



2022 Full Year Results Presentation

20 February 2023



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Figures

Iress' financial results are reported under International Financial Reporting Standards (IFRS). This presentation includes certain non-IFRS measures including Segment Profit, EBITDA, Underlying EBIT, Free Cash Flow, and Constant Currency. These measures are presented to enable understanding of the performance of the Company without the impact of non-trading items and foreign currency impacts. Non-IFRS measures have not been subject to audit or review.

All amounts and dollar values are in Australian dollars (A\$). Certain figures, amounts, percentages, estimates, calculations of value and fractions may be subject to rounding differences.



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Marcus Price
Managing Director & CEO



John Harris
Chief Financial Officer



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CEO Observations



CEO observations

5



Strong core Australian business

Powerful franchise in core markets.

Critical industry infrastructure that we will respect and nurture.

Industry changes create further growth opportunities.

Prioritise investment in core to innovate and deliver value for clients and support industry.



Priority to improve earnings and return on capital

Focus on efficiency and improving capital productivity.

Assessing options to improve return on capital in parts of our offshore markets.

Transition to cloud-based architecture enabler of greater efficiency, operating leverage and speed to market.

Need to increase clarity to organisational structure and reporting.



Iress has great people and great clients

Strong technical capabilities and engineering culture have underpinned success to date.

Deep industry expertise supports market leadership. Opportunity to drive next wave of reinvention.

Desire to deliver for clients is evident. Focus on improving client service and innovation.

Exceptional client base at the heart of financial services. Operating model and prioritised investment to unleash opportunities for clients.



Driving high performance

Review organisation wide remuneration structure.

Align incentives with outcomes.

Move to greater variable compensation based on performance.

Responding to shareholder feedback about fixed nature of Executive Equity Rights - under review.



Optimistic about Iress' potential

Powerful core franchises position Iress to benefit from industry tailwinds and change. Priority to improve returns on capital.

Iress is entering period of reinvention to enhance market leadership as industry landscape changes.

Reposition operating model for efficiency and innovation, commercial model to align with industry drivers.

What to expect from here

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1 Finalise plans to **reinforce core**

2 **Determine pathway** for improved shareholder returns in offshore markets

3 **Optimise** operating & commercial model

4 Update **longer-term targets**

Investor Day

20 April

Business Update



2022 highlights

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Delivered results in-line with revised guidance - strong performance in APAC Trading & Market Data and Financial Advice

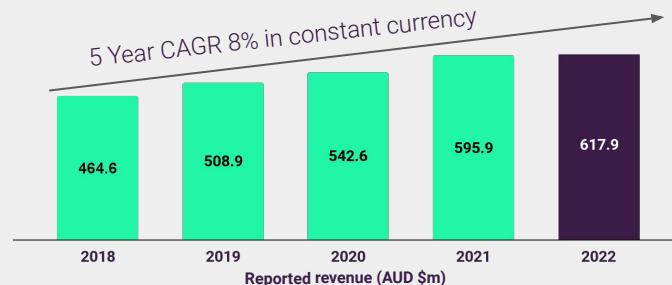
Key achievements⁽¹⁾

- Constant Currency Segment Profit (\$166.8m) and NPAT (\$54.0m) delivered in line with revised guidance provided in September
- Underlying EPS up 10%. Recurring revenue growth +5%
- Strong performance in APAC (revenue +6%) and Mortgages (revenue +9%)
- Superannuation revenue +15%. New client win with Commonwealth Superannuation Corporation (CSC). Strong and growing pipeline.
- Launched first component of Investment Infrastructure (Iress Connectivity Network) as important step in providing digital connectivity to increase adviser execution efficiency - two platforms and two insurers signed MoUs to collaborate on design to integrate with Xplan.
- Significant progress in cloud migration and re-architecting core tech stack to unlock scale and efficiency
- Iress Order System processed 3.2 billion trade orders totalling \$A45 trillion in trade value globally in 2022
- Decommissioned 11 legacy applications - reducing complexity, increasing efficiency and delivering better customer outcomes
- Ongoing pressure on input costs managed through pricing

Key statistics

- Annual Contract Value \$620m
- Group ARR \$569m; APAC ARR \$333m
- Annual Churn 1.4%
- Free Cash Flow of \$69.7m, Cash Conversion 84.4%
- Final dividend of 30¢ (0% franked) taking full year dividend per share to 46¢ and Payout Ratio of 88%

Consistent revenue growth with over 90% recurring



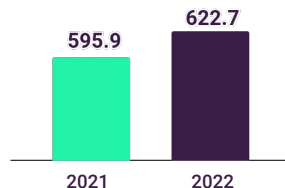
⁽¹⁾ Growth rates presented on slide are Constant Currency Growth

2022 underlying financial performance - constant currency

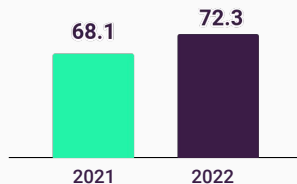
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Underlying EPS growth up 10%. Segment Profit delivered in line with revised guidance

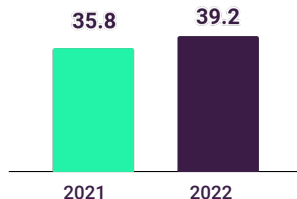
Revenue
Up 5%



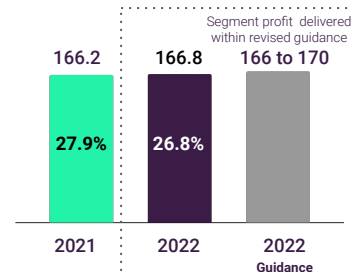
Underlying NPAT
Up 6%



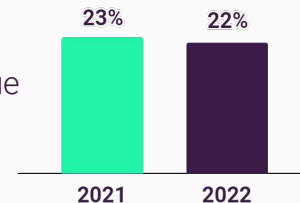
Underlying earnings
per share
Up 10%



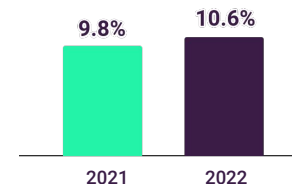
Segment Profit & margin
Segment Profit flat



