

ASX Announcement

18 August 2022

FY22 Results Investor Presentation

Attached is a copy of the IPH Limited FY22 Results Investor Presentation.

An analyst/shareholder briefing covering both this topic and “Smart & Biggar to join IPH”, as announced this morning, will be held at 10.30am (AEST). The briefing will be webcast and accessible on the IPH website at www.iphltd.com.au

For more information, please contact:

Martin Cole

Managing Director

Capital Markets Communications

T. +61 403 332 977

Authorised for release to ASX by:

The Board of Directors

About IPH Limited

IPH is the Asia Pacific's leading intellectual property services group, comprising a network of member firms working in eight IP jurisdictions and servicing more than 25 countries. The group includes leading IP firms AJ Park, Griffith Hack, Pizzeys and Spruson & Ferguson and online IP services provider Applied Marks. IPH employs more than 900 people working in Australia, China, Hong Kong SAR, Indonesia, Malaysia, New Zealand, Singapore and Thailand.



2022 Full Year Results Investor Presentation

Full year ended 30 June 2022

18 August 2022

Presented by:

Dr. Andrew Blattman
Managing Director & CEO, IPH Limited

John Wadley
Chief Financial Officer, IPH Limited

iphltd.com.au

Disclaimer

This document has been prepared by IPH Limited (IPH) and comprises written materials/slides for a presentation concerning IPH.

This presentation is for information purposes only and does not constitute or form part of any offer or invitation to acquire, sell or otherwise dispose of, or issue, or any solicitation of any offer to sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any or contract or investment decision.

Certain statements in this presentation are forward looking statements. You can identify these statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import.

These forward looking statements speak only as at the date of this presentation. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

No representation, warranty or assurance (express or implied) is given or made by IPH that the forward looking statements contained in this presentation are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, IPH and its respective officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, IPH disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of IPH since the date of the presentation.



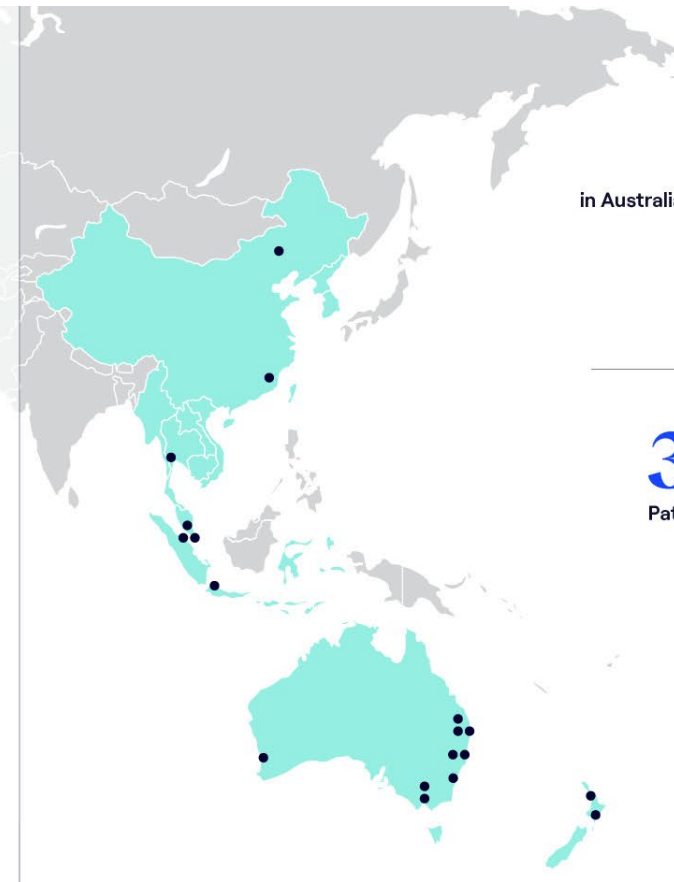
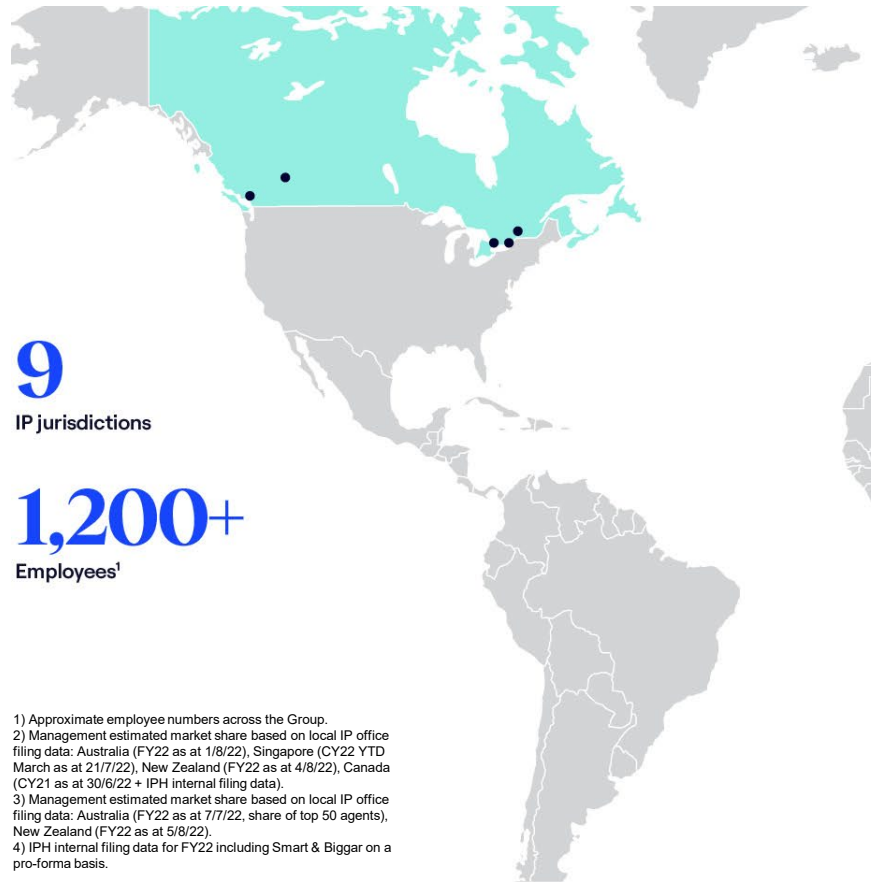
Contents

1	FY22 highlights	05
2	FY22 results	07
3	Market update	14
4	Delivering on our strategy	19
5	Looking ahead for FY23	26
6	Appendix	29



About the IPH Group

A leading international IP services group



Nº 1

Patent group
in Australia, Canada, New Zealand and Singapore²

Trade mark group
in Australia and New Zealand³

33k+
Patent filings⁴

11k+
Trade mark filings⁴



01

FY22 highlights



Establishing a strong platform for future growth

Leveraging the power of the IPH network to deliver a strong result

Underlying EBITDA¹
\$137.4m

11% 



Delivering on our growth strategy

Canada's leading IP agency firm, Smart & Biggar to join IPH

Referrals from acquired companies into IPH Asia business²

4.5% 



Successfully integrated Shelston IP and Spruson & Ferguson Australia

Strengthening the largest IP firm in Australia

Full year dividend
(30.5 cents per share)³

3.4% 



Announced record number of Principal promotions

Including 50% increase in female Principal appointments from FY21

1) Underlying EBITDA excludes costs incurred in pursuit of acquisitions, restructuring, accounting charges for share-based payments, impairment and IT SaaS implementation costs

2) New case referrals from acquired ANZ businesses to IPH Singapore & China/Hong Kong based on internal filing data.

