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2021 AGM – Chair and CEO Address

hipages Group Holdings Limited (ASX:HPG) (“hipages” or “the Company”) provides the following in relation to the Company’s 2021 Annual General Meeting:

- Chair Address – Chris Knoblanche; and
- CEO Address – Roby Sharon-Zipser

Ends

Authorised for release to the ASX by the Company Secretary.

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About hipages

hipages is Australia’s largest online tradie marketplace and Software-as-a-Service (SaaS) provider connecting tradies with residential and commercial consumers across the country. The platform helps tradies grow their business by providing job leads from homeowners and organisations looking for qualified professionals, while enabling them to optimise their business through our SaaS product. To date, over three million Australians have changed the way they find, hire and manage trusted tradies with hipages, ultimately providing more work to over 34,000 trade businesses subscribed to the platform. The hipages app is available for download on the App Store and Google Play. www.hipagesgroup.com.au

hipages Group Limited 2021 AGM

Chair Address

Ladies and Gentlemen,

In its first year as a listed company, the past year has been a successful one for hipages Group as the Company continues to strengthen its market leadership position as Australia's largest online tradie marketplace and Software-as-a-Service (SaaS) provider.

Despite the challenging macroeconomic and operational conditions COVID-19 has continued to present for Australia, hipages Group delivered a strong performance to outperform its upgraded Prospectus forecasts and deliver growth across all key metrics.

The strong performance is testament to the hard work of the hipages Group team, led by our CEO and Co-Founder, Roby Sharon-Zipser, and their commitment to providing excellent products and service to hipages' tradie customers, which now number more than 31,000 subscription tradies.

The market opportunity for hipages Group is significant, with a huge total addressable market and a very small market share.

There are also highly favourable macroeconomic trends, including many we believe will be long-term tailwinds for hipages Group. Some of these trends pre-dated the emergence of COVID-19, and some have emerged since.

We have seen the continuation of Australia's burgeoning home improvement market, with unprecedented levels of activity underpinned by long-term low interest rates, rising home values and strong household liquidity.

We continue to spend more time at home than we did before, and as property values continue to rise to record levels, discretionary spending on the home has increased in step.

According to our latest research, 39% of Australians saved more in lockdown, on average an extra \$800 per month per household, and 64% plan to put these savings towards work on their home.

The current demand for tradies in Australia is unprecedented due to a range of factors changing the way we live and work. We estimate a huge \$34 billion worth of tradie jobs will be up for grabs in the next six months alone.

We have also seen an acceleration in the rate of adoption of digital technology and a rapid migration online. For home improvement, a field that has traditionally lived in the physical world, the movement

online of jobs that would usually be advertised on traditional mediums and negotiated in person or over the phone, has been a major validation of hipages Group's model.

From our research we know that a quarter of Australian homeowners now use mobile applications at least fortnightly to book services, and hipages Group is capturing a growing share, with 1.53 million jobs booked through the hipages platform in 2021.

As Australia's largest online tradie marketplace, hipages Group is ideally positioned to benefit from the structural shift to online and will continue to invest in developing its platform and capabilities to strengthen its position.

Since I joined hipages Group as Chair in March 2020, it has been satisfying to watch the business grow in size and capability and to see Roby and the leadership team continue to develop and execute a winning strategy.

The strategy is simple and it has never been clearer.

hipages Group will continue to focus on growing its core home improvement category, while investing in its technology to improve the experiences for consumers and tradies and grow its already substantial base.

It will also continue to develop adjacent opportunities to further support the on-demand tradie economy and increase the value of being on the hipages platform.

Alongside its strong organic growth runway, hipages Group will pursue disciplined inorganic growth opportunities that provide access to adjacent categories, capabilities and markets.

Underpinning the strategy and growth plans is hipages' strong consumer brand, and the Company will continue to invest towards growing its brand to strengthen its market leadership position.

hipages Group has a clear vision, purpose and goal - to win the tradie economy - which the Board and I are proud to be part of.

Looking ahead, the Company is well placed to capture the significant market opportunity ahead of it, with highly favourable structural market tailwinds, a strong brand, winning strategy and the team to deliver it.

On behalf of the Board, I would like to thank Roby and the hipages Group team for their efforts in FY21. Without your commitment to excellence, the Company's success would not be possible.

I would also like to thank my fellow Board members for their valued counsel this year, and importantly you, our fellow shareholders, for your continued support.

I will now hand over to Roby to talk more about the financial and operational performance of hipages Group in FY21, as well as providing some colour around current trading and the outlook for FY22.

Thank you.

Chris Knoblanche AM
Non-Executive Chair

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hipages Group Limited 2021 AGM

CEO Address

Good morning shareholders and thanks for joining us today, I'm Roby Sharon-Zipser, CEO and Co-Founder of hipages Group.

Australia's largest online tradie marketplace and SaaS provider

When I co-founded hipages 17 years ago, it was to solve a simple problem.

For homeowners, finding and arranging tradespeople for home improvement jobs was a difficult, slow process that involved a complex web of advertising services and word of mouth, with no more than a handshake agreement and no way to know the quality of people completing the job.

For tradies, there was no central marketplace where they could go to find jobs, be rewarded for their high-quality work, and find tools to help them to manage and run their businesses.