Operating leverage:
Product & technology % of revenue
Down 100 bps



Underlying ROIC⁽¹⁾
Up 80 bps



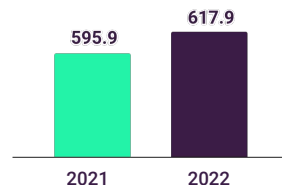
⁽¹⁾ Underlying ROIC adjusts for non-operating and significant items but is not adjusted for constant currency. Refer Glossary slide for full definition

2022 reported financial performance

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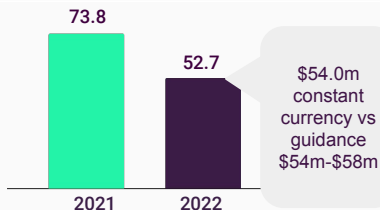
Decline in reported EPS impacted by prior year provision releases⁽¹⁾

Reported Revenue Up 4%

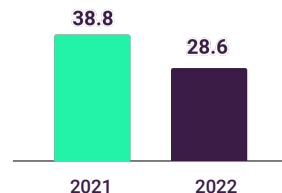


Reported NPAT Down 29%

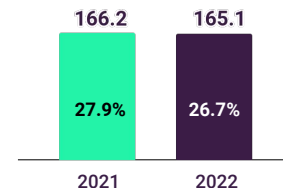
2021 NPAT benefited from \$22.3m of provision releases in the non operating and significant one off items⁽¹⁾



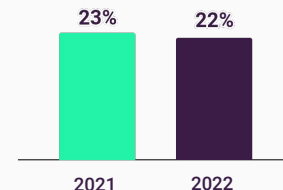
Reported earnings per share Down 26%



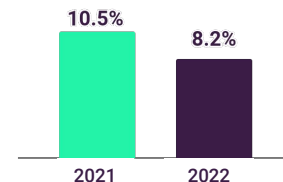
Reported Segment Profit & margin Segment Profit Down 1%



Reported product & technology % of revenue Down 100 bps



Reported ROIC Down 230 bps

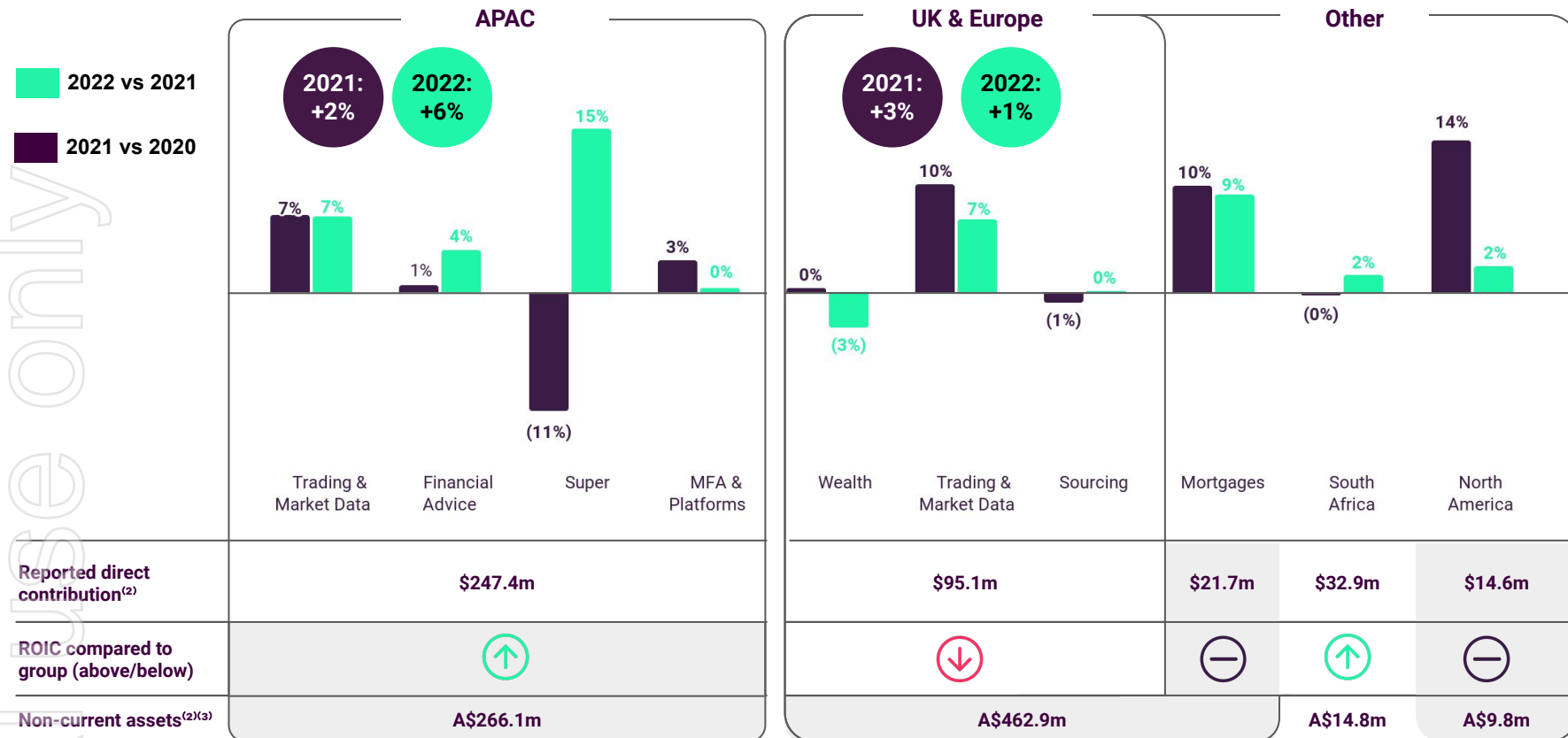


⁽¹⁾ 2021 Reported NPAT results includes the earnout provision releases of \$14.2m and \$8.1m in relation to the acquisitions of QuantHouse in 2019, and BC Gateways in 2020, respectively.

Revenue growth and returns by business unit

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APAC delivering strong revenue growth and ROIC with mixed returns from international businesses



⁽¹⁾ Revenue growth rates are Constant Currency growth and 2020-2021 growth for Super, MFA & Platforms and Wealth are proforma to take into account acquisitions

⁽²⁾ Figures for 2022

⁽³⁾ Excludes right-of-use assets and deferred taxes, and predominantly relates to intangible assets.

