



CREDITSOURCE

# Manage Risk Better

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[creditsource.com.au](https://creditsource.com.au)



# Welcome to CreditSource.



I founded CreditSource in 2018 to simplify the way businesses make informed and confident financial risk decisions. These are some of the most critical decisions a business can make, but they're not always approached with the right degree of due diligence.

## Why not?

Companies can lack the internal resources to analyse their clients' financial health and can't afford the exorbitant cost to access the necessary tools. They're forced to make important decisions about their suppliers and contractors without knowing all the facts. These limitations can result in unworthy customers being granted credit they can't honour and suppliers being awarded contracts they can't fulfill.

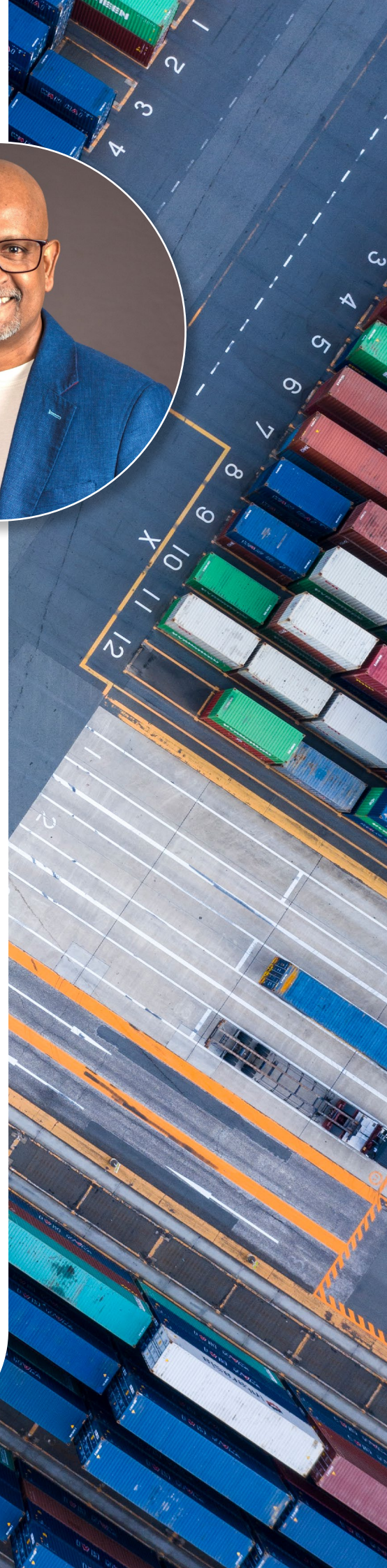
There can also be lost opportunities due to a lack of knowledge of the financial capacity of trading partners. Companies often overlook customers and suppliers that aren't well known but are financially stronger than their more prominent counterparts.

CreditSource empowers businesses to manage these risks and maximise their opportunities through our risk management reports. Our team of analysts source the information you need and interpret it using cutting-edge technology. Our clients then receive a comprehensive assessment of their counterparty to help them make a decision, based on credible data.

Please read on for more information on who we are and what we achieve for our clients.

A handwritten signature in black ink, reading "Shavantha Mallawa". The signature is written in a cursive, flowing style.

Shavantha Mallawa  
Founder & CEO



# Trusted by procurement leaders at Australia's largest companies





# Smarter procurement decisions, in dynamic and volatile conditions

Innovation and strategic capabilities begin with effective procurement processes. The partnerships you cultivate are critical for key project success. As a result, procurement leaders are under more scrutiny to make smarter, faster and more informed supplier decisions, even amidst challenging and dynamic conditions.

CreditSource alerts you to symptoms of financial distress in your supplier ecosystem. Our actionable recommendations, backed by expert financial analysis, helps procurement teams to foster closer supplier relationships and reduce the impact of supplier defaults and insolvencies on stakeholders.

Today we're proud to be the exclusive financial analytics partner to global credit bureaus and procurement leaders across Australia, New Zealand and Europe. We work closely with these industry leaders to supply their clients with a range of financial risk assessment solutions.

Every year we analyse 25,000 companies to produce insights that are trusted by ASX200 companies and prominent government organisations.

## The Fast & Easy Way To Manage Supplier Financial Risk



### 1 IDENTIFY

Understand the financial risks associated with your suppliers and contractors.



### 2 SOURCE

Fast, streamlined data collection direct from suppliers on a done-for-you basis.



### 3 ANALYSE

Expert analysts assess your supplier's financial capacity to fulfil contracts.



### 4 ACTION

Risk levels explained, along with actionable recommendations for risk mitigation.



### 5 MONITOR

Receive alerts if there is a material change in your suppliers' risk levels across the life of the contract.

# The Benefits



## **Make more informed decisions**

We provide expert analyst insights and recommendations so you can make confident decisions based on facts.



## **Avoid adverse financial risk**

Deal with financially sound suppliers and contractors to avoid supply disruptions and contract renegotiation costs.



## **Tailor our solutions to suit you**

Choose from a range of reports depending on the risk to your business. From shortlisting suppliers and ongoing monitoring to reviewing existing partners, we have you covered.



