

Dealnet Capital

Compounding Profitable Growth
Q4 2019

April 3, 2020

Cautionary Statement

This Presentation has been prepared taking into consideration information available and contains forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address Dealnet's expectations, should be considered forward-looking statements. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward-looking statements.

You should not place undue reliance on these forward-looking statements. These statements reflect Management's current view of future events and are subject to certain risks and uncertainties as contained herein and, in the Company's, other filings with Canadian securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company's actual results could differ materially from those anticipated in these forward-looking statements. Management undertakes no obligation to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events. Although we believe that these expectations are based on reasonable assumptions, we can give no assurance that those expectations will materialize.

Dealnet Vision: Compounding Profitable Growth

To provide an interconnected network of synergistic organizations that consistently deliver above average growth and profitability

EcoHome: To set the standard for profitable growth in specialized consumer finance lending, leveraging strong management expertise and technology to drive innovation, superior service and operational efficiency.

One Contact: To deliver our customers best-in-class omni-channel contact centre and back office solutions.



- Winning in the marketplace
- Dealer network with 2019 originations of \$60M with a risk adjusted margin of 4% (funders, salesforce, quality dealers, portal, competitive rate card, risk-based pricing)
- Opportunity to cross sell to 38,000 households and recent submissions

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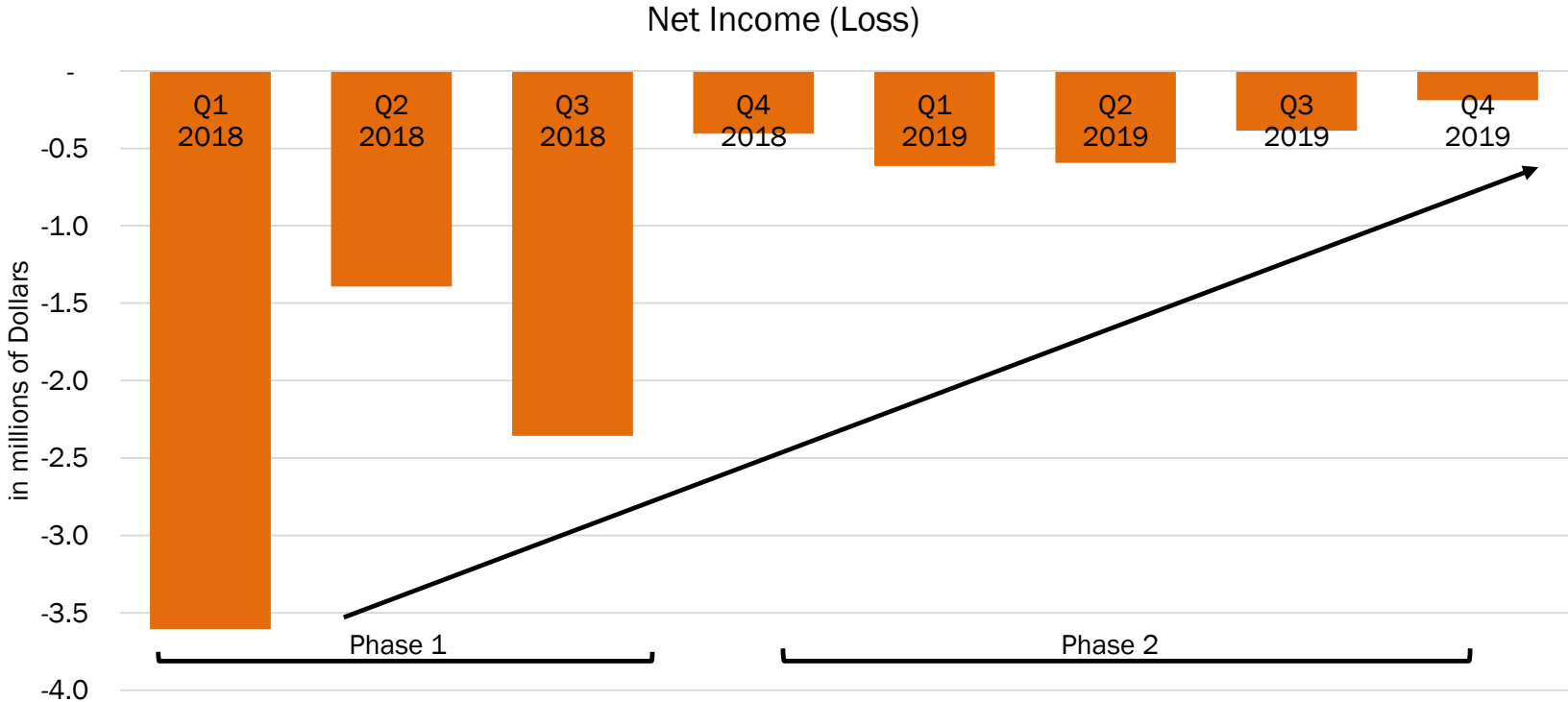
- US and Canadian operations
- Winning new accounts
- Renewed existing contracts at higher prices
- Proven omnichannel capabilities
- Able to exceed the requirements of its most demanding clients – no service level penalties in 2019