Business update - strong performance in APAC

APAC has high quality, growing businesses with long term client relationships and high levels of recurring revenue

APAC Trading & Market Data and Financial Advice

Iress provides critical industry technology infrastructure. Priority to innovate to enhance market leadership as industry landscape changes

- Recurring revenue up 6% to \$266m, 98% of total revenue.
- Client relationships span decades, very low levels of churn.
- Resources reprioritised in 2022 to protect and enhance the core. Focus on improving client value.
- Align commercial model with industry growth trends: \$2.8trn in trades and an average of 20,000 new clients added to Xplan each month in Australia alone.
- Future of advice regulatory landscape under review - Iress well placed for future reforms.
- Iress to leverage incumbency, innovation and expertise to deliver next generation technology and enhance market leadership.

Superannuation

Proven capability to deliver transformational automation and digital capability

- Significant industry growth with increasing demand for digital and automation to drive funds' efficiency and value for members.
- Iress is the leading independent software provider with proven capability and industry leading software solutions.
- Successful execution of strategy driving 15% revenue growth in 2022. 84% of revenue is now recurring.
- New client win announced in 2H 2022, onboarding work commenced. Strong pipeline of opportunities to support clients in complex industry.

(\$AUDm)	2022		Growth vs 2021
Recurring	42.1	↑	17%
Non-Recurring	7.8	↑	9%
Total Revenue	49.9	↑	15%

⁽¹⁾ Revenue growth rates shown on the slide are Constant Currency Growth

Business update - prioritising improved returns in the UK

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Good progress with transition to cloud based architecture model. Iress Affinity launched.

Transition to cloud-based architecture

Increasing operational leverage & speed to market

- Blueprint design complete and foundation built for transition to cloud-based architecture model.
- First platform-native application aimed at boosting efficiency in global trading set for launch in Q2 2023.
- Migration to the cloud a key step to success and unlocking operating leverage. Transitioned 5,700+ Wealth Management services (99%). By the end of February, only one client globally will not be in the cloud. 85% of clients now on weekly auto update schedule.
- Investing in R&D and product development to take advantage of the new architecture.

Investment Infrastructure

Automating advice execution

- Launched integration between platforms, insurers and Xplan ('Iress Connectivity Network').
- Focus on primary industry need - automate advice execution, deliver efficiency to advisers, lower the cost of providing advice.
- Strengthens and enhances Xplan's leading position in core Advice market.
- Industry infrastructure that is offered to all industry participants.
- CFS, Praemium, MetLife and MLC Life have signed MoUs to collaborate on future product design and development of Iress Affinity. Negotiations well advanced with others.
- Functionality will continue to be extended in 2023.

UK & Europe

Focus on improving returns on capital

- Return on capital is too low. Review of product strategy and operating model underway focussed on increasing return on capital.
- Considerable variation in performance across business units.
- Growth in Private Wealth and Trading & Market Data recurring revenue.
- Retail Wealth declined due to loss of client and user rationalisation.

(\$GBpm)	2022	YoY ⁽¹⁾
Retail Wealth	17.8	(8%) ↓
Private Wealth	11.9	21% ↑
Trading & Market Data	27.5	7% ↑
Sourcing	22.9	0% ➡
Recurring Revenue	80.1	3% ↑
Non-Recurring Revenue	5.9	(22%) ↓
Total Revenue	86.0	1% ↑

⁽¹⁾ Revenue growth rates shown on the slide are Constant Currency Growth

Environmental, Social and Governance highlights

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Continued commitment to a sustainable future through our ESG activities



Established **2030** science-based emission reduction targets⁽¹⁾



Established a modern slavery working group & continued to review suppliers



Contributed over **\$200K** to our communities - over **\$1.1 million** donated since 2017



Introduced retirement contributions during parental leave⁽²⁾ and extended long weekend benefit to **eight** additional leave days



Reducing carbon footprint: transitioned **5,700+** products and services to the cloud, and retired **320+** physical servers



Responded to the recommendations from the task-force on climate-related financial disclosures



Continued strengthening of our security culture and investment in systems



Won **“Partnership of the Year”** award with Talent Beyond Boundaries from 2022 Workforce Management Awards

⁽¹⁾ Reduce scope 1 and 2 emissions 46.2% and scope 3 emissions by a minimum of 18.5% by 2030 from a 2019 base year. Submitted to Science-Based Targets initiative for validation in 2023.

⁽²⁾ Applies to employees in Australia, New Zealand, UK, South Africa, Tunisia and Canada. Subject to Works Council approval in France

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Financial Results



2022 financial performance highlights

Revenue +5% but Segment Profit flat compared to 2021 as a result of cost increases

Revenue

APAC (Trading & Market Data, Financial Advice and Super) and Mortgages performed well

- APAC contributed ~80% of total group revenue growth.
- Super revenue +15% with clients going live and new client wins.
- APAC Trading & Market Data and Financial Advice revenue up 7% and 4% respectively. Advice growth partially offset by rebaselining of institutional contracts.
- Mortgages performed strongly (+9%) due to full year impact of prior year wins and new implementations underway.
- UK & Europe revenue underperformed with revenue flat. Growth in Private Wealth and Trading recurring revenue offset by churn in Retail Wealth. Refreshed Retail Wealth sales approach not yet flowing to financial results.

Costs

Exchange rates and vendor pricing lift costs

- Increase in employee costs was focussed on transitioning to a cloud based architecture model and implementation resources in Super and Mortgages.
- Technology vendor costs grew \$12m / +20% due to a combination of increased cloud utilisation, USD FX rates and vendor price rises.

Cash flow and balance sheet

High cash generation, strong balance sheet

- Increased level of one-off items as a result of investment in transitioning to a cloud based architecture model. Excluding one-offs, free cash flow over \$90m.
- Leverage increased to 2.2x reflecting share buyback.
- 28% of drawn debt now fixed.