Now, 17 years on, hipages has grown to become Australia's largest online tradie marketplace and SaaS provider, creating effortless solutions that help tradies streamline their business and delight their customers.

Our goal is to win the tradie economy and this is underpinned by a clear purpose, to transform the trade industry, building better lives for everyone, and a vision to be the most trusted partner in the trade industry.

We connect consumers with trusted and fully vetted tradies, at speed, and provide tradies with the type of work they want, when and where they want it.

FY21 business highlights

FY21 was a milestone year for hipages, our first as a listed company after we listed on the ASX in November 2020.

In FY21, we delivered a strong performance across all of our key metrics, and achieved our upgraded Prospectus forecasts for revenue, EBITDA and NPAT.

Our unique and entrepreneurial culture is very important to us and I am very proud to say that we were awarded #2 Best Place to Work in Australia in the 2021 Best Places to Work study. This award is a welcome recognition of our commitment to making hipages Group a great place to work, and also

important for our ability to attract and retain the amazingly talented people we have working at hipages in an ultra-competitive technology sector.

We continued to roll out enhancements across our product portfolio and continued to transition to a subscription-only model, which drives higher ARPU and recurring revenue growth.

We also continued to grow our brand and deliver a strong customer experience, resulting in increased jobs from repeat consumers and unpaid channels.

Importantly, we successfully launched Tradiecore, our field service software solution in June this year. Tradiecore is a Software-as-a-Service (SaaS) product that helps tradies to efficiently manage their business, while simultaneously enhancing the experience for consumers.

The launch of Tradiecore is important for hipages for several reasons. It will enhance the stickiness of our platform as tradies recognise the power of its value-added features and insights, while providing opportunities for hipages to offer tradies new products and services and open new revenue streams. Importantly, less time spent on administration which means more capacity for tradies to focus on their work, which means more supply to match the huge consumer demand we continue to see on our platform.

We are well positioned to benefit from the buoyant home improvement market, and we continue to pursue job channel expansion and ancillary revenue opportunities, including our recently- announced investment in Bricks + Agent, which I will talk more about later.

FY21 financial overview

Creating a successful marketplace isn't easy. It takes time, persistence and resilience to be successful and we were very pleased to demonstrate this in FY21.

hipages delivered a strong financial performance, with record revenue and EBITDA. MRR was up 27% to \$5.2m, recurring revenue up 25% to \$52.7m and total revenue up 19% to \$55.8m.

We delivered a gross margin percentage of 85%, a significant step up on the prior year, and our pro forma EBITDA of \$11.7m beat our upgraded guidance and was up by 91% on FY20. Our pro forma NPAT of \$1.2m was 128% higher than the prior year.

It was very pleasing to see growth across the board in our key drivers, as subscription tradies grew by 12% to 31.2k, ARPU rose by 29% to \$1,536, and job volume increased by 12% to 1.53m jobs on the hipages platform.

This strong result is due to the changes we have made in the business model and the focused execution of our strategy, including our transition to a subscription-only model, and a continued focus on disciplined expense management by our team.

Delivering sustainable growth

This is a slide I really like as you can see the transformation of the financial profile of our business over the last three years, as we have delivered consistent growth in revenue, EBITDA and operating cash flow.

We have big ambitions for hipages, and we believe we can deliver sustainable revenue growth and increased profitability over the long-term.

Large addressable market with small market share

This year we expanded our research into the Australian tradie economy and have developed a more detailed view of the market, which has revealed the current total addressable market (TAM) to be even larger than we thought at over \$110bn.

hipages' gross marketplace volume (GMV) is calculated to be \$2.6bn, so even as the market leader in Australia, our market share is still very small at only 2.4% of the TAM, and our take rate, that is the proportion of revenue we take from each transaction through our marketplace, is only 2.1%.

Similarly, we have only 5% share of the wallet of the \$1bn tradies spend on advertising in Australia, and while our 34.5k tradie customers makes us the largest tradie marketplace in Australia, we still only have a 13% share of the 257k trade businesses in Australia.

All of this tells us that we have a huge potential for growth ahead of us.

Overall strategic opportunity

Those shareholders who have followed our presentations over the last 12 months will be familiar with this slide and how it has evolved as we have done more work on the on-demand tradie economy. It represents the overall strategic opportunity across the hipages ecosystem.

We have gone further to segment the opportunity to look at the TAM at a more granular level. Our TAM is over \$110bn, which now includes commercial tradie work, where we only have a minor presence to date.

We have also expanded our knowledge of what the market is spending in different channels and gone deeper to understand the cost structure of the tradie category and can see clearly where tradies spend their money to run their businesses.

To date we have mainly participated in the marketing segment which accounts for \$1bn of tradie spend and know there is a huge opportunity for us to provide a range of ancillary products and services, many of which will be made possible through Tradiecore. We will continue to look for opportunities to seamlessly integrate and participate across the entire tradie value chain.

Strategy execution

We have real clarity about our strategy and I am very proud of what we have delivered to date, but there is so much more to come.

In FY21 we invested heavily in marketing which has significantly improved our brand awareness, and we also continued to roll out our subscription-only product and refine our cost structure and the unit economics of the business. As I mentioned earlier, we launched Tradiecore which is an important step in our evolution to a full-service SaaS model.