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- \$24M unbooked tax losses
- Commencing in 2022, Contractual residual cash of \$75M
- Rights to End of Term payments on 16,000 contracts (not contractual and not recorded in financials statements)
- Shareholder alignment - management and the Board collectively own 9% of all common shares (fully diluted for stock options held).

Path to Profitability

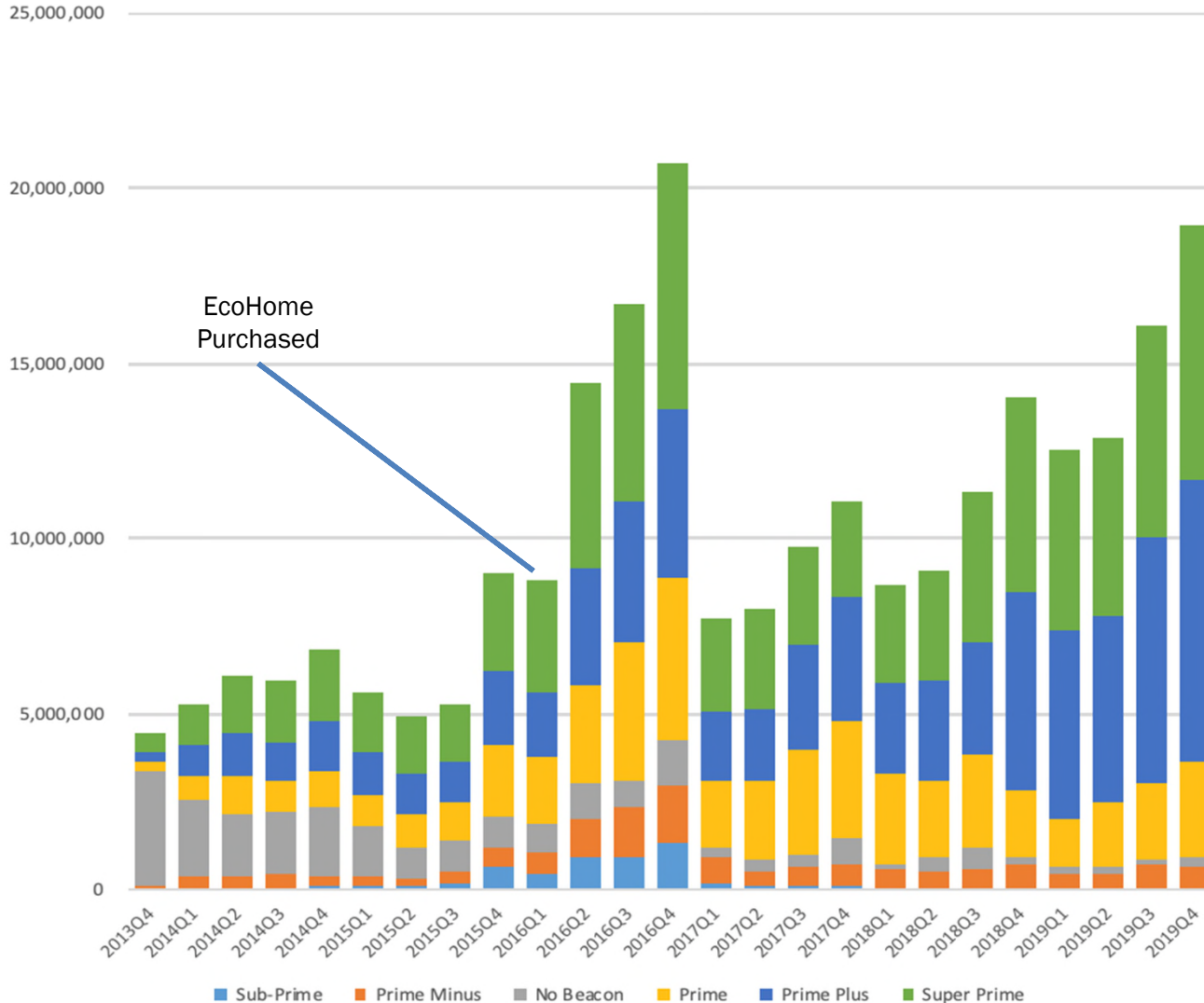


2019 provision for credit losses was \$1.27M (\$0.45M in 2018) which included an increase of provision for future credit losses and actual realized credit losses. The increased IFRS 9 provision for future credit losses was driven by a more refined analysis of the portfolio used to determine expected losses, along with changes to the underlying variables and methodology used for stress testing for changes to macroeconomic factors.

	2019	2018
Allowance for credit losses/gross finance receivables	1.05%	0.95%
Total delinquent accounts/gross finance receivables	4.31%	5.84%