P&L results

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10% Underlying EPS driven by lower D&A, taxes and the share buy back. Higher operating costs offset revenue growth

\$AUDm	2021	2022	2022 vs 2021	2022 CC ⁽¹⁾	2022 CC vs 2021
Operating Revenue	595.9	617.9	3.7%	622.7	4.5%
Operating Costs	(429.7)	(452.8)	5.4%	(455.9)	6.1%
Segment Profit	166.2	165.1	(0.7%)	166.8	0.4%
Share Based Payments	(17.4)	(18.7)	7.6%	(18.7)	7.6%
Non-Operating and Significant items - Income/(Expenses) ⁽²⁾	0.1	(25.1)	n/m	(25.1)	n/m
Operational and Acquisition Related D&A ⁽³⁾	(47.0)	(40.7)	(13.5%)	(40.7)	(13.5%)
EBIT	101.9	80.6	(20.9%)	82.3	(19.2%)
Underlying EBIT	101.8	105.7	3.8%	107.4	5.5%
<i>Underlying EBIT Margin</i>	17.1%	17.1%	0.0%	17.3%	0.2%
Net Interest and Financing Costs	(9.0)	(12.7)	40.4%	(12.7)	40.8%
Tax	(19.1)	(15.2)	(20.0%)	(15.6)	(18.0%)
<i>Effective Tax Rate</i>	20.5%	22.5%	1.9%	22.5%	1.9%
NPAT	73.8	52.7	(28.6%)	54.0	(26.9%)
Underlying NPAT	68.1	70.9	4.1%	72.3	6.1%
<i>EPS (¢)</i>	38.8	28.6	(26.3%)	29.3	(24.4%)
<i>Underlying EPS (¢)</i>	35.8	38.5	7.6%	39.2	9.7%

⁽¹⁾ CC refers to Constant Currency

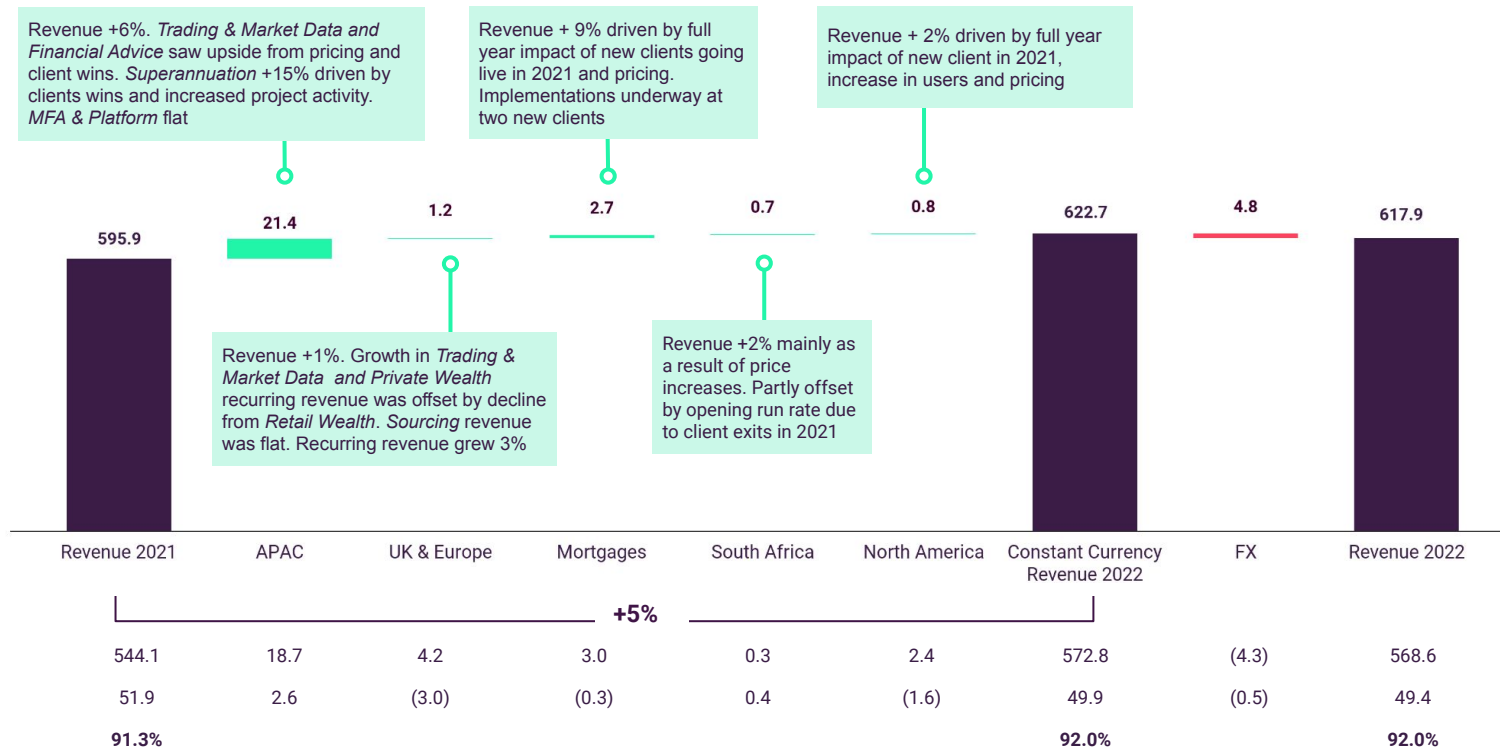
⁽²⁾ Refer slide 35 for details of non-operating and significant items