The next two years will be about continuing to enhance our platform and the experience for tradies and consumers, with our planned roll out of a payment solution and expanding our customer targeting for medium to larger businesses which drives higher ARPU.

We will also continue to look for inorganic opportunities that complement hipages' offer, and I am excited to tell you more about our recently announced investment in Bricks + Agent.

Bricks + Agent

Last week we announced that we have made a strategic investment in Bricks + Agent, one of Australia's leading property management software platforms.

Bricks + Agent provides a technology solution to streamline the property maintenance process, solving the headache of property maintenance and repair for property managers.

Bricks + Agent was founded in 2016 by Rafael Niesten and Jon Stul, and has 380k users, a pipeline of almost 500k properties under management, and 23k tradies on its platform. It has strategic partnerships with leading Australian property management software providers and a blue-chip client base of property management agencies.

We have been following the team's progress for several years and have been really impressed to see them develop a market-leading technology solution that makes life easier for their customers, which is exactly what we are doing at hipages for our customers.

Strategic investment in Bricks + Agent

Bricks + Agent is a great cultural match for us and fits perfectly with our strategy to expand into adjacent markets, and the \$21bn residential and commercial property management TAM is a huge opportunity for us.

Our 25% investment will give us exposure to Bricks + Agent's significant user and tradie base, where there are opportunities for cross-selling and lead generation, and minimal overlap between our tradie bases. For Bricks + Agent, it will provide capital to further accelerate in their ambitious growth plans and our CFO and COO Melissa Fahey will join Bricks + Agent's board to help them achieve their goals.

COVID-19 impact

For the first quarter of FY22, we were pleased to deliver a resilient performance despite the ongoing impact of COVID-19 lockdowns.

I am extremely proud of the way our team has supported our tradie customers and consumers during this period. This included rolling out an industry first digital COVID-19 safe badge for fully vaccinated tradies, implementing contract pause, short-term discounts and lead credit extension, special offers for new tradies to kickstart their experience and frequent communication to inform tradies of restrictions and opportunities in their areas.

Before the latest round of lockdowns, we expected the strong revenue growth rate we reported in Q4 FY21 of c.20% to continue, however in Q1 lockdowns have had a moderate impact on revenue growth as expected, with total revenue was up 14% on pcp or 19% excluding the impact of the additional credit notes.

While lower revenue and action taken to support customers also impacts EBITDA margin in the short-term, we are extremely confident that it will benefit hipages over the long-term.

FY22 outlook

As you can see in the chart on the right hand side of the slide, the strong bounce back in platform activity we expected has occurred, with a significant rebound in registrations and jobs, and therefore we expect the revenue run rate exiting FY22 to be the same as we expected before the lockdowns.

As a reminder, we have always flagged FY22 as a year of elevated investment as we continue to invest aggressively towards growth to capture the huge near-term opportunity. Naturally, the lower revenue and action we have taken to support our customers also impacts our margins in the short-term.

As a result of these factors, in addition to development costs associated with the investment in Bricks + Agent, we expect our EBITDA margin for FY22 to be lower than FY21, with the margin returning to FY21 levels by the end of FY22, with margin expansion from FY23.

We will continue to invest for growth and to strengthen our market leadership position, having continued to show the strength and resilience of our business model in a challenging period for the Australian trade industry, and we expect to end the year with the same strong momentum we had before the latest round of lockdowns.

The opportunity for hipages remains as attractive as ever, and we are excited about the coming months as Australians get their homes ready for a special and well-deserved holiday period spent with family and friends.

I am so proud of the business we have created and the results we have achieved this year. However, there is still so much more opportunity ahead of us, and much hard work to do. We will continue to

invest towards improving our capabilities, growing our brand and pushing relentlessly to further our market leadership position and drive long-term profitable growth.

I would like to thank the amazingly talented and passionate team at hipages for their hard work this year. Without you, our business would not have been able to deliver such a strong performance.

Thanks also to our shareholders for your continued support. I look forward to telling you more about our progress as we move further into FY22.

Roby Sharon-Zipser
CEO & Co-Founder

CEO's address



ROBY SHARON-ZIPSER
Chief Executive Officer & Co-Founder

Australia's largest online tradie marketplace and SaaS¹ provider, creating effortless solutions that help tradies streamline and grow their business and delight their customers

FY21 business highlights



Strong performance in all key metrics as hipages achieves upgraded guidance for revenue, EBITDA and NPAT



Awarded #2 Best Place to Work in Australia in the WRK+ 2021 Best Places to Work study



Product enhancements and transition to subscription-only model drive higher ARPU and recurring revenue growth



Consumer trust and brand awareness drive flywheel effect, **increasing jobs from repeat consumers and unpaid channels**



Successful launch of Tradiecore field service software the next step in evolution to full-service SaaS model



hipages uniquely positioned to benefit from structural tailwinds driving buoyant home improvement market



Actively pursuing job channel expansion and ancillary revenue opportunities

FY21 overview

Revenue

\$5.2m

MRR¹ Up 27%



\$52.7m

Recurring revenue² Up 25%



\$55.8m

Total revenue Up 19%



Profitability

85%

Gross margin³
(FY20: 79%)



