate debt program and is subject to final negotiations on documentation
- Most diverse and competitive funding platform in the market which leverages warehouses, ABS and third-party funders to provide funding certainty, headroom for growth and a clear point of differentiation

\$ million	Funding Summary 31-Mar-18		
	Draw n	Undraw n	Total
Eclix-funded (w arehouse facilities)	747	256	1,003
Eclix-funded (asset-backed security)	648	-	648
Total (ex. P&A)	1,395	256	1,651
Third-party funded	797	-	797
Total (inc. P&A)	2,191	256	2,448
Corporate debt	328	32	360
Total	2,520	288	2,808

Borrowings as at 31-Mar-18



Strong asset and credit quality

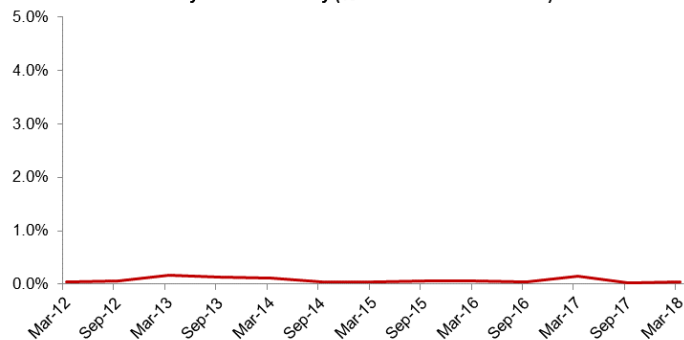
CONTINUOUS IMPROVEMENT IN RISK ANALYTICS

- Credit impairment has remained low during 1H18 with favourable economic conditions and continued growth in Government and large Corporate business
- 90+ day arrears is 4bps of on-balance sheet lease receivables as at 31 March 2018 – below long term average
- Significantly diverse customer exposure
- Credit approval is independent of the sales teams

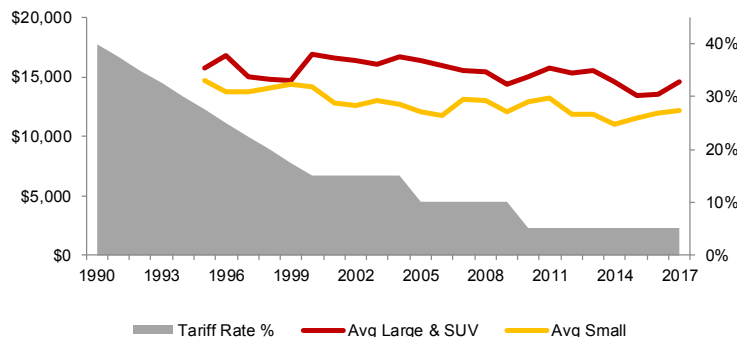
RESIDUAL VALUE MANAGEMENT

- Used car prices maintained over the long term despite the reduction in import tariffs on new cars
- Fleet is diversified across manufacturer and vehicle type
- Statistical models using 30 years of operating experience in Australia and New Zealand to set residual values on operating leases
- Full market valuations are undertaken monthly on the complete operating lease portfolio against third party sales and valuation databases
- Disposal trends are monitored on an ongoing basis for end of lease disposal optimisation
- Market leading Residual Value risk management technology

90+ day arrears history (% of funded receivables)



Australian used car sale prices and tariffs



Australia Commercial

Eclix continues to outperform and take market share

Strategy

- Grow fleet market share by continued focus on our industry leading service excellence and product innovation
- Continued growth in funded market share due to customers wanting fleet solutions that integrate telematics and fleet services
- Promote full ECX capability with car buying, trade-ins and auctions for corporates wishing to own and manage their own fleet
- Well positioned for car sharing and mobility services on demand with ECX car rental technology infrastructure