⁽³⁾ Refer to slide 36 for split between operational and acquisition related D&A

Revenue bridge

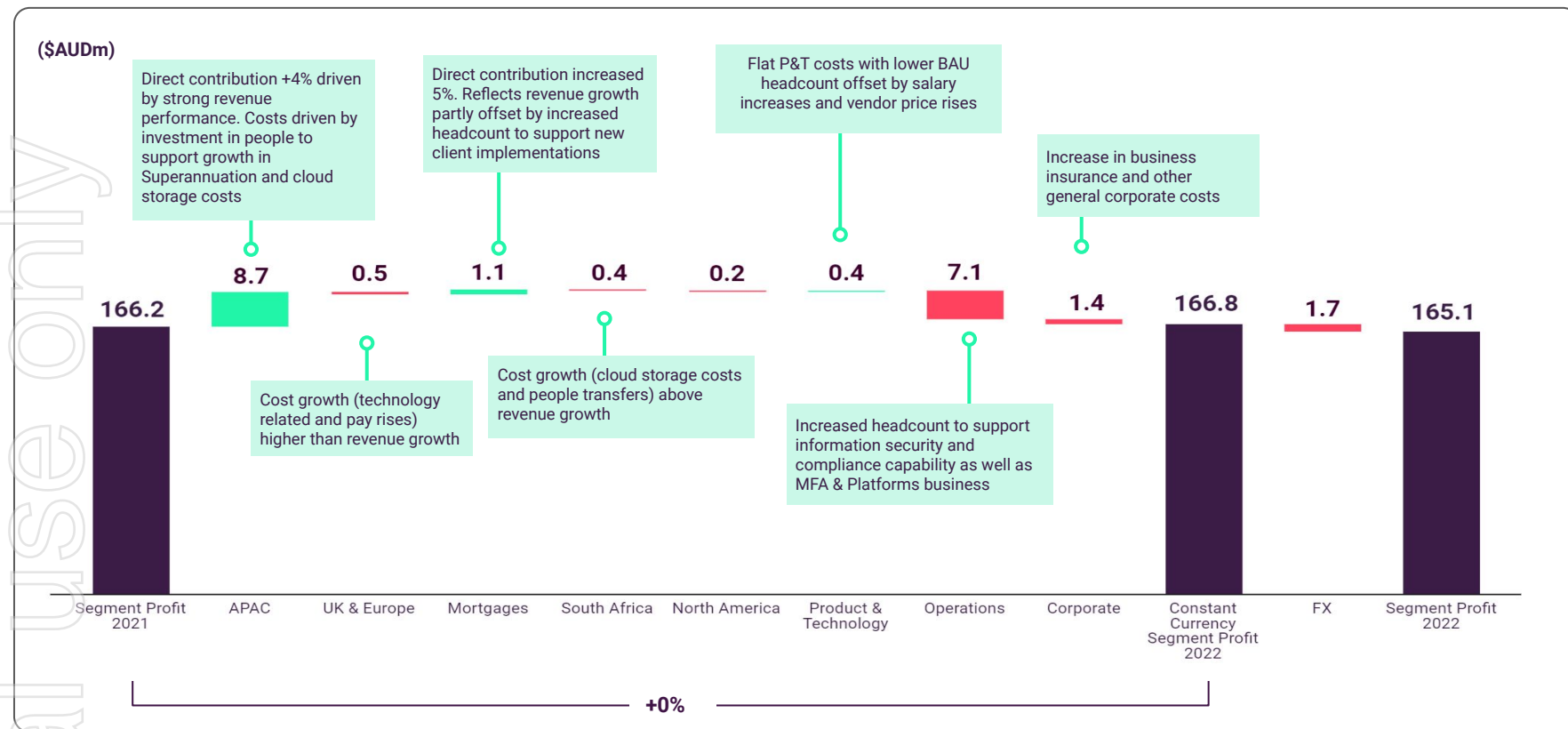
5% constant currency revenue growth driven by APAC and Mortgages

(\$AUDm)



Segment Profit bridge

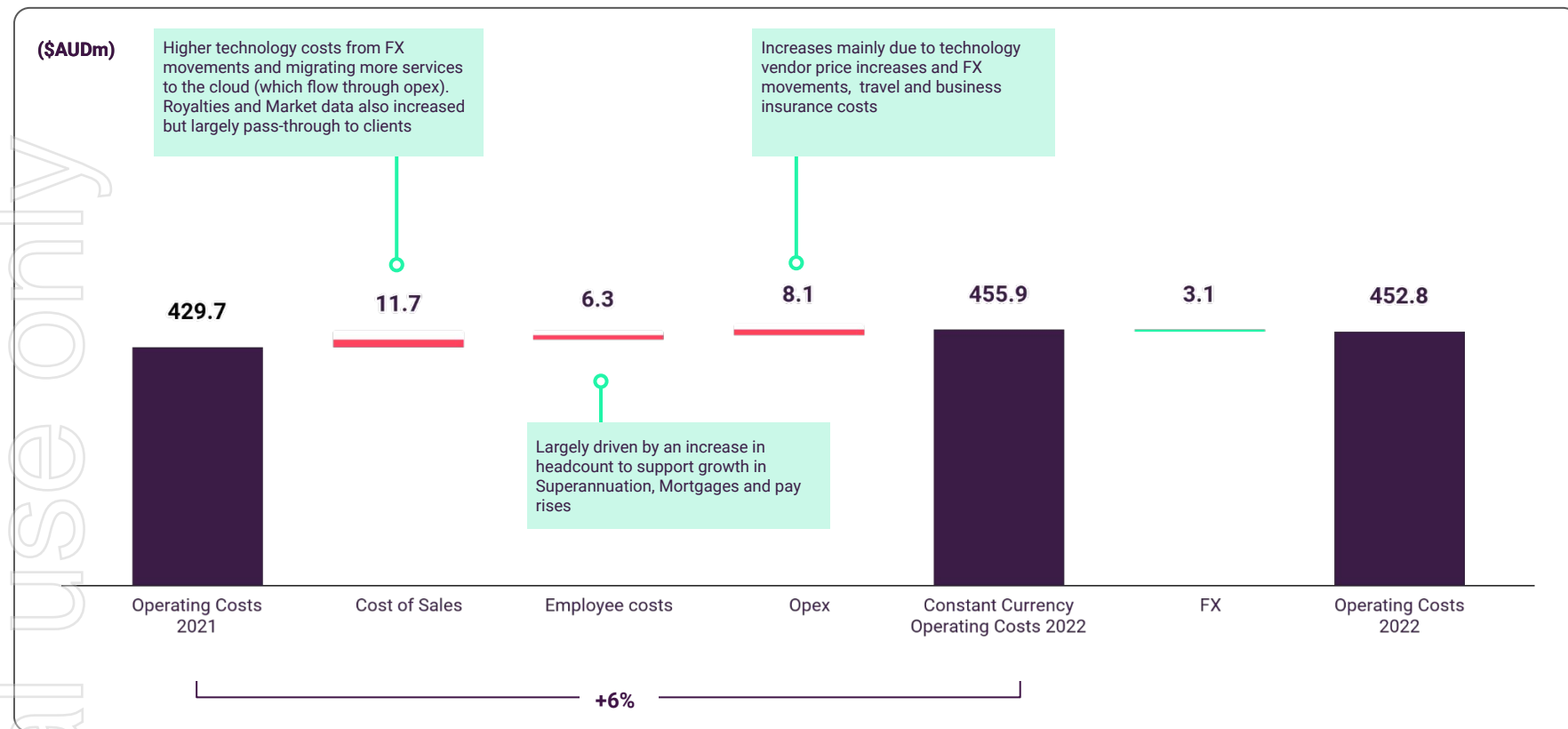
Segment Profit flat with growth from APAC and Mortgages offset by higher costs and increased investment