3) Represents 87% of cash NPAT



02

FY22 results



Financial overview

Strong Underlying Result assisted by currency benefit

Revenue
\$385.1m

6% 

EBITDA
\$115.9m

2% 

Statutory NPAT
\$52.6m

2% 

Diluted EPS
24.0 cents per share

3% 

Final Dividend¹
16.0 cents per share (50% franked)

3% 

Underlying EBITDA²
\$137.4m

11% 

Underlying NPAT²
\$86.7m

14% 

Underlying Diluted EPS
39.5 cents per share

12% 

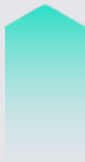
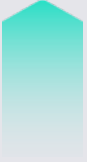
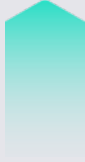
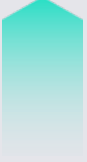
1) Total FY dividend represents 87% of cash NPAT

2) FY22 Underlying EBITDA and NPAT excludes costs incurred in pursuit of acquisitions, restructuring, accounting charges for share-based payments, impairment, IT SaaS implementation costs and amortisation of acquired intangibles



Asia delivers double digit earnings growth on like-for-like basis

Organic growth and integration synergies drive like-for-like growth

Australia – New Zealand		Asia		Group	
Revenue	1% 	Revenue	10% 	Revenue	2% 
EBITDA	1% 	EBITDA	10% 	EBITDA	2% 
EBITDA margin	2% 	EBITDA margin	— 	EBITDA margin	— 
1) Like for like Revenue and Underlying EBITDA adjusted for the impact of acquisitions, movements in realised and unrealised foreign exchange and performance had the prior year's exchange rates applied					



Underlying Results

Underlying EBITDA \$137.4m up 11% assisted by organic growth and currency benefit

	FY22 Statutory Income Statement	Adjustments	Underlying Earnings FY22 ²
Total revenue	385.1		385.1
Recoverable expenses	(103.4)		(103.4)
Compensation	(123.4)	4.9	(118.5)
Occupancy	(1.8)		(1.8)
Restructuring / acquisitions related expenses	(7.9)	7.9	0.0
Impairment of intangible assets	(6.8)	6.8	0.0
Other	(25.9)	1.9	(24.0)
Total expenses	(269.2)		(247.7)
EBITDA	115.9		137.4
EBITDA %	30.1%		35.7%
Depreciation & Amortisation	(39.5)	22.8	(16.7)
EBIT	76.4		120.7
Finance Costs	(4.7)		(4.7)
NPBT	71.7		116.0
Tax (expense)/benefit	(19.1)	(10.2)	(29.3)
NPAT	52.6	34.1	86.7
Diluted EPS (cents)¹	24.0c		39.5c

1) Diluted EPS includes performance rights that are yet to vest.

2) FY22 Underlying EBITDA and NPAT excludes costs incurred of pursuit of acquisitions, restructuring, accounting charges for share-based payments, impairment, IT SaaS implementation costs and amortisation of intangibles.

Adjustments	Millions
Share based payments expense	(4.9)
Restructuring / acquisitions related expenses	
Business acquisition costs	(3.7)
Write down of Right of Use asset and fitout	(2.4)
Restructuring costs	(1.8)
	(7.9)
Impairment of intangible assets	
Impairment of Shelston IP Brand	(4.6)
Divestment of Practice Insight	(2.2)
	(6.8)
IT SaaS implementation costs	(1.9)
Total	(21.5)



Cash flow statement

IPH continues to generate excellent cashflow
with cash conversion of 100%

- Cash conversion of 100% reflects strong collections
- Cash flow supports high dividend payout (87% of cash NPAT for the year)
- Strong balance sheet with leverage ratio of 0.3 times
- The cash impact of adjustments to underlying EBITDA of \$21.5M, is \$7.9M

Key Metrics at 30 June 2022

Cash on hand	\$88m
Drawn debt	\$118.5m
Net debt	\$30.5m
Leverage ratio (Net debt / 12 month EBITDA)	0.3 times
Debt maturity	July 2024
Cash conversion for year ended 30 June 2022	100%

	FY22 Cash Flow Statement	FY21 Cash Flow Statement
\$'m		
Statutory EBITDA	115.9	113.3
Non-cash movements		
Change in working capital	7.7	5.7
Operating capital expenditure	(7.2)	(6.2)
Cash flow before acquisitions, financing activities and tax	116.4	112.8
Cash conversion ratio	100%	100%
Income taxes paid	(24.0)	(20.4)
Net interest paid	(4.7)	(6.0)
Free cash flow	87.7	86.4
Dividends paid (net DRP)	(57.7)	(49.9)
Undistributed free cash flow	30.0	36.5
Acquisitions, investments & intangibles	(5.0)	(4.7)
Lease payments	(11.0)	(11.1)
Net borrowing proceeds/(repayments)		(32.4)
Net cash flow	14.0	(11.7)



Balance sheet

Maintaining strong financial position

- Cash movement includes dividend (\$57.7m)
- Both cash and receivables, where denominated in foreign currency, are revalued to the year end rate. In the case of FY22, this has led to unrealised foreign currency gains
- Movements in intangibles includes:
 - > Acquisition of Applied Marks (\$7m)
 - > Write down of Shelston IP brand (\$4.6m)
 - > Write down of Practice Insight (\$1.7m)
- Movement in reserves predominantly reflects movement in the foreign currency translation reserve and the reserve for share based payments

	Balance Sheet as at 30 Jun 2022	Balance Sheet as at 30 Jun 2021
\$'m		
Cash and cash equivalents	88.4	71.2
Trade and other receivables	92.8	83.4
Other current assets	15.8	10.3
Total current assets	197.0	164.9
Property, plant and equipment	8.6	10.2
Right-of-use assets	30.9	30.6
Intangibles	447.6	468.1
Deferred tax	3.0	0.0
Other non-current assets	1.3	0.9
Total assets	688.4	674.7
Trade and other payables	29.3	24.0
Lease Liabilities	42.7	43.2
Deferred tax liability	33.0	36.3
Borrowings	118.5	116.2
Other liabilities	35.2	28.2
Total liabilities	258.7	247.9
Net assets	429.7	426.8
Equity		
Issued capital	424.8	417.1
Reserves	6.5	(1.5)
Retained profits	(1.6)	11.2
Total equity	429.7	426.8



Foreign currency sensitivity

Earnings currency sensitivity

- Based on the USD profile in FY22 in the IPH Group, a 1c movement in the AUD/USD exchange rate equates to approximately \$1.9m of revenue on services charges on an annualised basis.
- This sensitivity fluctuates on the basis of acquisitions, their timing and their mix of currencies.
- The Group currently does not undertake foreign currency hedging as it is explicit about the impact of the US dollar and due to costs associated with hedging. The Group continues to monitor this position.

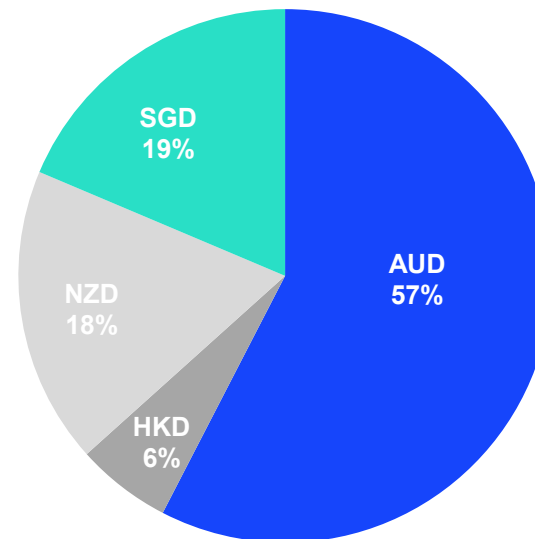
Balance sheet sensitivity

- The Group is also exposed to FX on the level of its USD denominated cash and receivables in the balance sheet, balances of which fluctuate.
- 54% of the Group's invoicing is denominated in USD.¹
- Average USD cash² held US\$27m.
- Average USD net assets (including cash)³ US\$38m.