Profitable Originations – 36% YOY Growth

Quarterly Originations
\$ by Credit Tier

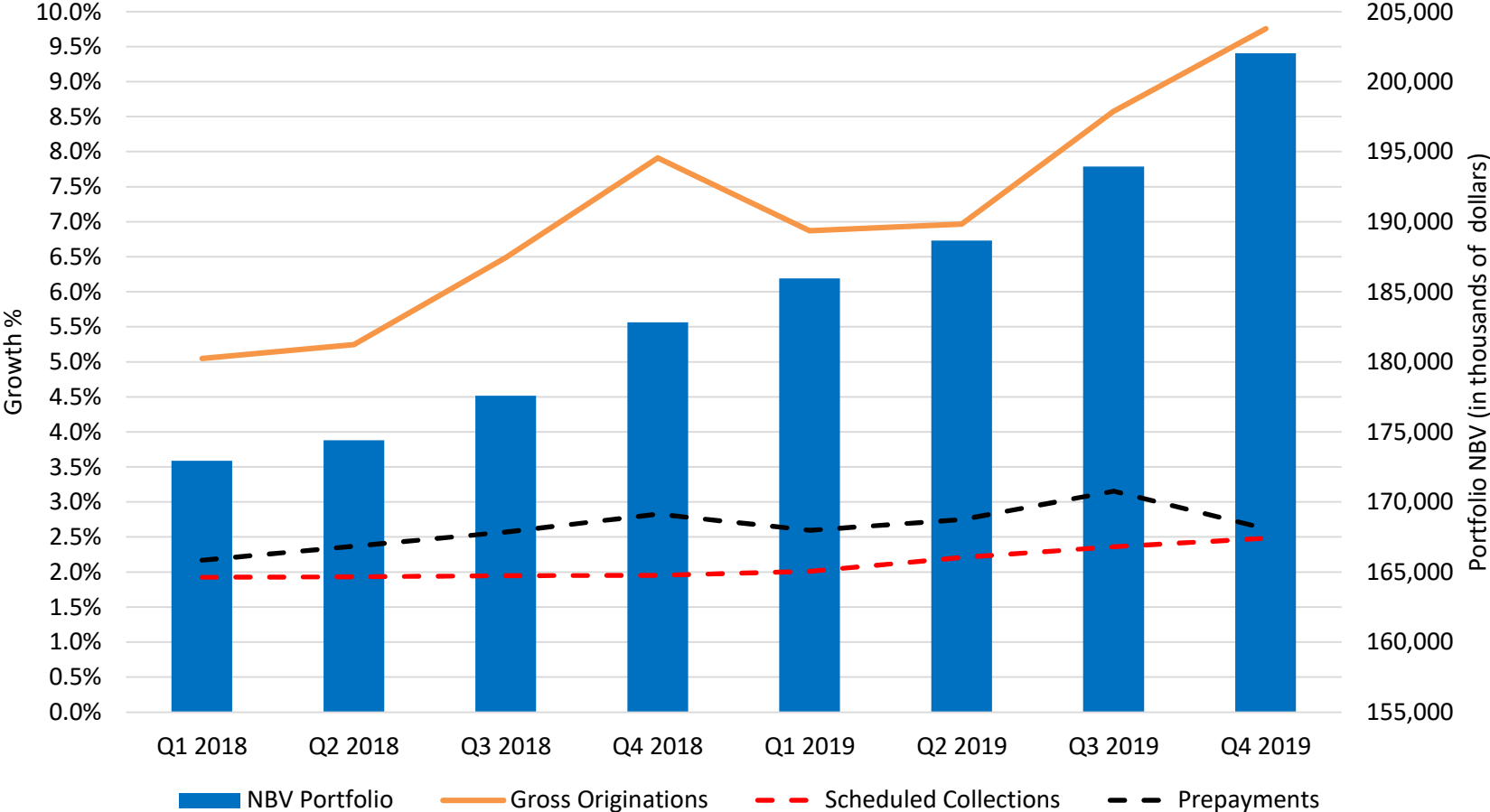


Regional	%
Ontario	48%
Quebec	25%
Maritimes	17%
Western	10%
Total	100%

Product Split	%
HVAC	59%
Water	18%
Home Improvement	21%
Pools & Spas	2%
Total	100%