Costs breakdown

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6% increase in operating costs in constant currency due to higher technology and employee costs



(\$AUDm)

Category	Value (\$AUDm)
Underlying NPAT 2021	68.1
Segment Profit	0.6
Share-based Payments	1.3
Depreciation & Amortisation	6.3
Interest	3.7
Tax	2.2
Constant Currency Underlying NPAT 2022	72.3
FX	1.3
Underlying NPAT 2022	70.9

+6%

Annotations:

- Increase due to performance shares issued to employees and reduced forfeitures due to senior executive departures in 2021
- Lower depreciation of 'right of use assets' mainly due to office exits in 2H 2021 and the impact from acquisition related intangibles that were fully amortised
- Recognition of deferred tax assets in QuantHouse
- Greater levels of drawn debt and higher benchmark interest rates globally



Cash flow performance

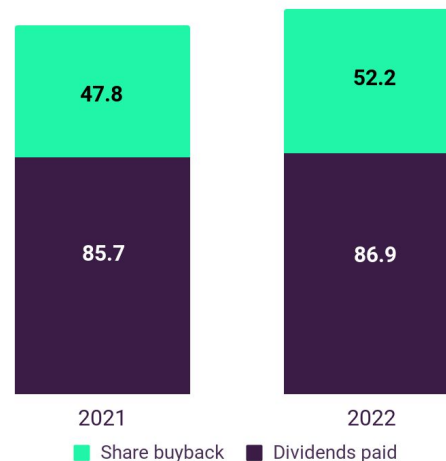
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\$70m free cash flow generated with 84% cash conversion

Free cash flow

\$AUDm	2021	2022
Segment profit	166.2	165.1
Change in working capital	(14.1)	(2.2)
Others	(16.3)	(23.6)
Cash Generated from Operating Activities	135.8	139.3
Net interest paid	(6.1)	(10.6)
Tax paid	(26.0)	(13.8)
Payments for development of intangible assets	(13.5)	(19.9)
Net payments for plant and equipment	(10.6)	(7.7)
Payment of lease liabilities ⁽¹⁾	(16.9)	(17.6)
Free Cash Flow	62.6	69.7
Free Cash Flow - excl. non-op & significant items⁽²⁾	78.0	92.8
Cash Conversion	81.7%	84.4%

Dividends and share buyback



- Strong free cash flow generation of ~\$70m (over \$90m excluding cash one-off items) and cash conversion of 84% in 2022
- 30¢ final dividend increasing full year dividend to 46¢, in-line with 2020 and 2021. Completed \$100m share buyback in October with average price of \$10.996

⁽¹⁾ Payment for lease liabilities include lease payments and interest on lease liabilities

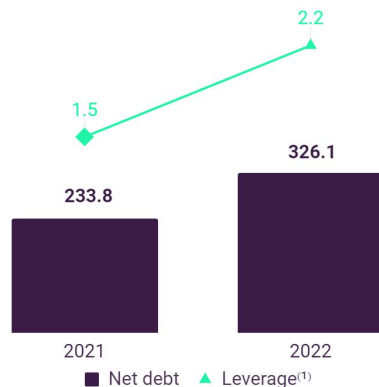
⁽²⁾ Adjusted free cash flow is free cash flow excluding cash impact of non-operating and significant items

Balance sheet

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Debt maturity profile extended with increased fixed rate exposure

Net debt and leverage ratio



Summary debt profile

\$AUDm	2021	2022
A\$350m bank facilities	298.1	282.2
GBP60.5m fixed rate notes	-	107.3
Debt drawn	298.1	389.5
Cash and cash equivalents	64.4	63.4
Net debt	233.8	326.1

- Refinanced debt facilities in May-22 to provide the company with some fixed rate debt exposure. As at 31 December 2022, 28% drawn debt fixed and 72% floating
- Cash and undrawn committed debt facilities of ~\$130m (undrawn debt) with average drawn debt tenor of 3.8 years (earliest maturity 31 October 2025)
- Net debt has increased due to share buyback and dividend payments. Leverage ratio of 2.2x and interest cover of 15.3x.

⁽¹⁾ Leverage calculated as net debt divided by segment profit less lease payments

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Outlook



2023 outlook

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Focus on efficiency and improving return on capital in offshore markets

- 2023 Segment Profit expected to be at or above the level of 2022 on a constant currency basis
- Additional efficiency measures under consideration. Initiatives would benefit 2H 2023 and run rate into 2024
- We are very positive about the strengths of Iress' core business and opportunities to deliver greater returns for shareholders
- Work currently underway to access efficiency gains, improve return on capital and optimise Iress' operating model
- Outcomes of this work will drive further opportunities for growth and efficiencies
- 2023 guidance will be updated at the investor day in April.

- On a business as usual basis we expect:
 - Non-operating items to be at or below 2022 levels
 - Share based payments to be approximately \$21-22m
 - Net interest expense to be in the range of \$20-22m
 - Effective tax rate to increase to 27%-28%, which includes the impact of higher corporate tax rate in UK



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Q&A



Appendix

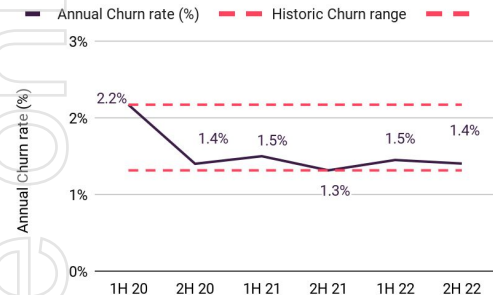


Client base analysis

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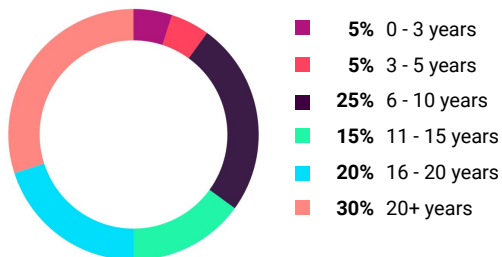
Consistent low level of annual churn and long-term client relationships

Annual churn rate (%)



Annual churn rate: consistent low level of annual churn

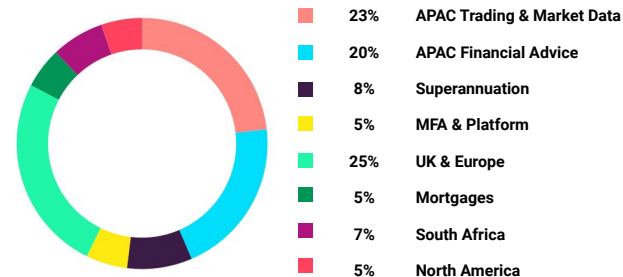
Relationship - Top 20 clients



Long-term client relationships: 30% of Top 20 client relationships are greater than 20 years.