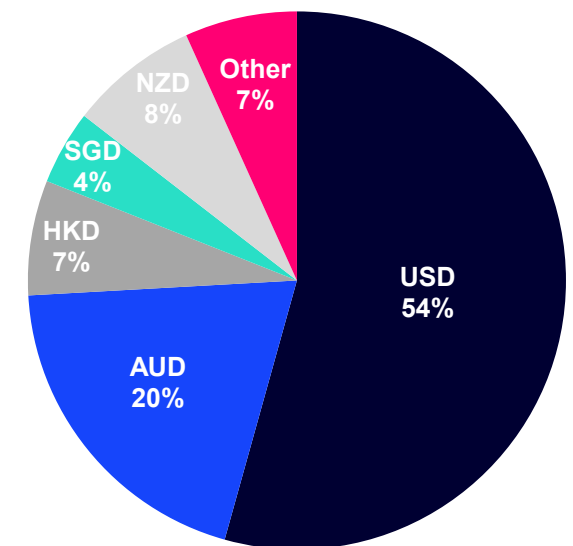
FX Rates (average)	USD	SGD
FY22	0.726	0.986
FY21	0.747	1.005
Variance	(3%)	(2%)

1) Excludes USD billing in SF Hong Kong where HKD is pegged to USD. IPH exposure is to HKD.
 2) Average of closing monthly USD cash balance.
 3) Average of opening and closing USD denominated assets.

Operating expenses



Service Charges



03

Market update



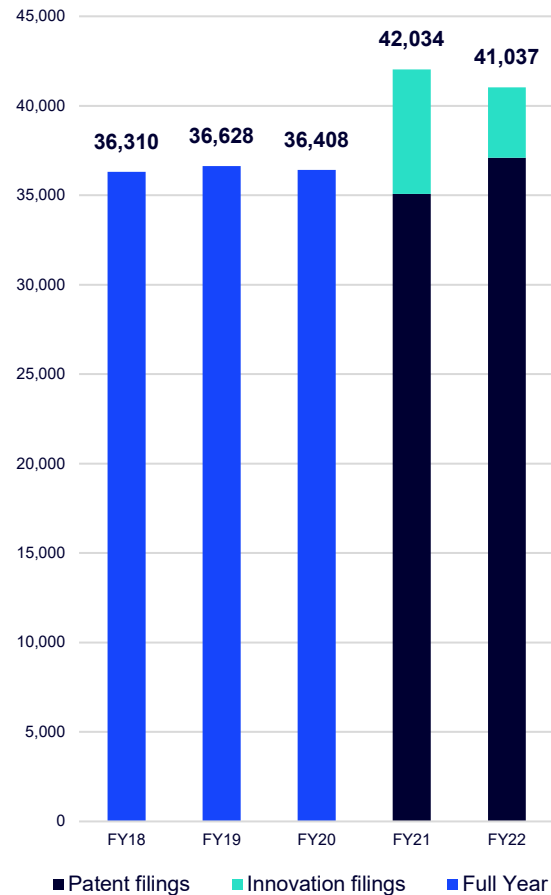
Patent market – Australia

Like-for-like EBITDA growth achieved despite IPH filing growth lower than market

Australian patent filings – market¹

- Australian patent market decreased by 2.4% in FY22 compared with the previous corresponding period.
- Market decrease comes from innovation patents (down 43.2%) following phase-out in August 21.
- Removing all innovation patent filings, the market increased by 5.7%.

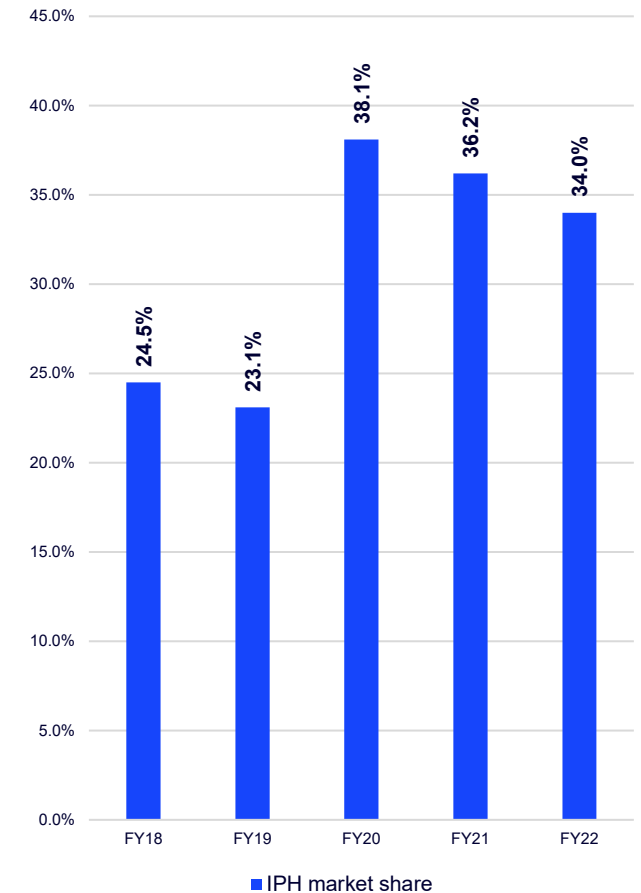
1) Management estimate based on IP Australia filing data as at 1/8/22 (FY22), 13/7/21 (FY21), 14/7/20 (FY20), 1/8/19 (FY19) and 3/8/2018 (FY18). Chart includes all types of patent applications.



IPH Group market share (excluding innovation patents)²

- IPH Group's filings decreased by 0.6% in FY22.³
- The Group was impacted by a decline in filings from the largest filer in the market. If filings from this client were removed from IPH and the market, IPH filings increased 1.7% and the market increased 7.0%.
- S&F performance also affected by the anticipated short-term disruption of the integration with Shelston IP.
- Despite decline in filings, IPH has experienced like-for-like EBITDA growth in ANZ.

2) Management estimates of Group market share based on IP Australia filing data excl. innovation patents (which ceased Aug 21). Data captured at end of each financial period and may not reflect subsequent changes of agent. Chart includes IPH acquired entities from 1 Jul of the acquisition year.
3) Any IPH acquired entities are included in both periods on a pro-forma basis for filings comparison