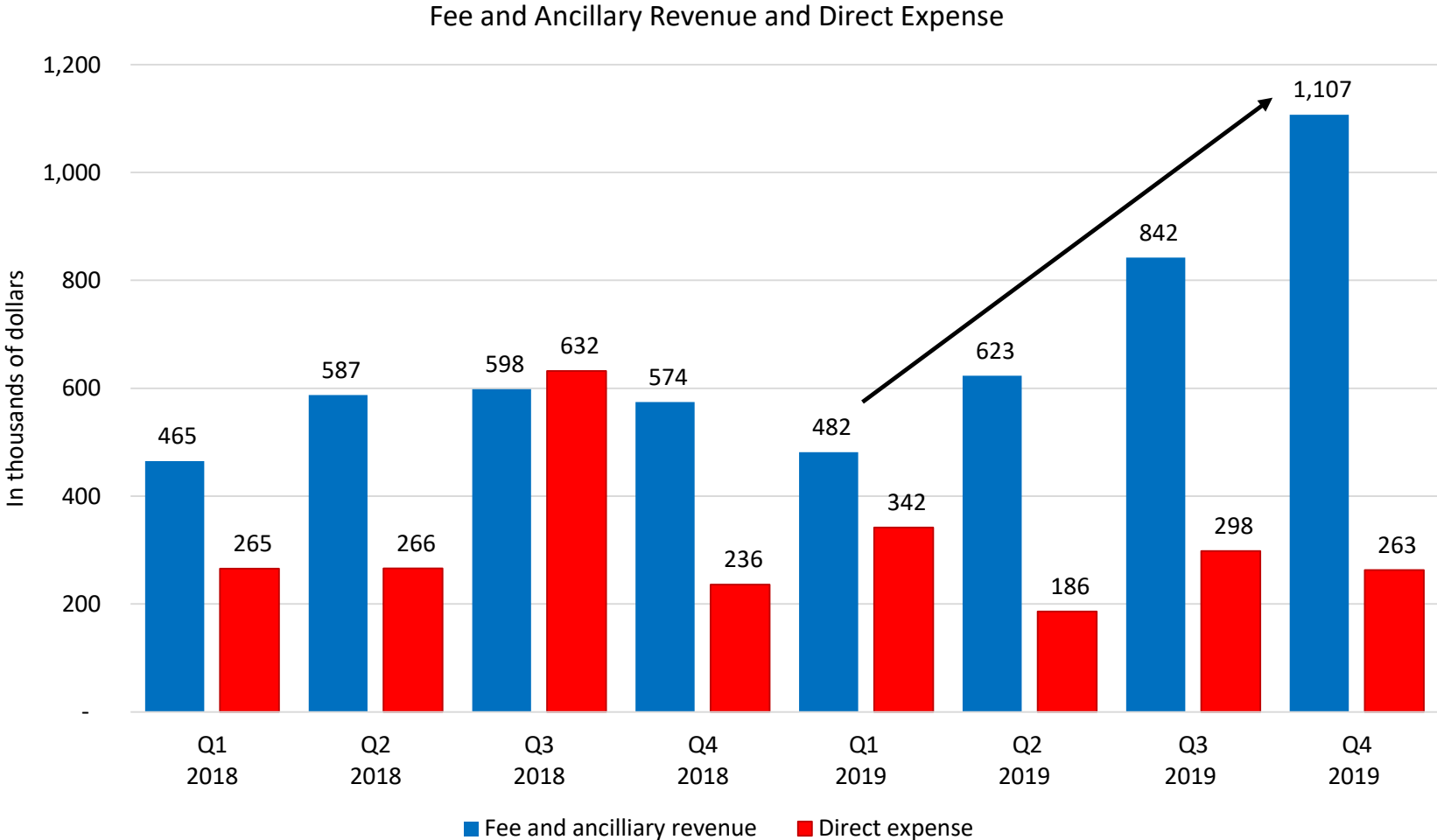
Quality Portfolio - 10.3% YOY Growth

Net Portfolio Growth as a % of Opening Portfolio Balance



