

ASX ANNOUNCEMENT

11 May 2017

Collection House Limited Announcement

The board of Collection House Limited (ASX:CLH) along with the CEO have become aware that capitalised computer software development expenditure (including work in progress) of approximately \$2M will need to be written-off in the company's financial accounts. This amount relates to software development activities undertaken in previous reporting periods on modules that have been rendered redundant or no longer in use.

CLH has contracted with a reputable external vendor to finalise software development on the incomplete system components.

Additional, but currently indeterminate amounts related to existing capitalised computer software development costs may also be required to be written-off.

Accordingly, the board has engaged an independent 'big four' accounting firm to carry out a forensic audit of the accounting methodology as well as the supporting evidentiary documentation and software development work to justify the \$13.4M carrying value of capitalised computer software development costs as at 31 December 2016.

The independent investigation will determine what further action is required, and any such action will be disclosed to the market.

For more information please contact:

Kristine May, Company Secretary
Email: kristine.may@collectionhouse.com.au
Ph: (07) 3292 1015

Collection House Limited

Level 12, 100 Skyring Terrace
Newstead QLD 4006 Australia

p. +61 7 3292 1000
f. +61 7 3832 0222

PO Box 2247
Fortitude Valley BC QLD 4006

For personal use only

Collection House Group - Overview



Debt collection and receivables management for third parties



Debt purchasing and recovery



Legal services including insolvency administration



Tailored debt collection services, specialising in Local Government



Nationally recognised training provider in financial services and leadership



Customer service outsourcing for third parties



Licensed specialist finance broker for the provision of credit



Provision of financial hardship services for third parties

Collection House Limited

Level 12, 100 Skyring Terrace
Newstead QLD 4006 Australia

p. +61 7 3292 1000
f. +61 7 3832 0222

PO Box 2247
Fortitude Valley BC QLD 4006

For personal use only