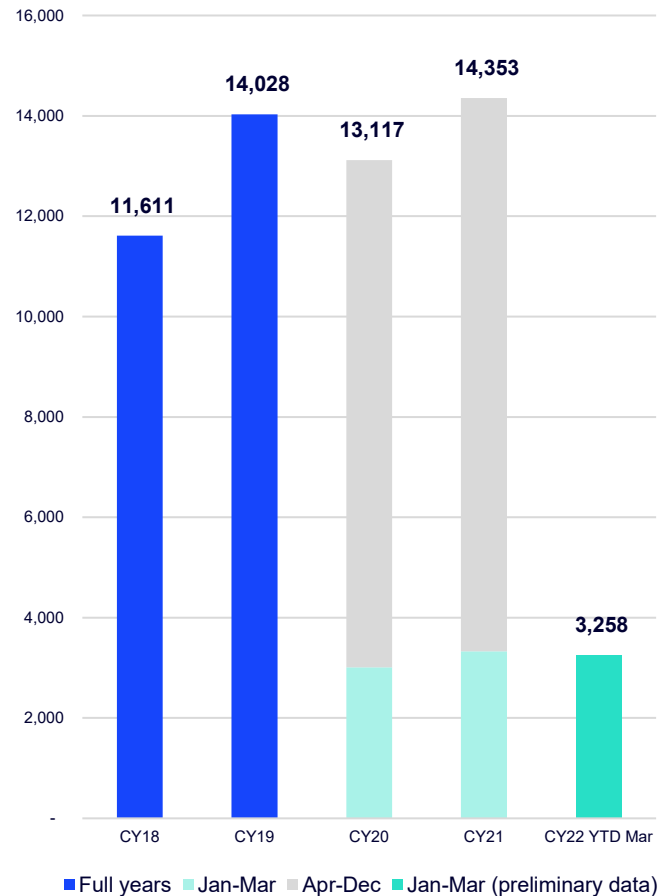


Patent market – Singapore

Maintained #1 position

Singapore patent filings – market¹

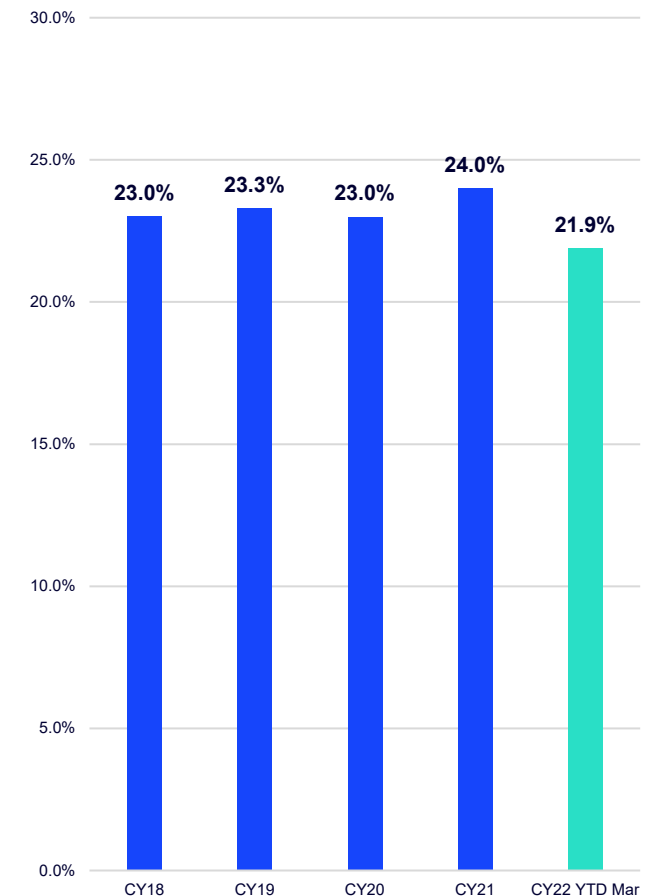
- IP Office of Singapore (IPOS) note an increased lag in filing data caused by recent system upgrades to the IPOS Digital Hub.
- Latest CY21 data shows Singapore patent market increased by 9.4% compared with CY20.
- Preliminary data for Q1 CY22 indicates a market decrease of 2.1% compared with Q1 CY21.
- Market decline in Q1 CY22 due to applicant filing patterns and a significant decline from one of the largest filers in the market (also a client of IPH).



1) Management estimate based on IPOS filing data as at 21/7/22 (CY22 preliminary), 3/3/22 (CY21), 2/5/21 (CY20), 3/8/20 (CY19), 1/8/19 (CY18). Note, data for recent months subject to change due to data release timings.

IPH Group market share²

- IPH maintains number one market share position in CY22 YTD Mar.
- Based on preliminary data for Q1 CY22, IPH filings decreased by 16.2% compared with Q1 CY21 due to significant filings in the prior period from the market's largest filer.
- **Internal data** for the 1H CY22 indicates that excluding the significant decline from one client, IPH increase of 4.5% in 1H CY22³.



2) Management estimates of Group market share based on IPOS filing data. Data captured at end of each financial period and may not reflect subsequent changes of agent. IPH share includes Singapore offices of Spruson & Ferguson and Pizzeys.

3) Internal filing data.



IPH patent filings – Asia¹

China filings up 15.3%

- IPH increased filings across these key jurisdictions (outside of Singapore) by 9.4%.
- IPH patent filings in China increased by 15.3%.
- Network continues to be attractive to large clients. In FY22 we have seen multiple large clients increasing filings across a number of jurisdictions.

Continued increase in new case referrals (up 4.5% on FY21) to IPH Asian hubs (Singapore, China/Hong Kong) from acquired IPH businesses²



1) Total patent cases lodged in key jurisdictions in Asia (excl. Singapore) by IPH entities (or external agents in the case of the Philippines and Vietnam). Data based on internal filing statistics.
2) New case referrals based on internal filing statistics.

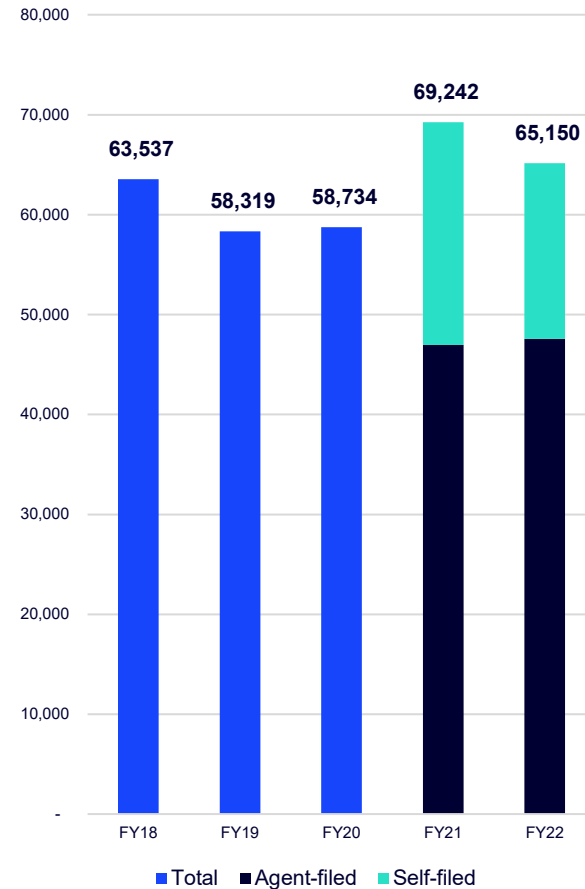


Trade mark market – Australia

Strengthened #1 position in the market

Australian trade mark filings – market (excl. Int'l Registrations)¹

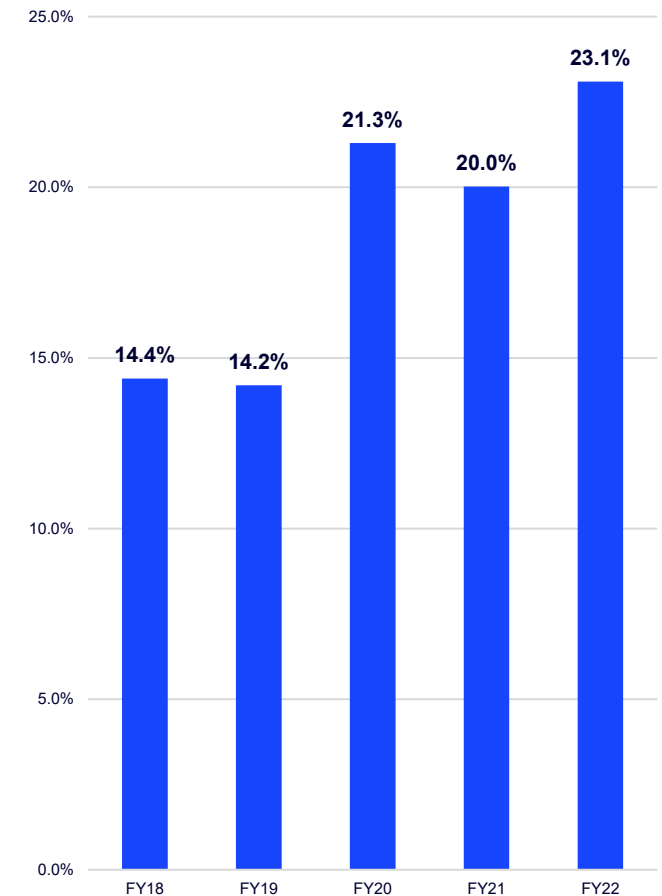
- In FY22, Australian trade mark filings decreased by 5.9% on the previous corresponding period.
- Self-filers declined approximately 21%².
- Excluding self-filers, Australian trade mark filings through agents increased by approx. 1% in FY22 compared to a stronger prior period (FY21 up 24% on FY20).
- The top 50 agents of FY22 increased 6.0% vs PCP.