\$11.7m

EBITDA⁴ Up 91%
EBITDA margin 21%



\$1.2m

NPAT⁵ Up 128%



Key drivers

31.2k

Subscription tradies Up 12%



\$1,536

Total Tradie ARPU⁶ Up 29%



1.53m

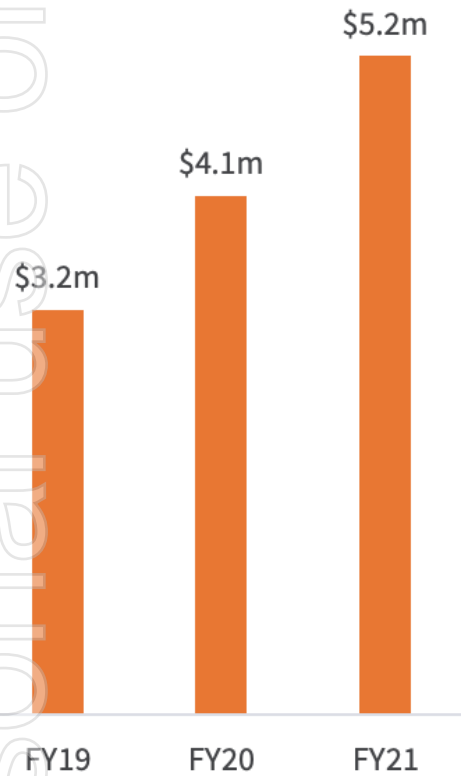
Job volume Up 12%



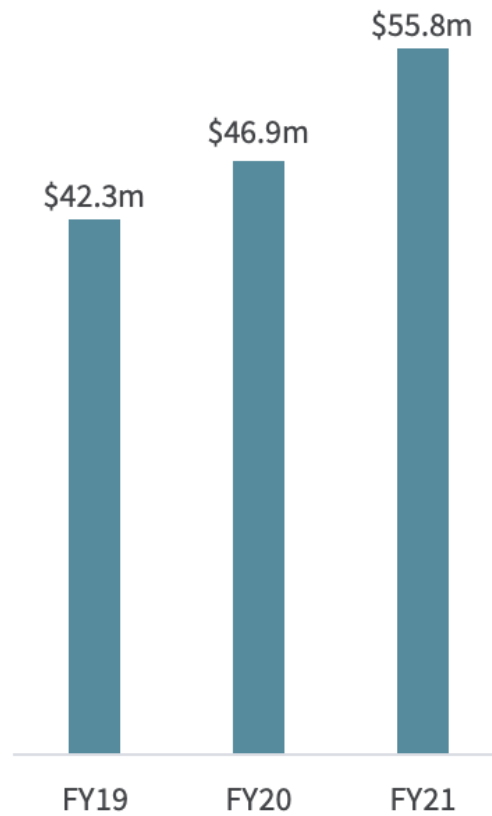
1. Monthly Recurring Revenue @ June 2021 (includes GST).
2. FY21 revenue represents Statutory and Pro Forma revenue. FY20 Statutory revenue includes discontinued operations.
3. Gross profit margin includes total revenue less cost of sales (consumer and tradie SEM spend and merchant fees).
4. Pro Forma EBITDA before significant items
5. Pro Forma NPAT
6. Average Annual Revenue per Tradie ("Total Tradie ARPU") is the annual operating revenue divided by the average of the opening and closing number of total tradies for the period.