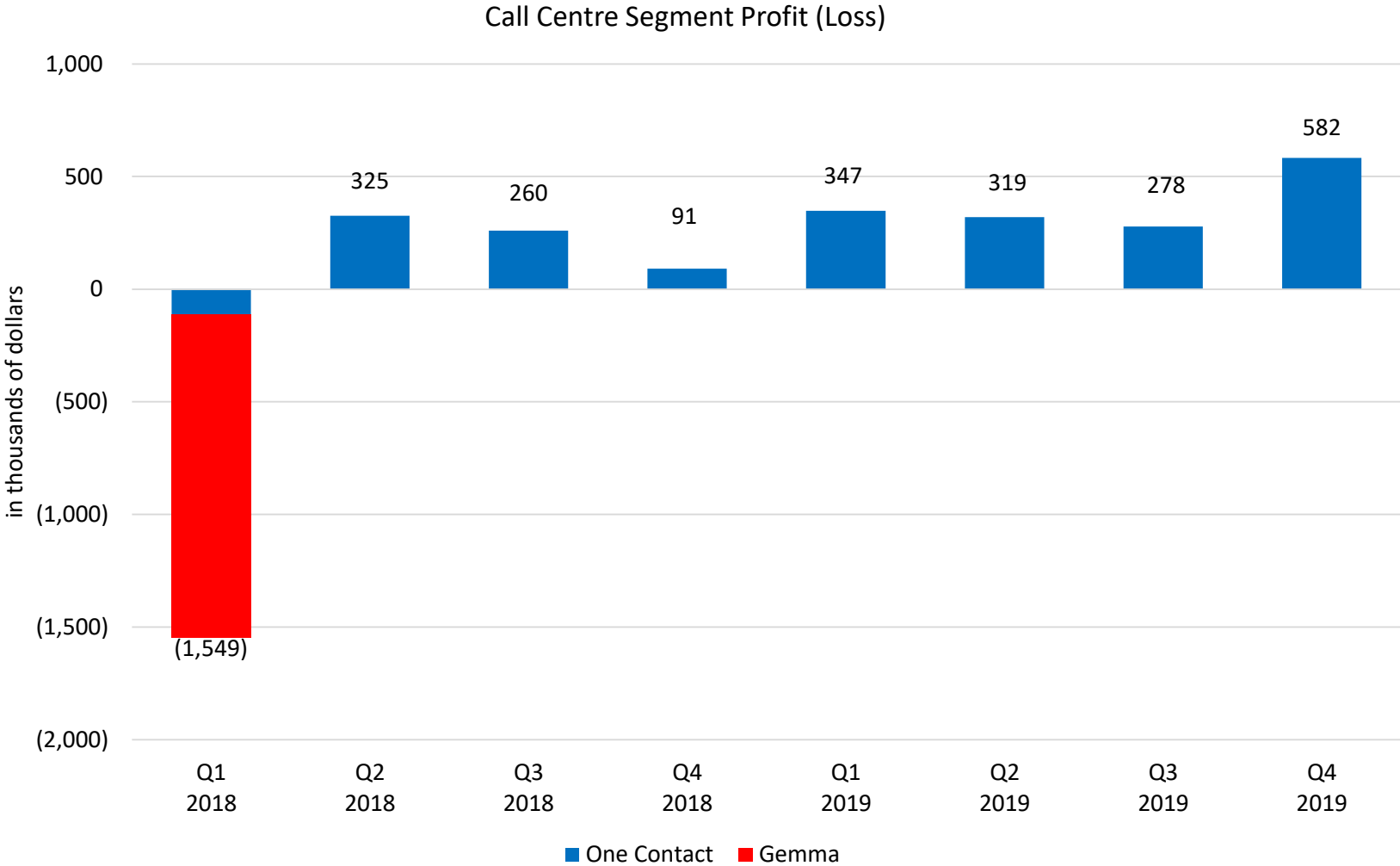
Initiatives to reduce prepayments: increase administration fees, and clawback of rebates, commissions and promotional incentives