1) Management estimate based on IP Australia filing data excl. Int'l Registrations, as at 7/7/22 (FY22), 15/7/21 (FY21), 9/7/20 (FY20) and 1/08/19 (FY18-FY19).
2) Management estimate – applications deemed self-filed where IP Australia lists no agent, or agent is same as trade mark owner. All other applications deemed agent-filed.

IPH Group market share³

- IPH trade mark filings in Australia decreased by 3.8% in FY22 compared with FY21 (incl. Applied Marks in both periods)⁴.
- Applied Marks filings increased by 30.5% in FY22.
- The IPH Group continues to be the leading Australian trade mark group by market share of the top 50 agents.



3) Management estimate of Group market share of total filings from top 50 agents. Data captured at end of each financial period and may not reflect subsequent changes of agent. Chart includes IPH acquired entities from 1 Jul of the acquisition year.
4) Applied Marks and other IPH acquired entities included in both periods on a pro-forma basis for filings comparison.





04

Delivering on our strategy



Smart & Biggar – Canada’s leading IP agency firm to join IPH

Strategic transaction extends IPH’s international network beyond the Asia Pacific



Growth
step-outs

**SMART
& BIGGAR**

- Smart & Biggar, Canada’s leading IP agency firm will join the IPH group for consideration of CAD 348m (AUD 387m¹)
- A significant strategic transaction, further delivering on our vision to be the leading IP services group in secondary IP markets.
- Highly complementary, Smart & Biggar has leading market position in Canada, high quality professionals, exceptional reputation and rich heritage.
- The first IP agency firm in Canada to join a publicly listed IP group.
- The Canadian IP market is very similar to Australia in terms of size, governance and legal system.
- Expected underlying² EPS accretion of approximately 10% in the first full year of ownership.

1) AUD:CAD as at 17 August 2022
2) Consistent with the IPH group calculation of underlying EBITDA which excludes costs incurred in pursuit of acquisitions, restructuring, accounting charges for share-based payments, impairment and IT SaaS implementation costs



www.iphltd.com.au

2022 Full Year Results Investor Presentation

20

Strong results in Asia demonstrate organic growth

China patent growth of 15.3 % and network referrals up 4.5%



Organic
growth

- IPH patent filings in China increased by 15.3%.
- IPH maintains number one market share position in Singapore in CY22 YTD Mar.
- Growth in all key Asian jurisdictions, except Hong Kong, with patent filings (outside of Singapore) up 9.4%.
- 4.5% increase in client referrals to IPH Asian hubs (Singapore, China/Hong Kong) from acquired IPH businesses.
- The network offering continues to be attractive, with multiple large corporate clients increasing filing activity across key Asian jurisdictions (outside of Singapore).
- 7% increase in high margin translation services in Asia.
- Centralised BD and Marketing team now in place. The fully aligned team is focussed on supporting the firms to achieve growth targets, aligning key marketing and BD initiatives to revenue generating activities.



AJ Park case study

Proven track record of acquiring and integrating firms while capturing synergies and improving margins

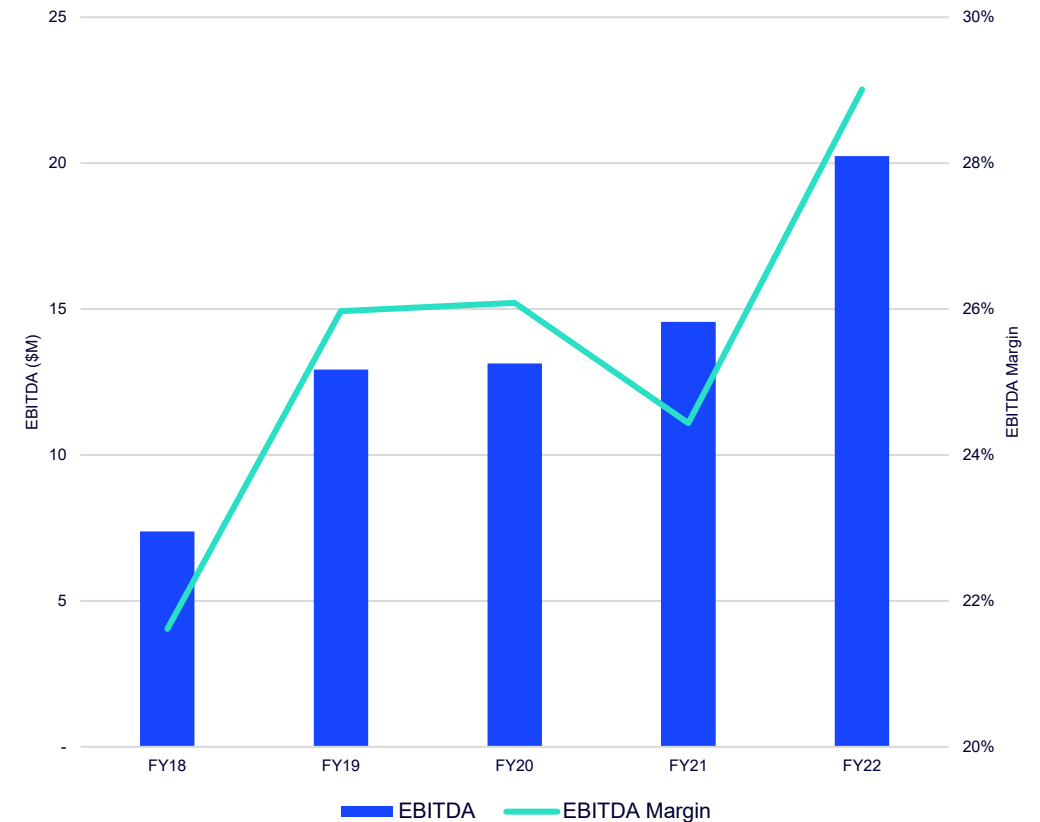


Consolidate
acquisitions

AJ Park

- At the time of acquisition, AJ Park was a successful privately held firm operating at an EBITDA margin of 21.6% (17% pre-adoption of AASB16).
- The firm now operates at a margin of 29%, an improvement of 34% from the time of acquisition. There was a drop in EBITDA margin in FY21 following the acquisition of Baldwins IP.
- This significant improvement has been achieved by:
 - Synergies captured through right-sizing the business.
 - Reduction in overheads through application of corporate lens.
 - Reduction in rental footprint.
- In addition to EBITDA and margin improvements, AJ Park is a significant referrer of work into IPH Asian hubs.
- AJ Park has retained leading patent and trade mark position in the New Zealand market and was recognised as 'IP Specialist Law Firm of the Year' and an 'Employer of Choice' at the 2021 NZ Law Awards.

AJ Park EBITDA and Margin Accretion Post Acquisition



Enablers – our people

Strengthening our people offering



Building group-wide people and leadership capability

- Record year for promotions – including 14 Principal appointments.
- Ongoing investment in professional development.
- 1,100+ hours of content delivered via our Professional Development Workshops.
- 140+ participants in our Leadership Excellence Program since launching the program in FY21.
- People Leadership Community Connect Events available to over 100 People Leaders.
- >AU\$260,000 invested across member firms to support 40+ trainees to complete their Master of IP and become registered attorneys.

Initiatives to support health & wellness

- Established a partnership with Smiling Mind to deliver a series of mindfulness workshops.
- Participated in STEPtember 2021.
- Continued partnership with our Employee Assistance Provider with resources and webinars now available via a Wellbeing Gateway app.