50% are greater than 16 years.

2022 total ACV by segments



Annual Contract Value (ACV): APAC Trading & market data, financial advice and the UK & Europe together contributing ~70% of ACV.

Segment performance

AUD (m)	2021	2022	2022 vs 2021	2022 CC ⁽¹⁾	2022 CC vs 2021
APAC	335.3	356.5	6%	356.7	6%
UK & Europe	156.2	153.5	(2%)	157.3	1%
Mortgages	29.5	31.5	7%	32.2	9%
South Africa	43.4	43.4	0%	44.2	2%
North America	31.5	33.0	5%	32.3	2%
Total Revenue	595.9	617.9	4%	622.7	5%
APAC	239.1	247.4	3%	247.7	4%
UK & Europe	98.0	95.1	(3%)	97.5	(1%)
Mortgages	21.1	21.7	3%	22.2	5%
South Africa	33.8	32.9	(3%)	33.4	(1%)
North America	14.5	14.6	1%	14.3	(2%)
Total Direct Contribution	406.5	411.7	1%	415.1	2%
Product & Technology	(135.1)	(133.6)	(1%)	(134.6)	(0%)
Operations	(60.0)	(66.7)	11%	(67.1)	12%
Corporate	(45.2)	(46.2)	2%	(46.6)	3%
Segment Profit	166.2	165.1	(1%)	166.8	0%

⁽¹⁾ CC refers to Constant Currency

Ongoing demand for Trading and Financial Advice software with high client retention. Strong Superannuation performance

\$AUDm	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Trading & Market Data	65.0	68.3	133.3	71.0	71.9	142.9	7%
Financial Advice	60.3	63.5	123.8	64.6	64.1	128.7	4%
Superannuation	21.6	21.6	43.2	23.6	26.3	49.9	15%
MFA & Platforms	17.7	17.3	35.0	16.0	19.1	35.2	0%
Total operating revenue	164.6	170.8	335.3	175.2	181.6	356.7	6%

\$AUDm	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Recurring revenue	153.0	161.8	314.8	166.3	167.3	333.5	6%
Non-Recurring revenue	11.6	9.0	20.5	8.9	14.3	23.2	13%
Total operating revenue	164.6	170.8	335.3	175.2	181.6	356.7	6%
Direct contribution	116.0	123.0	239.1	124.3	123.5	247.7	4%
Direct contribution margin	71%	72%	71%	71%	68%	69%	

UK & Europe

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Strong growth in Trading. Private Wealth recurring revenue growth but offset by decline in Retail Wealth

GBP (m)	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Wealth ⁽¹⁾	17.4	18.0	35.4	17.5	16.8	34.3	(3%)
Trading & Market Data	13.1	13.5	26.5	13.8	14.4	28.2	7%
Sourcing	11.7	11.8	23.5	11.7	11.9	23.5	0%
Total operating revenue	42.2	43.3	85.5	43.0	43.0	86.0	1%

GBP (m)	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Recurring revenue	38.6	39.3	77.9	39.7	40.5	80.1	3%
Non-Recurring revenue	3.6	3.9	7.5	3.3	2.6	5.9	(22%)
Total operating revenue	42.2	43.3	85.5	43.0	43.0	86.0	1%
Direct contribution	25.7	27.9	53.6	26.7	26.6	53.3	(1%)
Direct contribution margin	61%	65%	63%	62%	62%	62%	

⁽¹⁾ Includes O&M

Mortgages

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Continued recurring revenue growth now contributing 63% to total revenue

GBP (m)	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Recurring revenue	4.4	5.0	9.5	5.4	5.7	11.1	18%
Non-Recurring revenue	3.2	3.5	6.7	3.6	2.9	6.5	(2%)
Total operating revenue	7.6	8.5	16.1	9.0	8.6	17.6	9%
Direct contribution	5.2	6.3	11.5	6.5	5.7	12.2	5%
Direct contribution margin	68%	74%	72%	72%	66%	69%	



South Africa

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Stable recurring revenues. Returns exceed the group average

ZAR (m)	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Recurring revenue	226.5	226.1	452.7	228.6	228.5	457.1	1%
Non-Recurring revenue	12.8	16.1	28.9	15.0	18.2	33.2	15%
Total operating revenue	239.3	242.3	481.6	243.6	246.8	490.4	2%
Direct contribution	189.4	185.3	374.7	184.6	186.4	371.0	(1%)
Direct contribution margin	79%	76%	78%	76%	76%	76%	

North America

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Strong recurring revenues with a stable client base. FY22 non-recurring revenues impact by elevated project work in FY21

CAD (m)	1H 21	2H 21	2021	1H 22	2H 22	2022	2022 vs 2021
Operating revenue							
Recurring revenue	12.9	14.2	27.1	14.7	14.7	29.4	8%
Non-Recurring revenue	1.4	1.1	2.6	0.6	0.4	1.0	(60%)
Total operating revenue	14.3	15.3	29.7	15.3	15.1	30.5	2%
Direct contribution	6.6	7.1	13.7	7.1	6.4	13.5	(2%)
Direct contribution margin	46%	46%	46%	46%	42%	44%	

Details of Non-Operating and Significant Items

	2021	2022
Realised/unrealised losses on foreign balances	(0.1)	(0.9)
Non-operating income	0.9	0.7
Business acquisition, integration and restructuring expenses	(9.9)	(5.9)
Recognition of severance pay provision	(0.1)	(0.1)
Defence advisory expenses	(4.0)	-
Transition to cloud-based architecture model ⁽¹⁾	-	(10.6)
Remeasurement of deferred acquisition consideration ⁽²⁾	22.3	-
Release/(recognition) of onerous contracts	(2.1)	-
Impairment of right-of-use assets	(3.9)	-
Losses on write-off of intangible assets ⁽³⁾	-	(2.3)
Losses on the disposal of plant and equipment	(0.2)	(0.5)
Other non-operating and non-recurring expenses	(2.8)	(5.6)
Total	0.1	(25.1)
Tax	5.6	6.9
Total, net of tax	5.7	(18.3)

⁽¹⁾ Predominantly Product & Technology expenses relating to cloud based architecture model (significant items).