Highlights

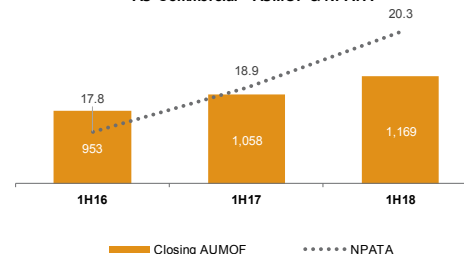
- 12% growth in Fleet new business writings from high credit quality corporates and governments
- Telematics continues to provide significant value to customers including Workplace Health and Safety compliance
- ECX investments in automation and improved processes drive further reductions in cost/income ratio
- Strong EOL results from light commercial and heavy vehicles driven by additional distribution through GraysOnline
- NPATA/NOI % increased to 33.0% (up from 32.2% pcg)

Outlook

- New online origination strategy to focus on increasing SME penetration
- Strong pipeline of blue chip new business opportunities
- New ECX customer portal to provide new insights to customers on fleet optimisation and cost efficiency – increased value for customers

\$ million	1H17 Actual	1H18 Actual	Growth pcp
New Business Writings - Fleet ¹	183	204	12%
New Business Writings - Equipment	32	34	5%
New Business Writings	215	238	11%
AUMOF (closing)	1,058	1,169	10%
VUMOF - funded (units)	33,031	36,521	11%
VUMOF - managed (units)	18,705	19,528	4%
VUMOF - total (units)	51,736	56,049	8%
NOI	58.8	61.5	5%
NPATA	18.9	20.3	7%
Cost / Income (%)	51.1%	50.4%	70bps
NOI/Avg AUMOF	11.3%	10.7%	(60bps)
NPATA/Avg AUMOF	3.6%	3.5%	(10bps)
NPATA/NOI (%)	32.2%	33.0%	80bps

AU Commercial - AUMOF & NPATA



1. NBW excludes sale and leaseback agreements totaling \$8.7m in 1H17 and \$1.3m in 1H18

New Zealand Commercial

Eclix invests in growth to leverage fleet market leadership

Strategy

- ECX has established a new standalone NZ SME business based in Auckland CBD to focus on SME equipment finance with vehicle lease cross sell
- Expand AutoSelect retail car sales in Auckland, Wellington and Christchurch to increase capacity for sale of end of lease stock
- Grow fleet market share by continued focus on service excellence and product innovation in fleet services and aftermarket sales

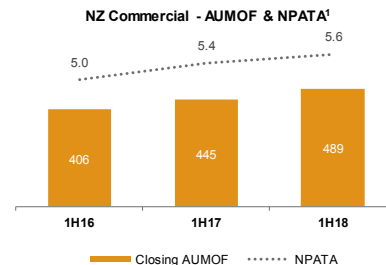
Highlights

- New Business growth has increased in line with expectations including the retention of 6 key corporate customers on sole supply
- Delivery delays on over 400 new vehicles - push EOL profits into 2H18
- Efficiency gains from process and technology initiatives drive NPATA growth
- Reduction in lower yield managed units reflects FleetSmart customers on exit prior to ECX acquiring business
- NPATA/NOI % increased to 27.3% (up from 25.5% pcp)

Outlook

- Increased demand for Electric Vehicles as Government and large corporate focus on their environmental footprint
- Focus on improving penetration of existing FleetPartners SME customers using new ECX proprietary single platform technology

\$ million (AUD) ²	1H17 Actual	1H18 Actual	Growth pcp
New Business Writings	93	102	10%
AUMOF (closing)	445	489	10%
VUMOF - funded (units)	17,778	19,040	7%
VUMOF - managed (units)	12,476	10,551	(15%)
VUMOF (units)	30,254	29,591	(2%)
NOI	21.1	20.5	(3%)
NPATA	5.4	5.6	4%
Investment in SME		-1.4	
NPATA (after investment in SME)	5.4	4.2	(22%)
Cost / Income (%) ¹	58.5%	59.4%	(90bps)
NOI/Avg AUMOF ¹	9.5%	8.7%	(80bps)
NPATA/Avg AUMOF ¹	2.4%	2.4%	-
NPATA/NOI (%) ¹	25.5%	27.3%	180bps



1. Ratios have been calculated after adding back the investment in NZ SME (\$1.4m after tax, \$2.0m before-tax)

2. Average AUD/NZD exchange rate 1H17 1.06 and 1H18 1.09, Spot AUD/NZD exchange rate 1H17 1.09 and 1H18 1.06

Australia Consumer (CarLoans and novated)