60+ New Principal appointments Since 2014

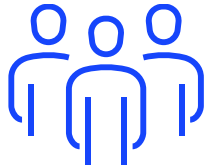
40+ Trainees supported to complete their Masters of IP

50% increase on female Principal promotions on FY21



Ongoing commitment to sustainability

IPH continues to make progress on key sustainability focus areas

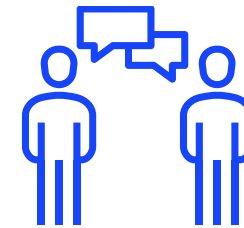


Our People

- 31 promotions across member firms (including 14 Principal promotions)
- 60+ Principal promotions since 2014
- 40+ trainees supported to complete their Masters of IP

Diversity

- Women represent 34% of Senior Executive and Principal roles (ahead of 30% target)
- Six women promoted to Principal, 50% increase on FY21



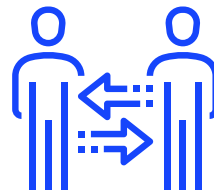
Governance & Risk management

- Updated risk management framework
- Third Modern Slavery Statement to be released in December 2022
- Continued evolution of reporting with publication of 4th annual Sustainability Report
- Security awareness training conducted



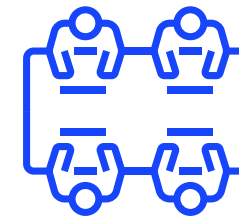
Environment

- IPH supports UN Sustainable development Goals
- 18% reduction in scope 2 CO2e emissions in Australia/NZ



IP industry support and recognition

- 95+ professional staff received IP industry awards



Community Support

- Established a \$500,000, 5-year flagship community partnership with Beacon Foundation
- Volunteering Policy launched in Australia
- Pro bono support



Share based payments

Share based payments expense will be recognised in Underlying EBITDA from FY23

Presently share based payments expense is excluded from underlying EBITDA.

From FY23 onwards, consistent with market practice it will no longer be shown as a non-underlying expense but included in underlying EBITDA.

For reference, the table below illustrates the share based payment expense for the past 3 years.

It is split between the cost related to the IPH Executives LTIP and that paid to our fee earning staff. Half of the yearly STIP for the relevant fee earning staff is paid in equity, then escrowed for 2 years.

\$'000s	FY20	FY21	FY22
Fee Earning Staff	805	1,951	2,947
IPH Executives	1,375	1,627	1,508
SBP Expense	2,180	3,578	4,850

Based on previous vesting experience and awards to be offered in the FY23 year, the estimated expense is \$5.5m



05

Looking ahead for FY23



Summary and Priorities for FY23

Leveraging our enhanced platform for further growth

- IPH is now one of the largest IP services groups in secondary IP markets with an expanded international platform.
- Consolidate and grow our position in our core geographies:
 - > Australia/New Zealand
 - > Asia
 - > Canada
- Continued investment in business development to support member firms to achieve growth targets.
- Harness our digital expertise and capability generate growth and further operational efficiencies.
- Assessment of growth opportunities in IP adjacencies to complement core IP offering.
- Continued operational discipline and focus on further shareholder value creation.





Thank you

iphltd.com.au

06

Appendix



Like for Like Revenue and EBITDA

10% increase in like for like EBITDA from strong organic growth in Asia and synergies in Australia/NZ

	Underlying Revenue Jun 22	New Businesses ²	Accounting FX Movements ³	Currency Adjustment ⁴	Adjusted Revenue Jun 22	Underlying Revenue Jun 21	Chg%
Australia & NZ IP	286.0	(4.2)	(5.8)	(3.0)	273.0	275.6	(1%)
Asian IP	110.2		(2.3)	(2.2)	105.7	96.1	10%
WiseTime	0.6				0.6	0.4	
Corporate	9.7		2.3		12.1	5.6	
Eliminations	(21.5)		(0.3)		(21.8)	(14.3)	
	385.1	(4.2)	(6.1)	(5.2)	369.6	363.4	2%

	Underlying EBITDA Jun 22 ¹	New Businesses	Accounting FX Movements	Currency Adjustment	Adjusted EBITDA Jun 22	Underlying EBITDA Jun 21	Chg%
Australia & NZ IP	103.5	(0.8)	(5.8)	(2.8)	94.1	93.3	1%
Asian IP	51.5		(2.3)	(1.5)	47.7	43.4	10%
WiseTime	(0.5)				(0.5)	(0.4)	
Corporate	(17.1)		2.3		(14.8)	(11.8)	
Eliminations			(0.3)		(0.3)	(0.2)	
	137.4	(0.8)	(6.1)	(4.3)	126.2	124.3	2%

1) FY22 Underlying EBITDA excludes costs incurred of pursuit of acquisitions, accounting charges for share-based payments, impairment and IT SaaS implementation costs.
2) New business represents 3.5 months of Baldwins and results of Applied Marks for the year. Excludes additional contribution generated under IPH ownership.

3) Accounting FX movements represents change in realised and unrealised FX as reported in the financial statements.
4) Currency adjustment represents the performance had the prior period exchange rates applied.



Underlying Results

Underlying EBITDA \$137.4m up 11% assisted by organic growth and currency benefit

	FY22 Statutory Income Statement	Adjustments	Underlying Earnings FY22 ²	FY21 Statutory Income Statement	Adjustments	Underlying Earnings FY21
Total revenue	385.1		385.1	363.5		363.5
Recoverable expenses	(103.4)		(103.4)	(104.5)		(104.5)
Compensation	(123.4)	4.9	(118.5)	(115.1)	3.6	(111.5)
Occupancy	(1.8)		(1.8)	(2.0)		(2.0)
Restructuring / acquisitions related expenses	(7.9)	7.9	0.0	(7.0)	7.0	0.0
Impairment of intangible assets	(6.8)	6.8	0.0	(0.5)	0.5	0.0
Other	(25.9)	1.9	(24.0)	229.1		229.1
Total expenses	(269.2)		(247.7)	(250.2)		(239.2)
EBITDA	115.9		137.4	113.3		124.3
EBITDA %	30.1%		35.7%	31.2%		34.2%
Depreciation & Amortisation	(39.5)	22.8	(16.7)	(37.5)	21.6	(15.9)
EBIT	76.4		120.7	75.8		108.4
Finance Costs	(4.7)		(4.7)	(5.9)		(5.9)
NPBT	71.7		116.0	69.9		102.5
Tax (expense)/benefit	(19.1)	(10.2)	(29.3)	(16.3)	(10.0)	(26.3)
NPAT	52.6	34.1	86.7	53.6	10.9	76.2
Diluted EPS (cents)¹	24.0c		39.5c	24.7c		35.2c

1) Diluted EPS includes performance rights that are yet to vest.

2) FY22 Underlying EBITDA and NPAT excludes costs incurred of pursuit of acquisitions, restructuring, accounting charges for share-based payments, impairment, IT SaaS implementation costs and amortisation of intangibles.