YOY Fee Growth of 37%

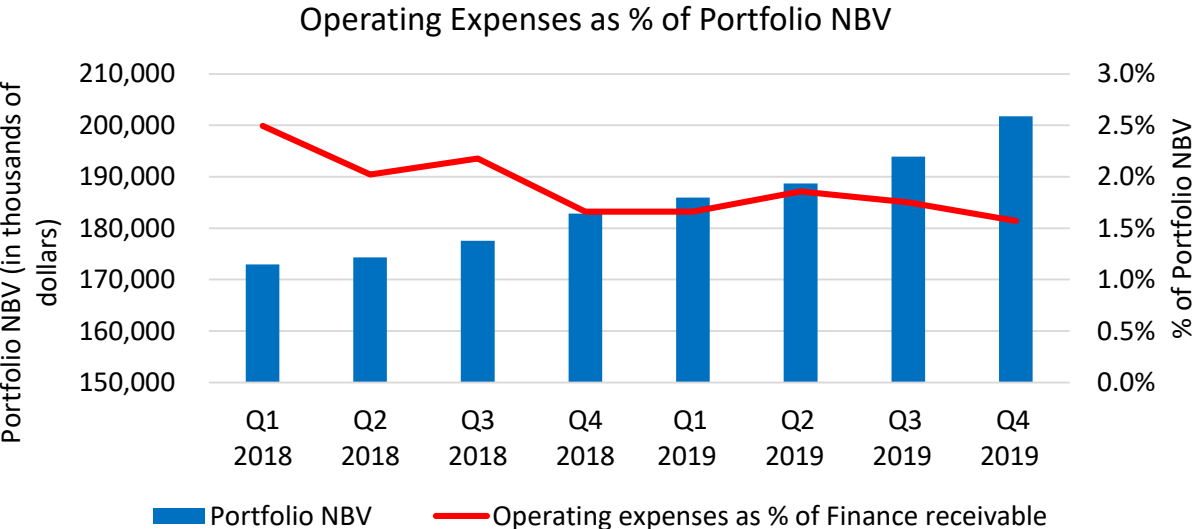
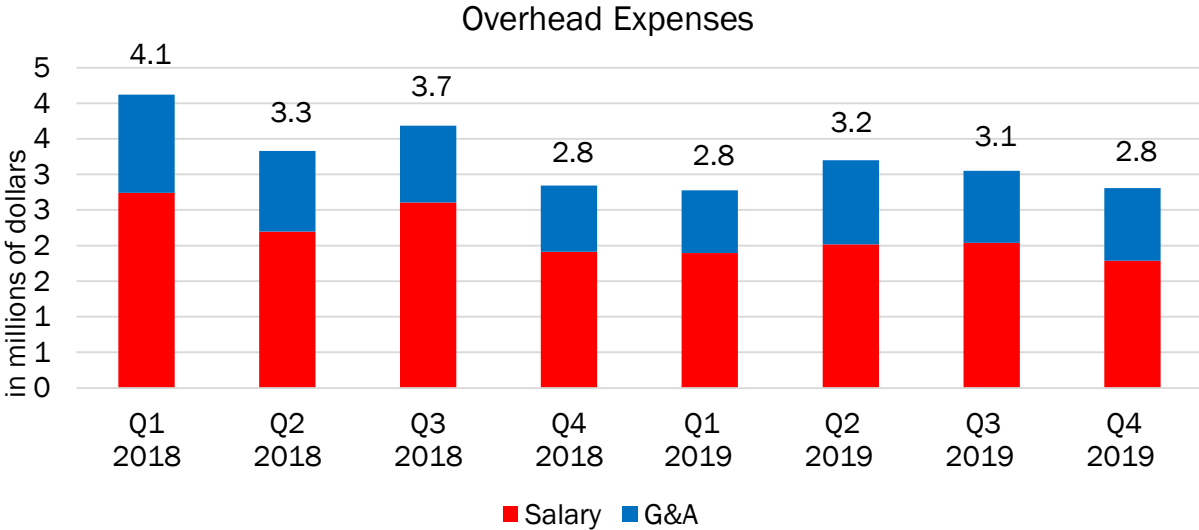


Direct expenses being contained through use of Bots and other technologies. Given responsibility for service on 16,000 leases, has taken proactive steps to control the cost of serving its leased equipment

YOY One Contact's Gross Profit Increase of 19%



Cost Rationalization - \$1M per month



Core Management Priorities for 2020

a) Drive profitable origination growth to get to scale

- Increase credit penetration through focused training to our dealer base
- Acquire new dealers as competitors experience organization changes
- Enter new dealer verticals
- Implement a new credit scorecard
- Reduce prepayments
- Launch credit and debit card processing services
- Build out marketing capabilities
 - i. Targeted dealer events
 - ii. Creation of a dealer advisory board
 - iii. Build out a social media presence

b) Grow One Contact

- Continue to convert new business opportunities
- Integrate more of EcoHome operations into One Contact

c) Deploy technologies that generate positive returns

- Continue to implement and Robotic Process Automation (“RPA” or “bot”)
- Continue to develop our custom dealer portal to ensure best-in-class dealer and consumer portal
- Improve the effectiveness of the Company’s collection activities

d) Execute strategic plays

- Build and grow strategic partnerships to monetize the Company’s existing customer base
- Explore accretive acquisitions which require a low level of capital investment

COVID-19

- DealNet's priority is the safety and well-being of its employees and ensuring the Company's business continuity plans are carefully executed.
- **COVID-19 will:**
 - decrease originations and fees;
 - reduce call centre volumes and could result in the complete closure of either or both call centres;
 - increase credit spreads on securitizations; and
 - increase the level of delinquencies.
- At this time, it is not possible to determine the financial and cash flow impact of COVID-19.
- While the Company has been successful in obtaining financing in the past, there is uncertainty that such financing will be available given COVID-19's impact on the financial markets. In addition, Capital Partners' nomination of alternate directors creates additional uncertainty about the future direction of the Company and prevents the Company from raising any equity or debt which could result in shareholder dilution.

Built for Compounding Profitable Growth