Increased Georgie car buying and new alliances will complement ECX novated leasing and digital marketing channels

Strategy

- ECX will leverage its scale, technology and independence to deliver superior value to consumers through its car buying capability offering a full suite of products including used car trade-ins, consumer finance, novated solutions and insurance

Highlights

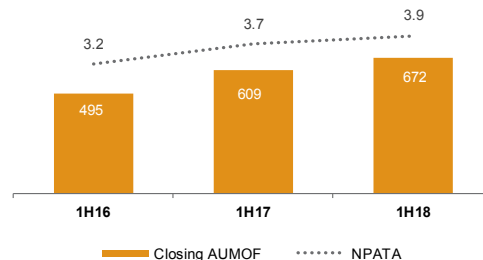
- 6% increase in NPATA to \$3.9m¹ due to:
 - Increased sales of new cars by Georgie
 - Lowering the average cost of acquisition resulting from recent investments in marketing automation
 - Improved cost efficiency despite new car buying business being in start-up phase

Outlook

- ECX is in discussions with a number of parties with large consumer customer bases for the provision of its full suite of consumer products including New Car Sales (Georgie), trade-in through areyouselling.com.au and finance/insurance.
- Used car trade-ins will be auctioned by GraysOnline

\$ million	1H17 Actual	1H18 Actual	Growth pcp
New Business Writings	150	162	7%
AUMOF (closing)	609	672	10%
VUMOF (units)	22,270	26,443	19%
NOI	15.6	16.9	8%
NPATA	3.7	3.9	6%
Cost / Income (%)	67.0%	65.2%	180bps
NOI/Avg AUMOF	5.3%	5.1%	(20bps)
NPATA/Avg AUMOF	1.3%	1.2%	(10bps)
NPATA / NOI (%)	23.7%	23.1%	(60bps)

Carloans and novated - AUMOF & NPATA



Increased distribution drives 39% growth in hire volumes

Strategy

- Grow market share and category awareness by increasing distribution with the addition of 15 new branches in last 12 months
- Continue to expand and diversify lead sources with majority of growth coming from direct and ECX referrals
- Leverage car rental platform to expand market opportunity into car rental and other vehicle hire adjacencies

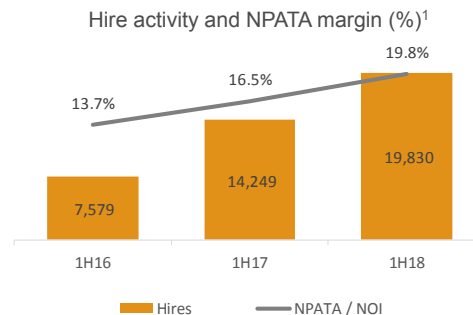
Highlights

- +39% growth in hire volumes to 19,830 pcps
- NPATA increase 30% pcps despite a \$1.4m (pre-tax) investment in new branches and associated vehicle stock ramp up
- Rental car technology platform successfully implemented which replaces previous manual processes and improves cost efficiency
- 5 new branches opened in GraysOnline locations
- Right2Drive Net Promoter Score increased to +87

Outlook

- Continue to increase referral partnerships
- Continue to drive brand and category awareness

\$ million	1H17 Actual	1H18 Actual	Growth pcp
Branches	20	35	75%
Hires (units)	14,249	19,830	39%
Hire income	32.3	37.9	17%
Net Operating Income	19.4	21.1	9%
NPATA	3.2	4.2	30%
Cost / Income (%)	72.2%	65.3%	690bps
NPATA/NOI (%)	16.5%	19.8%	330bps



1. Rental hire income and NPATA margin is provided on a pro-forma basis for 1H16 as Right2Drive was acquired on 19 May 2016.