## **Safeguard business growth**

Avoid supply disruptions and the cost of dealing with suppliers and contractors that are in financial hardship.



## **Receive independent recommendations**

Our financial analysts produce independent reports and offer professional judgements you can trust.



## **Save time**

Performing your own financial risk assessments can be confusing and time-consuming. That's why our experts handle the entire process for you.



# Choosing the Right Solution

**All trading relationships pose risks. Depending on the degree of risk to your business, choose from a range of reports tailored to your needs.**



## Performing Due Diligence

Assess the financial performance of suppliers or contractors at the start of the relationship or as an annual review.

Reports will include corporate information, the financial risk rating and the last three years of financial performance. Choose to include expert written analysis of the business's overall financial standing for added detail.

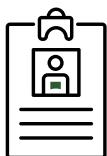


## Mitigating Mid-level Risk

Gain the recommendations of an expert financial analyst before entering into a new contract that poses a mid to high level risk.

Our team will assess the suitability of a contract value in comparison to key financial indicators to help you make a confident decision.

Risk assessment is also available for foreign entities and international suppliers, illustrated in their country's currency.



## Assessing Strategic Customers and Partners

We offer advanced report options for assessing high-value contracts and large suppliers. These are the partners that hold strategic importance to your organisation and require more in-depth investigation.

These tailored reports can include details of the organisation's management structure, key contracts and customers, and extracts of interviews with key decision makers.

Detailed analysis on focus risk areas and non-financial qualitative information is also available, offering you a holistic view of an organisation.

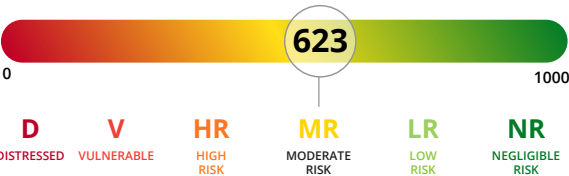
# The CreditSource Approach

Our financial risk reports adopt a standardised presentation format so comparing trading customers and partners to their industry peers is easy.

We present financial data using illustrative graphs and tables and, depending on your chosen report, offer written expert analysis that's succinct and simple to understand.

## Risk Score

### Financial Risk Rating



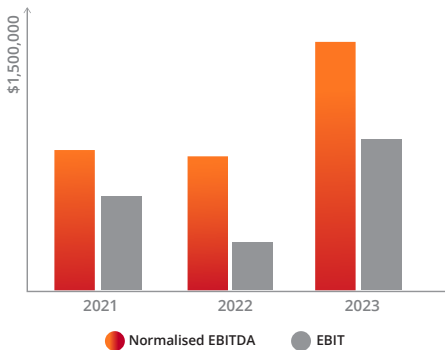
## Key Ratios and Trends

### Profitability

	2022	2023	FY2022 vs FY2023
Gross Profit Margin	47.11	51.41	▲ 4.29
EBIDTA	61,004	119,012	▲ 58,008
Current Ratio	1.55	1.54	▼ -0.01
Debt to Equity	0.14	0.14	▼ 0.00
Creditor Days	201.31	170.75	▼ -30.56

## Financial Comparison Graphs

### Normalised EBITDA & EBIT



## Assessment of Suitability

### Contract Value Assessment

Contract Value	\$2,500,000	✓
Rating	5.92/10	PASS
Revenue	86	
Profitability	65	
Leverage	20	

## Standardised Presentation

### Balance Sheet

	2022		2023
Total Current Assets	41,410	▼ -2,858	43,212
Total Non-Current Assets	82,666	▼ -1,738	74,788
Total Assets	124,076	▼ -4,596	118,000
Total Current Liabilities	39,008	▼ -1,364	39,441
Total Non-Current Liabilities	45,832	▲ 2,915	44,157
Total Liabilities	84,840	▲ 1,551	83,598
Share Capital	146	0	146
Total Equity	39,236	▼ -6,147	34,402

## Financial Assessment

### Revenue

The Group has displayed steady revenue growth, resulting from continuously undertaking new projects. The Group has not transformed into higher revenue, however, the pressure experienced by the industry has been a challenge as well. Accordingly, the profit before tax has reduced from \$2.5m in 2023. Nevertheless, the Group has recorded a profit of \$4.1m in 2023.

### Liquidity

The liquidity position of the Group remains strong, with the current ratio declining to 1.01X in 2023 from 1.30X in 2022. The company held cash amounting to \$6.1m in 2023, which increased from \$3.4m in the previous year. The ABC Projects Group has recently been granted a \$2.0

## About CreditSource

Our leadership team holds over 40 years' experience in financial analysis, driven by a passion to deliver innovative risk management solutions to the credit and procurement space.

Just like us, our clients come from a range of industries, including government, education, manufacturing, utilities and logistics. They face a common problem: how to mitigate financial risk and complexity when choosing suppliers, granting contracts and offering credit.

Our solutions are simple, data-driven and tailored to your needs. CreditSource delivers

comprehensive financial risk assessment reports with rigorous analysis into your trading partners. Equipped with the right information, you'll be able to make faster and more confident decisions.