Delivering sustainable growth

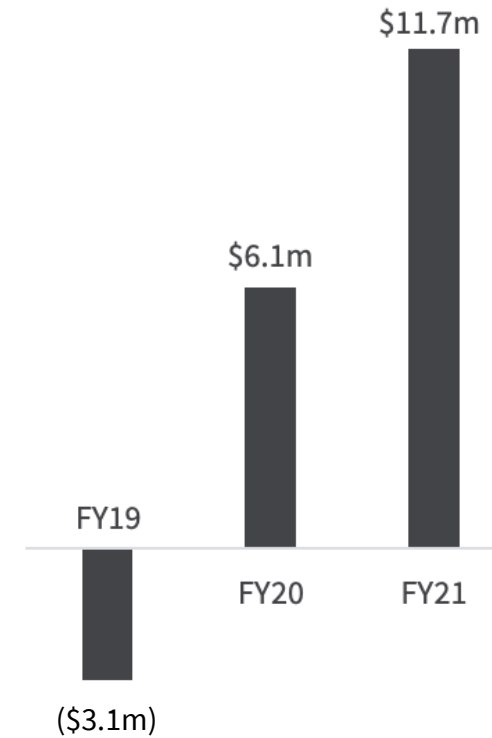
MRR



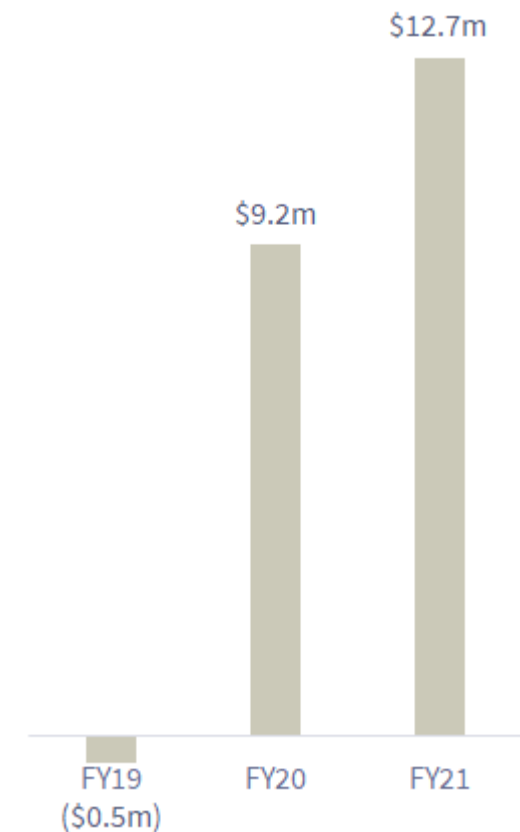
Total Revenue



EBITDA



Operating cash flow

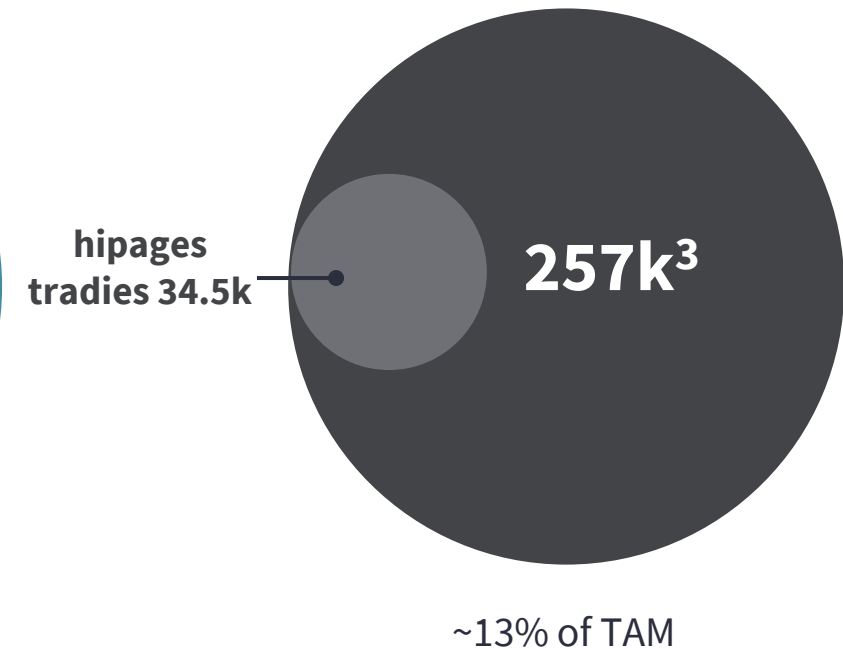
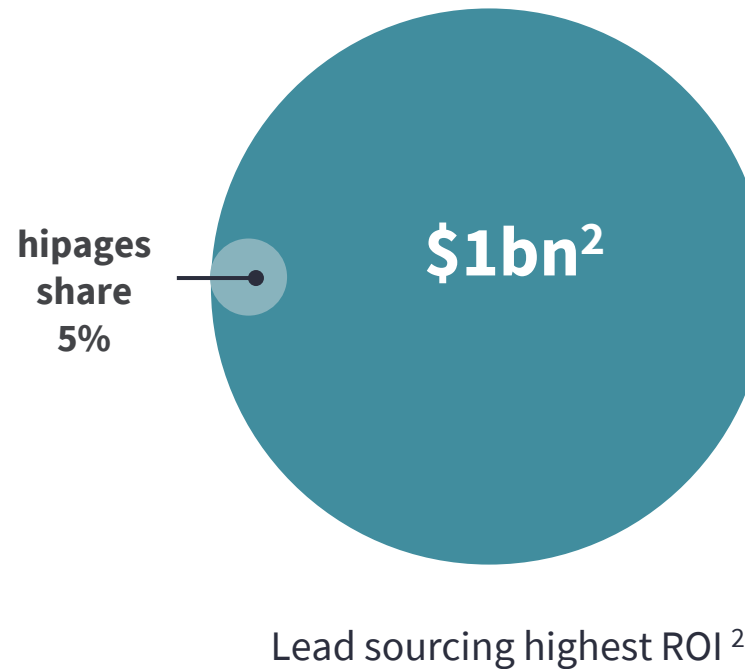
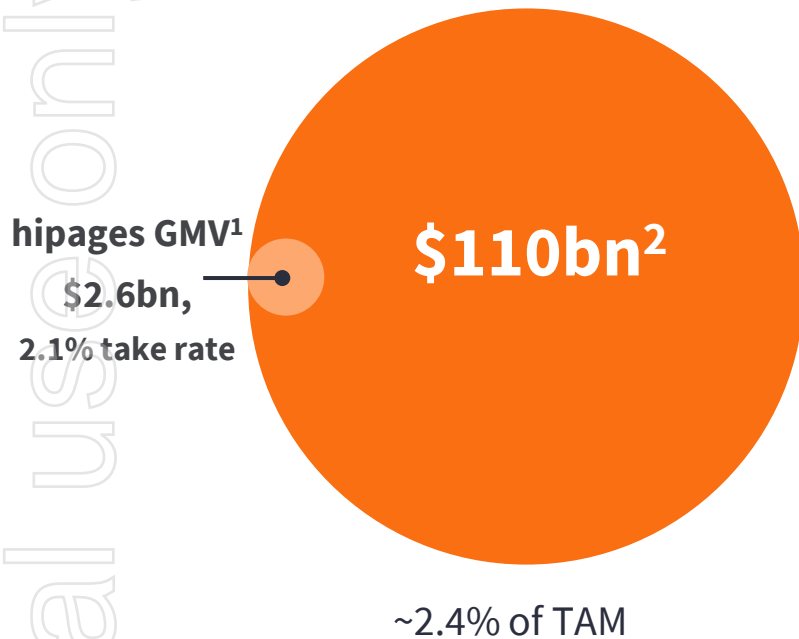