GraysOnline - standout performance

On track to deliver \$23-\$25m EBITDA (NPATA \$14.0-\$15.4m) in FY18

Strategy

- Under ECX ownership, Grays has been refocused to target profitable channels and asset categories including Industrial and Auto
- GraysOnline will continue to leverage and grow its unique e-commerce transacting platform which has over 2.4m registered users across AU/NZ

Highlights

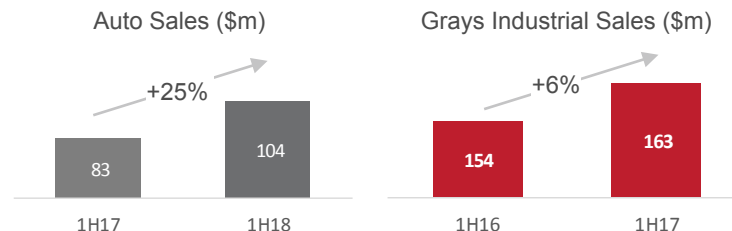
- 1H18 total sales \$267m; \$5.9m NPATA
- Industrial auction business has organically grown 6% pcp, driven by a strong performance in Transport and Manufacturing +39% pcp
- Cost/Income ratio down to 76% from c85% pre acquisition
- Successfully implemented a number of Auto initiatives:
 - National roll-out of proprietary e-tender B2B platform to sell high quality Eclix vehicles (FleetPartners, FleetPlus and areyouselling.com.au) (launched Mar-18)
 - Expansion of Grays Auto launched Jan-18 to include fixed price, home delivery & warranty bundle options
 - Acquired disruptive, online car trade-in business areyouselling.com.au in Dec17. areyouselling.com.au was a client of GraysOnline prior to being acquired

Outlook

- Total auction volume split is expected to be 47% / 53% from 1H/2H seasonality on a relatively fixed cost base
- Industrial auction business well positioned to capitalize on large infrastructure projects
- GraysOnline e-commerce transacting platform refresh & user experience enhancement programs driving improved site visitor/bidder metrics

\$ million	1H17 Actual	1H18 Actual	Growth pcp
Industrial ¹	154	163	6%
Auto	83	104	25%
Total Sales ¹	237	267	13%
Net Operating Income		39.2	
EBITDA		9.6	
NPATA		5.9	
Cost / Income (%)		75.8%	
NOI/Sales (%)		12.6%	
NPATA/Sales (%)		1.9%	
NPATA/NOI (%)		15.1%	

1H17 comparative data (Oct16-Mar17) provided where available

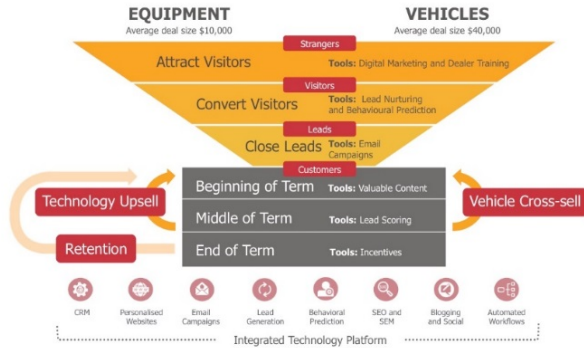


Strategies for delivering sustainable growth

Growth Strategy - Growing SME market share in NZ

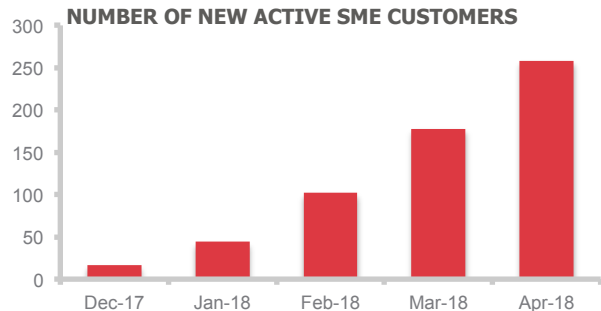
1

ECX is able to sell equipment and vehicle leases to SMEs in one conversation using its integrated platform