We base our reports on only the data you need to know to maximise your business opportunities and reduce the risk of financial loss. This means they're affordable, succinct and cut through the confusion. Think of us as your partner in risk mitigation - we have the tools and expertise in-house so you don't need to.

### Our values

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#### **Customer first**

We ask ourselves "How does what we do today lead to our customers' success?"



#### **Do the right thing**

Call it as it is and provide straightforward solutions with integrity



#### **Be our best**

Excellence demands continuous development and hunger for growth



#### **Be bold**

We challenge the way things have always been done to find better solutions

### Our people

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CreditSource's experienced team of analysts specialise in financial risk mitigation. We come from a diverse range of backgrounds with superior market knowledge, apt at interpreting data in a clear and concise way. We're based in Melbourne and work with companies across the country.



## Our approach



We provide market-leading financial risk management solutions that are comprehensive yet affordable and easy-to-understand



We believe all businesses should have access to effective tools to make more informed financial risk decisions



Our focus is to use innovative methods to source data, analyse the data to uncover financial truths and present the findings in a simple way



Our standardised presentation format makes it easy to compare customers and suppliers to their industry peers

## Our strategic partnerships

We're proud to be the exclusive financial analytics partner to like-minded businesses across Australia, New Zealand and Europe. CreditSource works closely with these industry leaders to supply their customers with a range of financial risk assessment solutions.

### (creditor)watch

CreditorWatch is Australia's largest commercial credit bureau with 55,000+ customers.

Founded in 2010, CreditorWatch is dedicated to creating innovative credit management tools for small businesses and corporate enterprises.

[creditorwatch.com.au](http://creditorwatch.com.au)



New Zealand owned CreditWorks has been offering a suite of credit management services to Kiwis since 1998.

The team provides comprehensive company data through a real-time trade debtor credit reporting system.

[creditworks.co.nz](http://creditworks.co.nz)

### creditsafe

Creditsafe began in Norway in 1997 and has swiftly expanded to multiple offices across Europe, Asia and the United States.

Creditsafe has over 500,000 customers globally. The group holds commercial credit data on more than 365 million businesses worldwide.

[creditsafe.com](http://creditsafe.com)

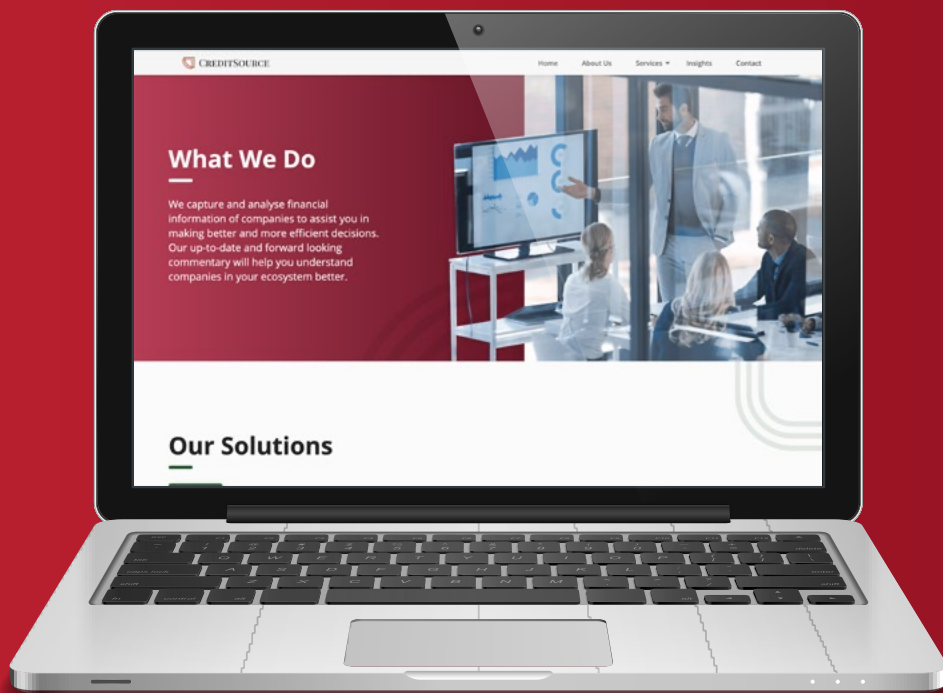
## Our financial risk management solutions

We offer bespoke financial risk assessment for the credit management and procurement space. Choose from a range of reports to suit the degree of risk to your business. Our reports follow a standardised format featuring simple-to-understand financial data with graphs, illustrations and expert analysis.

Our solutions help you:

- ✓ Increase revenue by providing credit through confident and efficient decisions
- ✓ Avoid critical supply disruptions and costly contract cancellations
- ✓ Manage adverse financial risk and avoid bad debt
- ✓ React quickly to changing macro factors and their effect on customers or suppliers





## Contact Us

[inquiries@creditsource.com.au](mailto:inquiries@creditsource.com.au)

[creditsource.com.au](http://creditsource.com.au)

+61 3 8768 9305