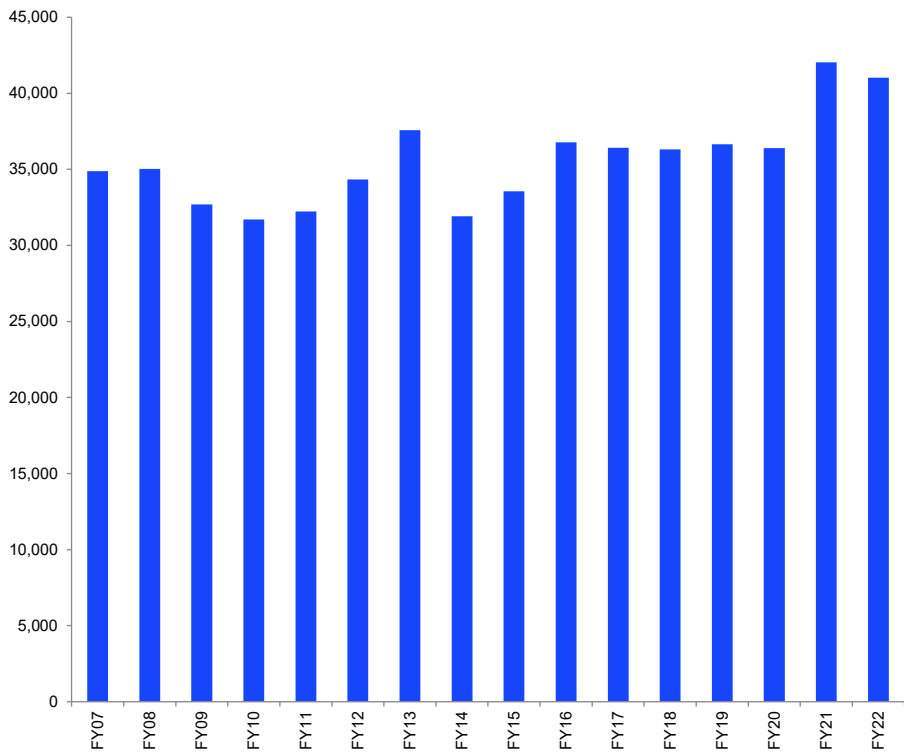


Patent market trends

No discernible impact to long-term trends

Australian Patent Filings¹

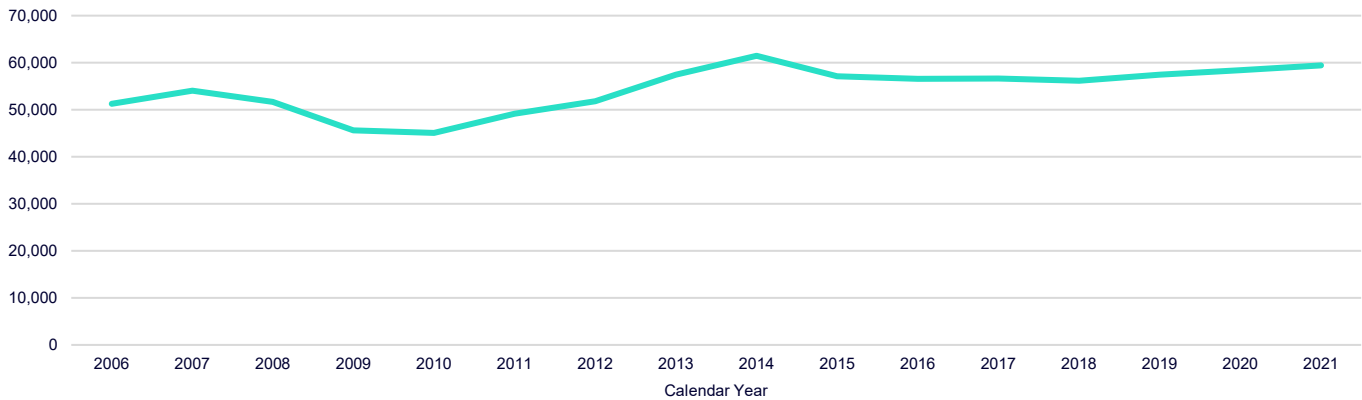
CAGR 15 Yr (FY07 to FY22) = 1.1%
CAGR Post-GFC (FY10 to FY22) = 2.2%



1) Management estimate based on IP Australia filing data as at 1/8/22 (FY22), 13/7/21 (FY21), 14/7/20 (FY20), 1/8/19 (FY19) and 3/8/2018 (FY18). Chart includes all types of patent applications.

US PCT Applications²

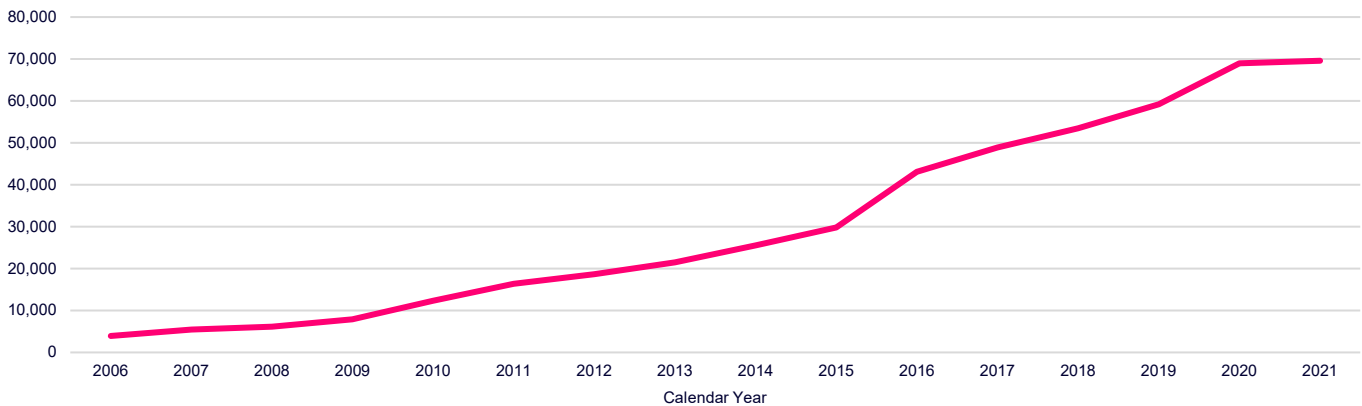
CAGR 15 Yr (CY06 to CY21) = 1.0%
CAGR Post-GFC (CY10 to CY21) = 2.5%



2) PCT applications originating from US filed at any receiving office by filing date from WIPO IP Statistics Data Center as at 1/8/22.

China PCT Applications³

CAGR 15 Yr (CY06 to CY21) = 21.1%
CAGR Post-GFC (CY10 to CY21) = 17.1%

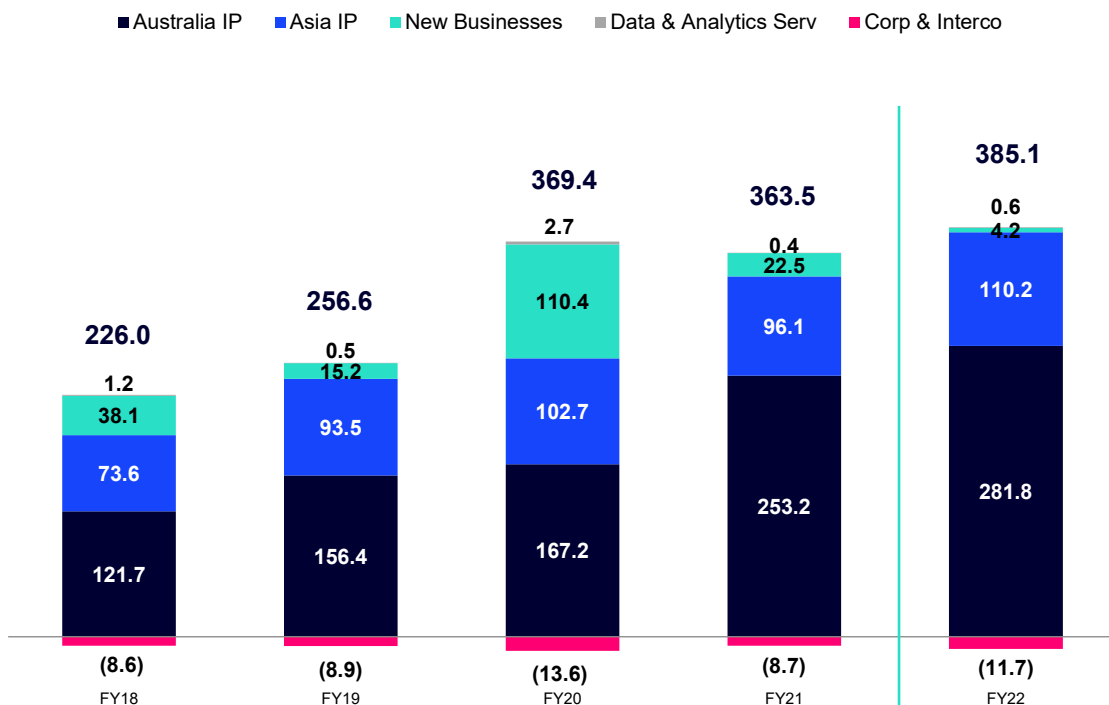


3) PCT applications originating from China filed at any receiving office by filing date from WIPO IP Statistics Data Center as at 1/8/22.