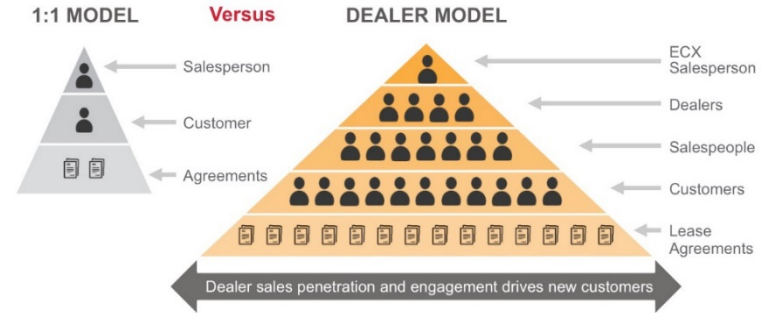
3

250 new SME customers originated since launch in Dec17



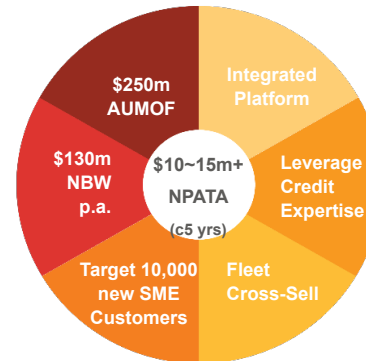
2

With a fast, easy and integrated sales model to originate new SME customers



4

SME market in NZ is significant with c500,000 businesses



Growth strategy - Georgie car buying service - a positive experience

Leveraging our scale, technology, experience and independence to deliver superior value to car buying consumers

1 Independent and brand agnostic

• NATIONAL TEAMS

We have consumer teams with 7-day coverage in all major markets

• PREMIER ACCESS TO INVENTORY

We have preferred agreements with the largest dealer networks in the country

• INDEPENDENCE

We can command remarkable pricing for our customers.

• DIGITAL EXPERTISE

We are digital-first and work across channels to lower acquisition costs and meet customer needs

3 Delivers superior value to customers

Up to 10%

Georgie average savings on a new car purchase off RRP

\$4,000

Average savings on a novated lease with pre-tax savings

10%

Average earnings on competitive trade-in prices

\$1,444

CarLoans average savings on consumer loan

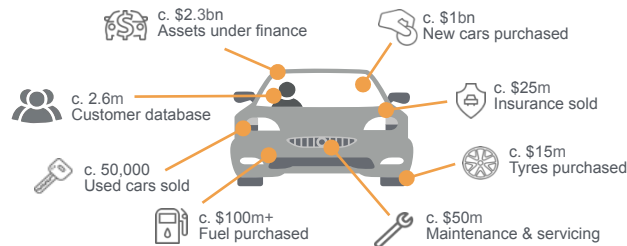
15%

Average savings on preferred insurance rates

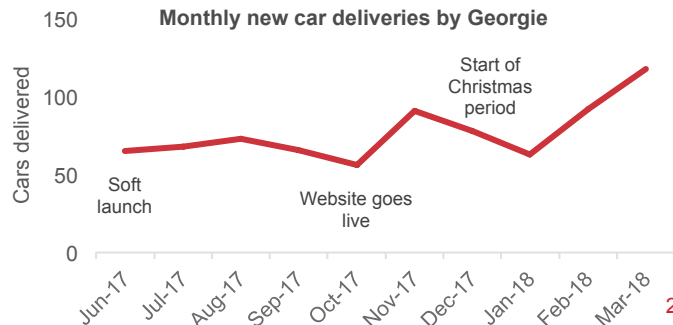
15%

Average savings on tyres and maintenance

2 ...with purchasing power throughout an assets lifecycle



4 ... and a strong growth trajectory for Eclix



Growth strategy - Georgie car buying service - a positive return

Car buying service facilitates multiple additional income streams for ECX

AUST MARKET SIZE (\$bn) p/a			ECX POSITIONING	GROSS REVENUE OPPORTUNITY PER TRANSACTION ¹	DEALERSHIP	ECLIPX	CROSS SELL
Research Buy	New Car Purchases \$41bn+ pa	Vehicle research & content expertise	ECX owned PerformanceDrive.com.au provides independent & expert new car reviews			✓	
		Car Brand Neutrality	ECX is brand agnostic	\$1,000 - \$1,200		✓	100%
		Test Drive Network	New car test drives available at convenient locations and times		✓	✓	
		Car Buying Power	ECX has significant new car buying power – purchases \$1bn in new cars annually		✓	✓	
Trade-in Disposal	Used Car Sales \$39bn pa	Trade-in Service	ECX owned areyouselling.com.au can provide a call centre based car trade-in service	\$1,300 - \$1,500	✓	✓	10-20%
		Auction disposal	ECX owned GraysOnline can dispose of trade-in vehicles quickly and profitably	\$500 - \$600	✓	✓	5-10%
Finance	Finance & Insurance \$33bn pa	Lender Neutrality	ECX can access its own funding warehouses and P&A funders to drive the best deal	\$1,600 - \$1,800		✓	30-40%
		Insurance Neutrality	ECX leverages its insurance buying power			✓	