⁽²⁾ The prior year remeasurement includes the net release of provisions in relation to QuantHouse deferred acquisition consideration (\$14.2 million) and BC Gateways deferred acquisition consideration (\$8.1 million) after final settlement was agreed for the contractual earnout arrangements.

⁽³⁾ Includes the write-off of capitalised internally developed computer software as a result of change in prioritisation of technology resources.

Depreciation and Amortisation (D&A)

D&A – Operational

\$AUDm	1H 21	2H 21	2021	1H 22	2H 22	2022
Depreciation						
Plant & Equipment	5.6	5.9	11.5	5.3	5.0	10.3
Amortisation						
Software	0.8	0.8	1.6	1.0	1.7	2.7
Leases	7.6	8.4	16.0	7.2	7.1	14.2
Total D&A - Operational	14.1	15.1	29.2	13.4	13.8	27.2

D&A – Acquisition Related¹

\$AUDm	1H 21	2H 21	2021	1H 22	2H 22	2022	1H 23	2H 23	2023	1H 24	2H 24	2024
Computer Software												
BC Gateways	0.1	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.2
Financial Synergy	1.1	1.1	2.2	1.1	1.1	2.2	1.1	1.1	2.2	1.1	1.1	2.2
INET	0.8	0.8	1.6	0.3	0.2	0.5	0.2	0.2	0.4	0.2	0.2	0.4
Lucsan	0.6	0.9	1.5	-	-	-	-	-	-	-	-	-
OneVue	1.8	1.9	3.7	1.5	1.7	3.2	1.7	1.6	3.3	1.6	1.6	3.2
Pathways	-	-	-	-	-	-	-	-	-	-	-	-
Avelo	0.2	0.2	0.4	-	-	-	-	-	-	-	-	-
O&M	0.2	0.2	0.4	0.2	0.2	0.4	0.2	0.2	0.4	0.2	0.2	0.4
Proquote & Pulse	-	-	-	-	-	-	-	-	-	-	-	-
QuantHouse	1.0	1.0	2.0	1.0	1.0	2.0	1.0	1.0	2.0	0.8	-	0.8
Customer Relationships												
Financial Synergy	0.6	0.8	1.4	0.6	0.6	1.2	0.6	0.6	1.2	0.6	0.6	1.2
OneVue	0.6	0.6	1.2	0.6	0.6	1.2	0.6	0.6	1.2	0.6	0.6	1.2
Avelo	-	-	-	-	-	-	-	-	-	-	-	-
O&M	0.2	0.2	0.4	0.2	0.2	0.4	0.2	0.2	0.4	0.2	0.2	0.4
Proquote & Pulse	1.3	1.3	2.6	1.3	0.9	2.2	0.6	0.6	1.1	0.6	0.6	1.1
QuantHouse	-	-	-	-	-	-	-	-	-	-	-	-
Brands												
Proquote & Pulse	-	0.2	0.2	-	-	-	-	-	-	-	-	-
Total D&A - Acquisition Related	8.5	9.3	17.8	6.9	6.6	13.5	6.2	6.1	12.3	6.0	5.1	11.1

⁽¹⁾ Figures are converted at 2022 average foreign exchange rates for periods after 2022. All other periods are presented at reported currency.

Foreign exchange rates

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2022 Foreign exchange rates

2022	Rate
GBP	0.5610
CAD	0.9020
ZAR	11.2952
EUR	0.6585

2021 Foreign exchange rates

2021	Rate
GBP	0.5477
CAD	0.9435
ZAR	11.0981
EUR	0.6367



Annual Contract Value (ACV)	Annualised value of Recurring Revenue (calculated by multiplying the exit month by 12) plus the sum of the last 12 months of Non-recurring Revenue
Annual Churn	Revenue from lost clients / prior period total group revenue. Value of revenue from lost clients is equal to the last twelve months of revenue recognised prior to the month of leaving
Annual Recurring Revenue (ARR)	Recurring Revenue earned in the last twelve months
Average Lifetime Value (LTV) per Client	The inverse of annual churn rate multiplied by average revenue per client, multiplied by the direct contribution margin percentage
Average Revenue per Client	Reported revenue in the period / Average number of clients during financial year
Cash Conversion	Cash generated from operating activities divided by segment profit
Constant Currency	Results are converted at the average foreign exchange rates used for 2021. Refer to slide 37 for FX rates
Constant Currency Growth	Growth based on constant currency results
Direct Contribution	Direct contribution for each client segments represents revenue less cost of sales and direct costs relating to the sales and account management function of the business
Free Cash Flow	Cash generated from operating activities less taxes, net interest, capital expenditure and lease payments
Leverage	Net debt / Segment profit
Lifetime Value of total portfolio (LTV)	Average lifetime value per client multiplied by the number of clients at the end of the period
Net Debt	Borrowings excluding capitalised borrowing costs, net of derivatives, and less cash and cash equivalents
Non-recurring Revenue	Revenue from project implementation fees and consulting
Payout Ratio	Dividends dividend by segment profit less operating depreciation & amortisation and tax at 30%
Recurring Revenue	Revenue from subscription and licence fees
Reported Earnings per share	Reported NPAT / Weighted average number of ordinary shares used in basic earnings per share
Reported ROIC	EBIT post tax / (net debt and equity)
Segment Profit	Used as a measure of underlying EBITDA (before share based payments) to aid comparability of results
Underlying EBIT	EBIT excluding all non-operating and significant items listed on slide 35
Underlying Earnings per share	Underlying NPAT / Weighted average number of ordinary shares used in basic earnings per share
Underlying NPAT	NPAT excluding all non-operating and significant items after tax listed on slide 35
Underlying ROIC	Underlying EBIT post tax / (net debt and equity)



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