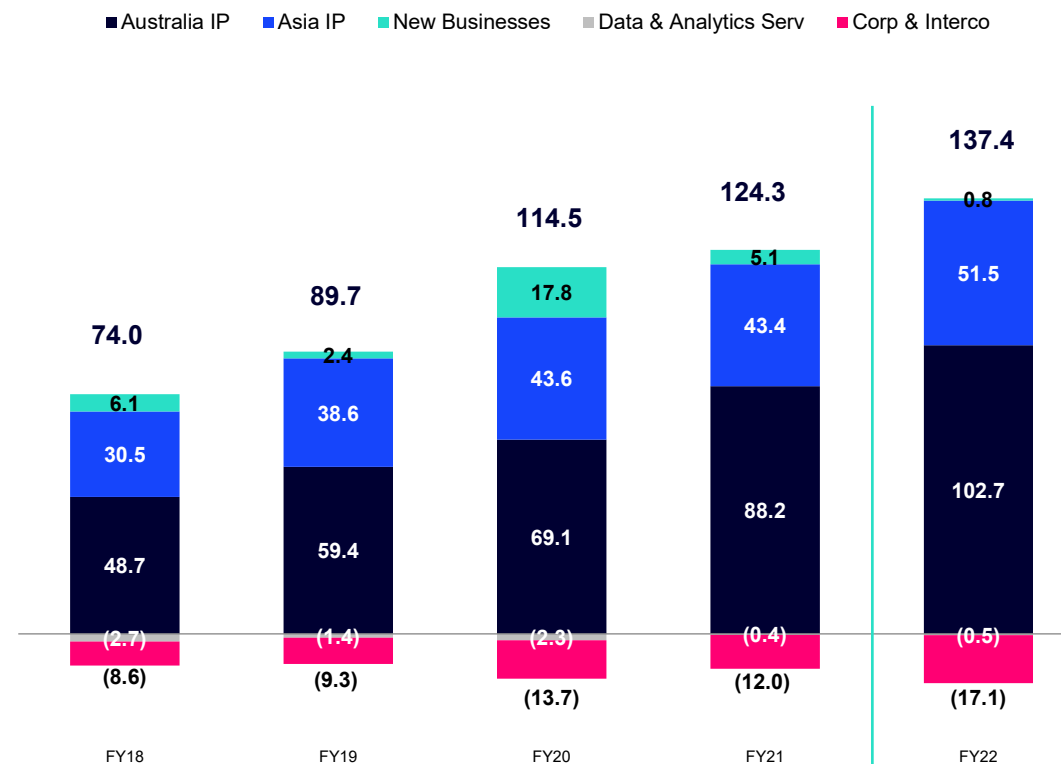
Revenue and EBITDA

Underlying Revenue \$'m



1) Underlying EBITDA in FY21 and FY22 is post-AASB16. FY17-FY20 are pre-AASB16.
 2) Underlying EBITDA excludes costs incurred in pursuit of acquisitions, revaluations of deferred settlements & earn outs, new business establishment costs, accounting charges for share-based payments and restructuring expenses.
 3) New Businesses FY22 represents 3.5 months of Baldwins and a full year of Applied Marks.

Underlying EBITDA \$'m



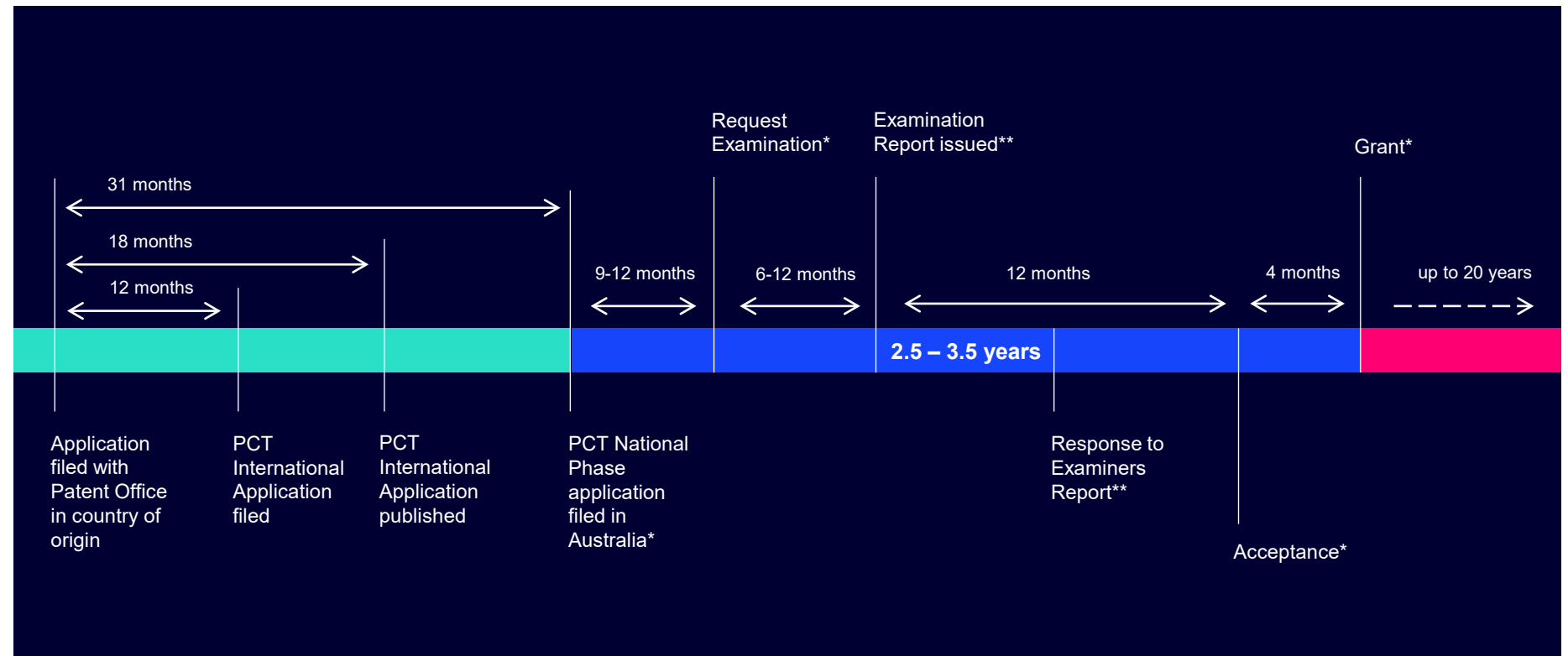
Patent lifecycle

Long-life cycle supports consistent revenues and earnings

Each year more than half⁺ of the total patent applications filed in Australia come through the PCT system in the form of PCT National Phase patent applications.

- The process from filing the Australian application (or entering the Australian national phase) to grant of a patent typically takes 2.5-3.5 years.
- Patents can be renewed by paying official renewal fee annually up until the expiry of the patent 20 years from the filing date of PCT International Application.

Typical (indicative) foreign patent route in Australia



⁺Management estimate based on PCT National Phase entries from IP Australia filing data FY19 to FY22.

* Revenue event – typically flag fall.

** Revenue event – typically combination of flag fall and hourly charges