PERFORMANCE DRIVE

Georgie

are you selling

graysonline

CarLoans

1. Before acquisition costs, direct costs and overheads

GraysOnline at a glance

An unmatched e-commerce transacting marketplace specialising in assets for both consumers and businesses

1 Significant digital reach in Australia and New Zealand



2.4m
Registered users



790,000
Email subscribers

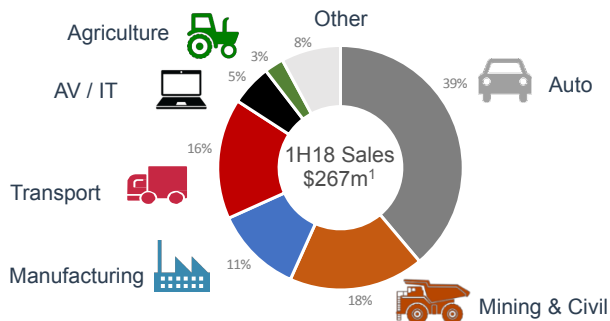


400,000
Auction bids
per month

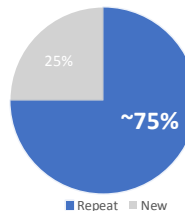


34m
Page views
per month

3 Across a range of industries (unmatched by competitors)



2 Industry expertise and market leading platform creates long-term relationships with our partners



- c75% of 1H18 sales were sourced from repeat partners (vendors)
- 16 of our top 20 vendors have been with us for an average of 5+ years
- Our volumes are well diversified with 73% sourced outside our top 20 vendors



Corporations



SMEs



Govt

4 Supported by our extensive network coverage and scale



- 40 locations across AUS and NZ
- 100+ BDMS covering all states and territories

GraysOnline growth strategy – Industrial

Significant organic growth in the core business driven by superior service offering and scalable technology platform

1 Online used equipment sales are increasing and equipment dealers are being disintermediated

How GraysOnline wins in the \$13bn used industrial equipment market:

- **Speed** – shorter sales cycle (less than 21 days)
- **Certainty** – superior clearance rates (80%+)
- **Market reach** – online platform that reaches a global audience
- **Sales performance** – auction performance closer to retail results
- **Industry expertise** – provides unique insights on assets and values

3 e-commerce and infrastructure investment in Australia supports a growing future pipeline

Transport

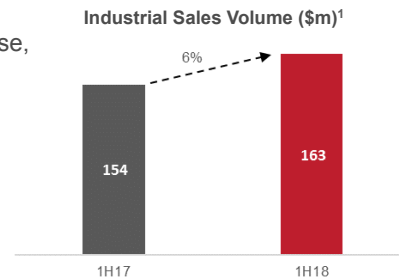
- Activity in the Transport sector is increasing due to growth in global e-commerce and associated Australian distribution centres
- Investment in a dedicated and experienced transport BDM team

Construction

- Infrastructure boom will underpin demand for construction equipment in future years

2 Industrial has delivered continued organic growth

Industrial has grown 6% pcp during the post-acquisition integration phase, with strong contribution from the Manufacturing and Transport categories



4 Increase share and expanding industrial margins

- Leverage industry expertise to diversify revenues through value-added services including:
 - Valuations
 - Asset audits
 - Inventory management, and
 - Insolvency consulting
- Differentiated bidder base which includes both businesses and consumers is driving growth in market share