Large addressable market with small market share

Total Addressable Market

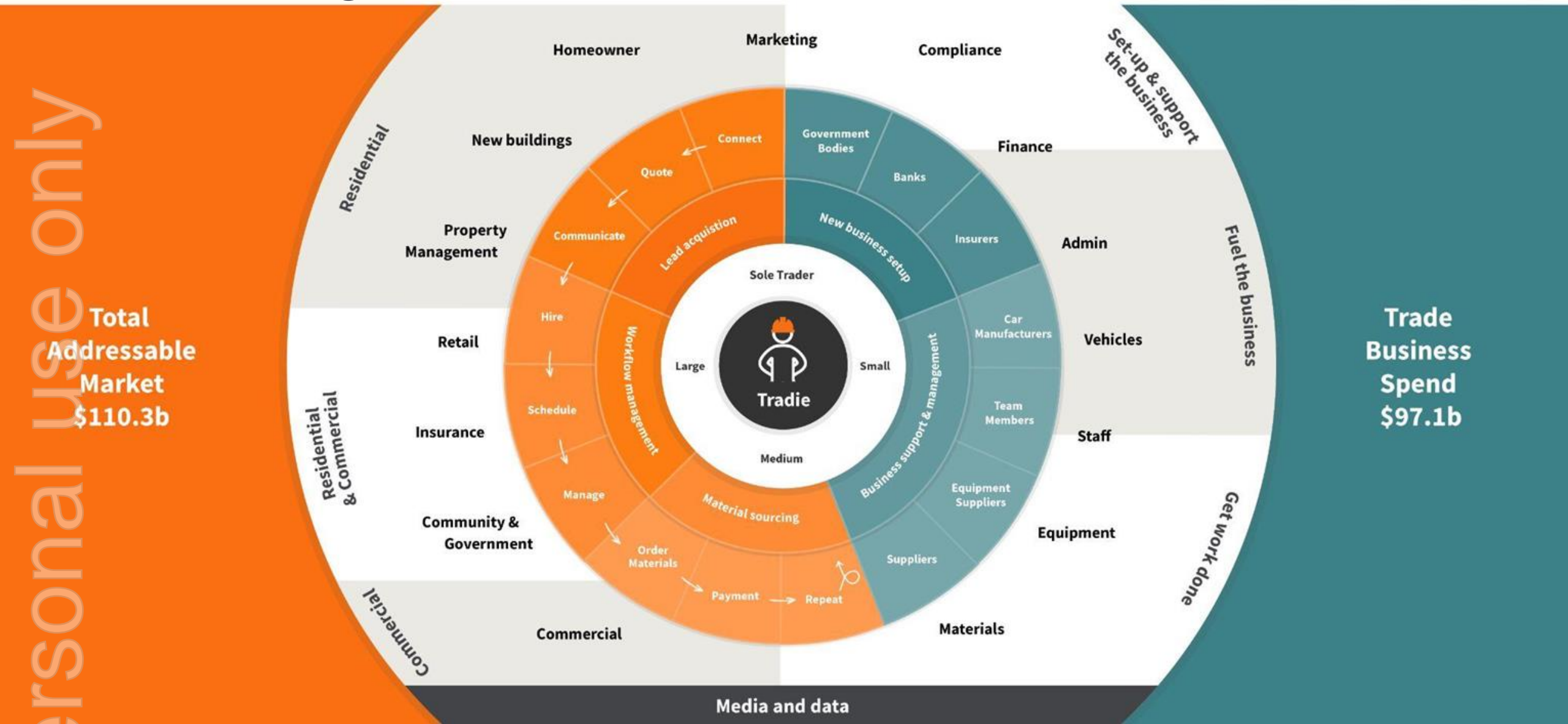
Tradie advertising spend

Trade Businesses

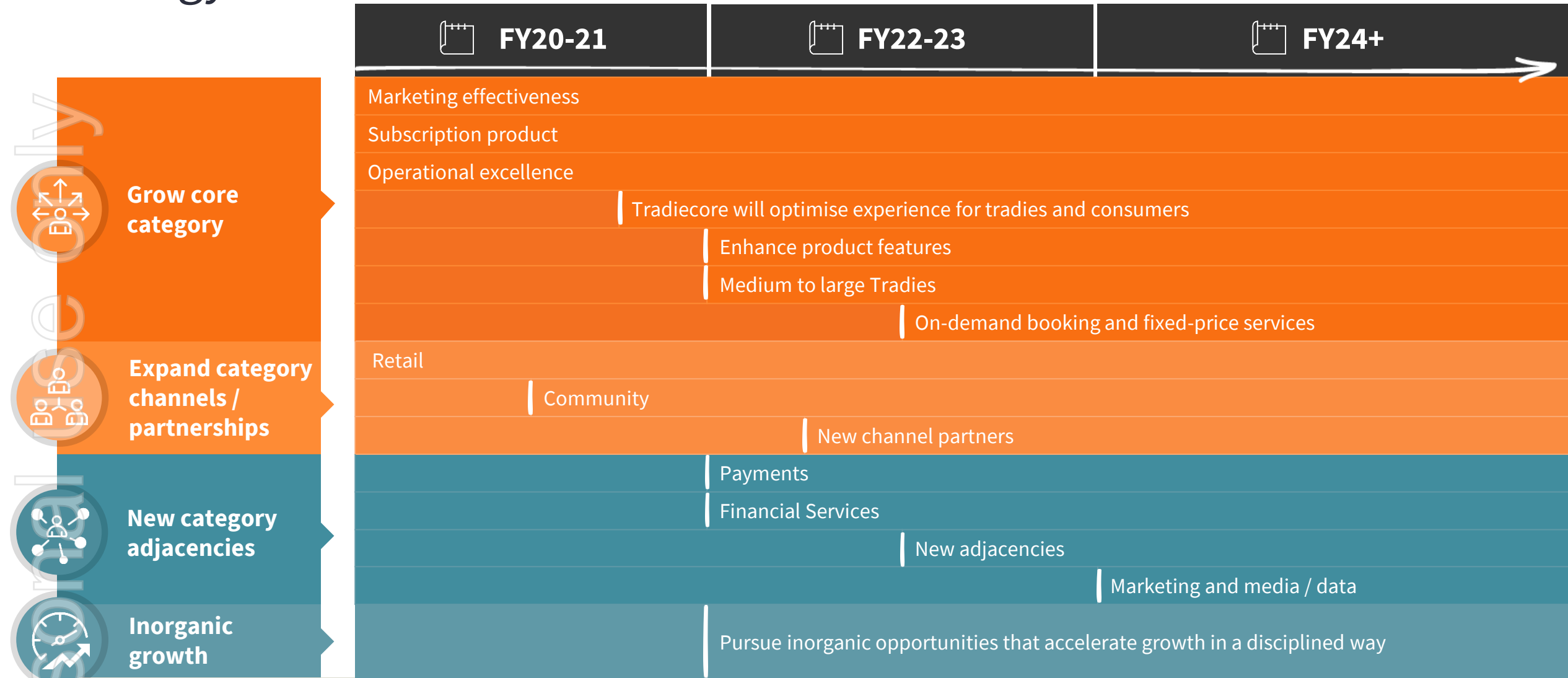


Large opportunity to increase our share of TAM and take rate beyond 2.1%

Overall strategic opportunity



Strategy Execution

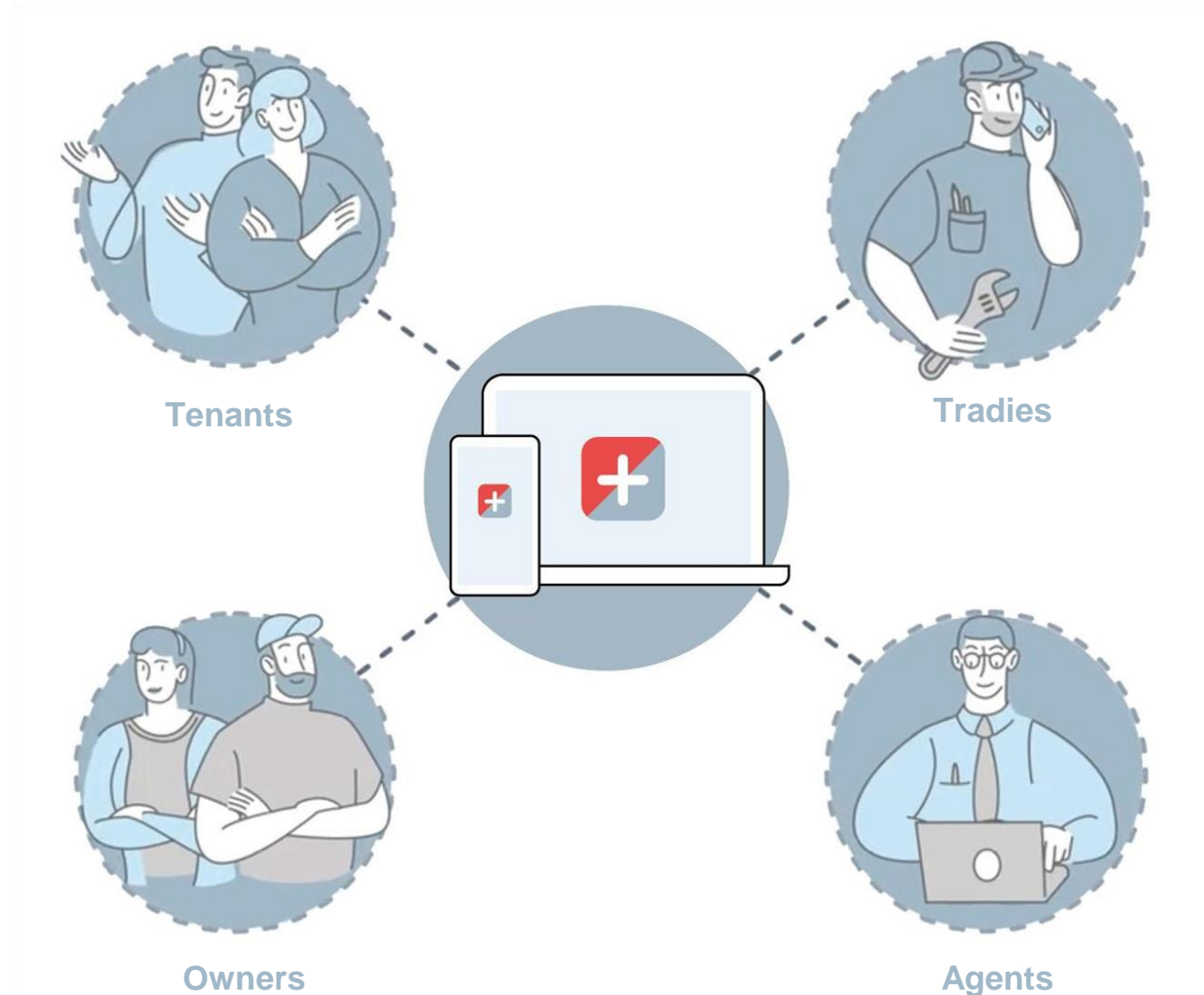


Data innovation supporting key business growth drivers



Bricks+Agent

- ✓ One of Australia's leading property management technology platforms
- ✓ Solves headache of maintenance and repair for property managers
- ✓ 380k users, 23k tradies on platform
- ✓ Pipeline of almost 500k properties
- ✓ Strategic partnerships and blue-chip client base
- ✓ Significant domestic and international growth ambitions



Strategic investment in Bricks + Agent

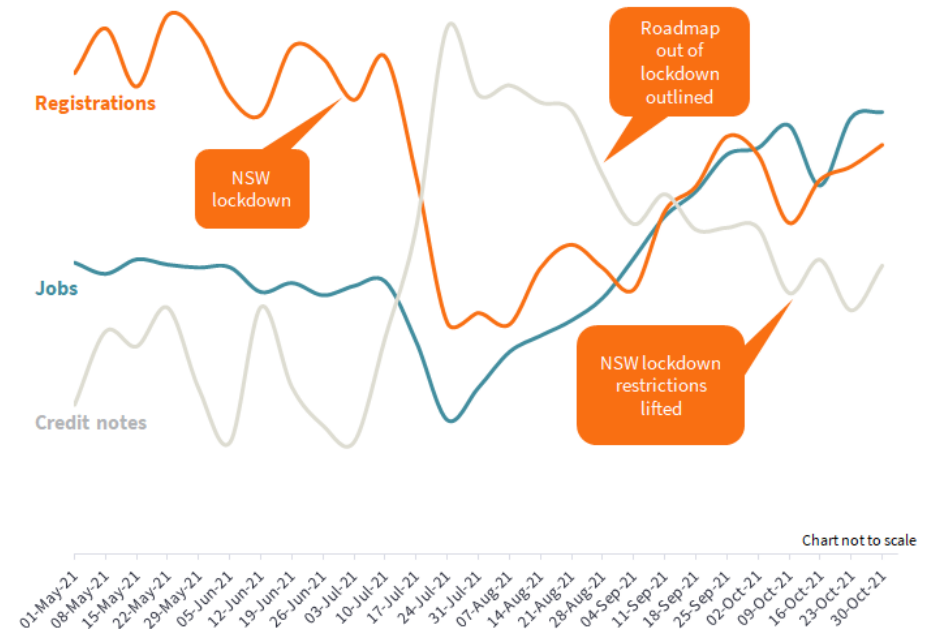


COVID-19 impact

Lockdowns and supporting customers to impact revenue and margins in FY22

- Supporting our tradie customers:
 - Industry-first COVID-19 safe badge for fully vaccinated tradies
 - Contract pause, short-term discounts and lead credit extension
 - Special offers for new tradies to kickstart their experience
 - Frequent communication to inform tradies of restrictions and opportunities
- Before latest lockdowns, expected Q4 FY21 revenue growth rate of c.20% to continue
- Lockdowns had a moderate impact on revenue growth, with Q1 FY22 revenue up 14%¹ on pcp; 19% excluding impact of additional credits
- Lower revenue and action taken to support customers also impacts EBITDA margin in the short-term
- Action taken will benefit hipages over the long-term

NSW marketplace activity



Win more work by displaying
you're Covid-19 vaccinated

Add Covid-19 Certificate

FY22 outlook

Continuing to invest to win the tradie economy

- Strong bounce back and record platform activity occurring
- Exit FY22 revenue expected to be in line with pre-lockdown plan
- FY22 EBITDA margin to be impacted by:
 - Supporting tradie customers
 - Increased investment in brand and technology
- EBITDA margin to return to FY21 levels in H2; margin expansion in FY23
- Continue to invest for growth in core category and new channels to strengthen market leadership position
- Australian home improvement market remains very buoyant and long-term opportunity as attractive as ever

Strong bounce back in NSW continues



Disclaimer

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This presentation may contain forward-looking statements which are statements that may be identified by words such as “may”, “will”, “would”, “could”, “expects”, “intends”, “anticipates”, and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this document, are expected to take place. No person who has made any forward-looking statements in this document has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this document, other than to the extent required by law. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company.

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Thank you