1. 1H17 Industrial and Auto sales provided on a pro-forma basis as Grays Ecommerce Group was acquired on 11 August 2017. Grays sales volume excludes Insolvency (\$37.4m 1H18) and Wine (\$10.8m 1H18). 1H17 data provided where available and comparable

GraysOnline growth strategy – Auto

GraysOnline Auto is poised to capitalise on the migration of the \$40bn p.a. used car market to online

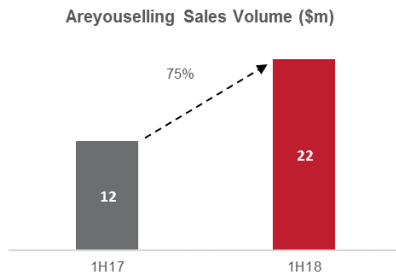
1 GraysOnline is an online used car e-commerce marketplace - 80%+ of vehicles sold sight unseen

- Used car dealers disrupted by GraysOnline and increased property prices - car yards more valuable for residential development
- Multiple GraysOnline selling options (eTender, online auction, traditional auction and retail)
- Extensive customer database - 85% are consumers, creates increased bidder activity and competition
- Integrated service offering – car buying/selling, finance and insurance

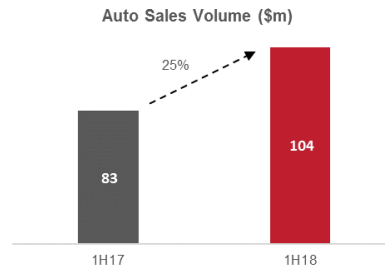
3 Used car trade-in with 'Are You Selling'

- The areyouselling.com.au online used car buying service was acquired in Dec-17 and provides ECX with full asset lifecycle capability

are you selling
com.au



2 25% growth pcp in auto auction volume by GraysOnline



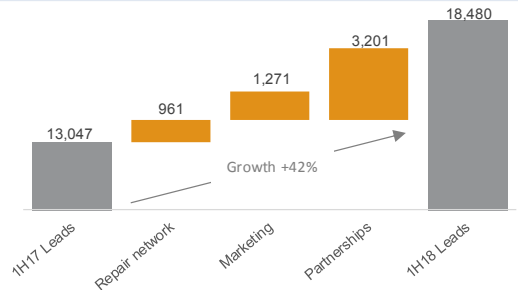
4 Multiple organic growth opportunities

- ECX direct car retailing
 - Ex-fleet remarketing including eTender and online dealer auctions
 - Novated trade-in service
- Direct to consumer auction and sale service with benefits over classifieds:
 - Speed of sale – same day valuation and purchase
 - Convenience – at home pick-up

Growth strategy - Right2Drive

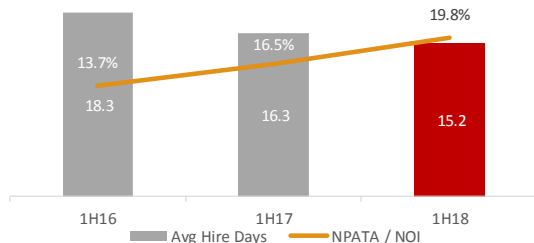
A growing source of lead referrals in a largely unpenetrated market

1 ECX digital expertise and corporate partnerships diversify and grow R2D lead generation

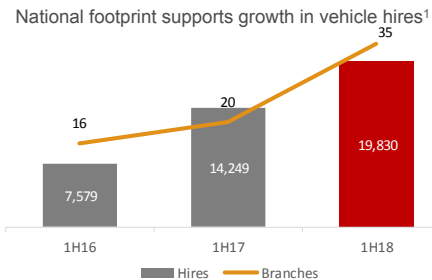


3 Reductions in the average length of hire lowers insurer repair costs and enhances customer experience (NPS +87)

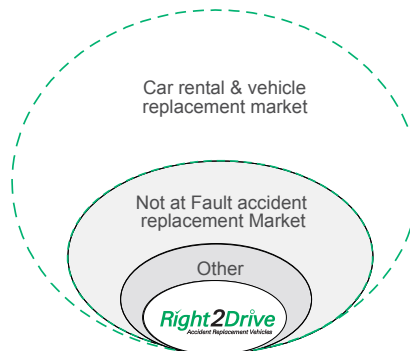
Scale and automation improves NPATA margins¹



2 Investments in national branch network drives a 39% growth in hires



4 ... and provide significant growth optionality in the \$2bn car rental and accident replacement markets



1. 1H16 data has been provided on a pro-forma basis as Right2Drive was acquired on 19 May 2016

Summary

ECX is an integrated Assets Services business with market leading technology and multiple income streams

- Against a backdrop of significant growth in ECX fleet businesses over the past 4 years, ECX is continuing to invest in new business and technology initiatives as it builds its integrated asset services business generating multiple income streams across the asset and customer life cycle. Grays and R2D service businesses are delivering strong earnings growth

Well placed to benefit from structural and cyclical growth trends, with a compelling customer value proposition

- ECX will be a beneficiary of the structural consumer move to online purchase of new cars, with a unique and compelling value proposition
- GraysOnline continues to grow its online auction transacting capability as equipment sellers move from dealers to online and consumers move their used car purchase away from a declining number of used car dealerships
- ECX will benefit from an increasing number of fleet renewals and, as a result, more vehicles being sold at end of lease
- New initiatives will drive higher margin equipment and vehicle leasing volumes in the SME segment

Continued growth in earnings, predictable free cash flow and increased returns for shareholders

- FY18 guidance reaffirmed: 27-30% NPATA growth and 10%-12% forecast Cash EPS growth vs pcg

Appendices

Appendix 1 – Consolidated income statement

\$ million	1H17	1H18
Net operating income before end of lease income and impairment	99.5	142.8
End of lease income	17.4	17.5
Net operating income before impairment charges	116.9	160.3
Fleet impairment	0.0	-
Credit impairment	(1.9)	(1.1)
Net operating income	114.9	159.3
Employee benefits expense	(41.2)	(63.2)
Occupancy expense	(4.3)	(9.5)
Technology expense	(4.8)	(4.9)
Other operating expenses	(14.6)	(20.2)
Total operating expenses	(64.9)	(97.8)
EBITDA	50.0	61.5
Depreciation expense	(2.0)	(1.9)
PBITA before significant items	48.1	59.6
Acquisition and restructure costs ¹	(0.3)	(10.5)
PBITA	47.7	49.0
Interest on corporate debt	(4.1)	(6.7)
PBTA	43.6	42.3
Amortisation of intangible assets	(3.6)	(5.1)
PBT	40.0	37.2
Tax expense	(11.6)	(9.7)
NPAT	28.4	27.5
Amortisation and impairment of intangible assets (post-tax)	2.5	3.6
Acquisition and restructure costs (post-tax)	0.2	7.4
NPATA	31.2	38.5

- A reconciliation of NPAT to NPATA follows:

	1H17	1H18
NPAT	28.4	27.5
Add back post tax non-recurring costs:		
Car Buyers acquisition costs		0.3
Grays acquisition costs		0.2
Onyx acquisition costs	0.2	-
Grays restructure costs		4.6
Right2Drive restructure costs		2.2
	0.2	7.4
Add back amortisation of intangible assets	2.5	3.6
Cash NPATA	31.2	38.5

1. Restructure costs consist of exceptional non-recurring items not reflecting ongoing operations.

Appendix 2 – Consolidated balance sheet

\$ million	30-Sep-17	31-Mar-18
Assets		
Cash and cash equivalents	59.1	53.6
Restricted cash and cash equivalents	136.2	140.3
Trade and other receivables	138.5	162.1
Leases	1,496.4	1,565.9
Inventory, PP&E and other assets	42.1	43.9
Intangibles	806.6	825.9
Total assets	2,678.9	2,791.7
Liabilities		
Trade and other liabilities	126.4	134.5
Borrowings - Warehouse	1,355.6	1,384.7
Borrowings - Corporate Debt	254.8	328.2
Borrowings - Total	1,610.4	1,712.9
Other liabilities	78.9	59.3
Total liabilities	1,815.7	1,906.7
Net assets	863.3	885.0
Contributed equity	635.2	643.4
Reserves	12.4	22.8
Retained earnings	215.7	218.9
Total equity	863.3	885.0

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