FY20 Results

24 August 2020

Agenda

1. **FY20 Overview**
   Ed Harrison, CEO
2. **FY20 Financial Performance**
   Peter McClelland, CFO
3. **FY21 Outlook**
   Ed Harrison, CEO
4. **Q&A**
   Ed Harrison, CEO
   Peter McClelland, CFO

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FY20 Overview

Ed Harrison, CEO

Leading provider of media intelligence in Asia-Pacific region

Most extensive suite of products and services

FY20 Revenue[1]

$110.3m

FY20 Underlying EBITDA[2]

$20.9m

Recurring revenue[3]

90%

- Media intelligence software and managed services delivered across 8 markets
- High quality client base including government and leading corporates
- Globally awarded insights products and capabilities

1. FY20 revenue includes $8.5m from North Asia
2. Underlying EBITDA is $20.9m. It includes an EBITDA loss of $1.2m from North Asia.
3. Percentage of FY20 revenue that is recurring (subscription & VAS). Social insights recurring revenue in Asia included in FY20.

Media intelligence and insights

Delivering solutions for communications professionals

- Isentia monitors, analyses and creates actionable insight from complex communications across Asia Pacific
- Inform thousands of marketing, communications and business decisions each day

Customers	Mediaportal users	Data sources
>3k	**>36k**	**>6m**

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FY20 Overview

Varied market performance, good progress against strategy

- FY2020 underlying EBITDA[1] in line with previously stated guidance
- Revenue decline of 10% driven by competitive pressures in ANZ market
- Good revenue growth in South East Asia
- Efficiency programs deliver 10% reduction in total costs
- New product releases strengthen competitive position
- Exit North Asia as no longer aligned to strategy

1. Underlying EBITDA is $20.9m. It includes an EBITDA loss of $1.2m from North Asia.

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Trading through COVID-19

Rapid response limits impact of crisis

- Rapid transition of 18 offices to remote working ensures safety of staff
- Limited impact on customer delivery
- Essential nature of product and services, especially during a crisis
- Diverse client portfolio across industry sectors and government
- High utilisation levels of products and services

Limited Net Impact On FY20 Earnings

- ▼ Extended sales cycle
- ▼ Some cancellations or deferrals by small clients
- ▼ Some additional service and content costs

- ▲ Increased demand for COVID-19 insights products
- ▲ Early action on operational expenses.
- ▲ Acceleration of cost management program
- ▲ Small government wage subsidies in Asia

The State of the Strategy

Strategic plan has adapted to changing market conditions

	ACHIEVED	IN PROGRESS
Establish an efficient operating model underpinned by single platform	• Automated all press and some broadcast workflows • Increased speed and reliability of core systems • Levelled playing field in copyright	• Consolidate systems and move closer to a single platform • Extend machine learning to accelerate decision-making • Complete full automation of data pipelines
Deliver world-class, market-centric product innovation	• Launched multiple new platform features and functions • Introduced innovative growth products incl. Reputation Analysis	• Roll out new platform architecture and UX • Expand on-platform social media analytics to provide unique 'social + traditional' capability • Make final transition to 100% real-time content delivery
Create regional scale to strengthen Asia Pacific leadership	• Increased product development resources in South East Asia (SEA) • Developed multinational offering and sales structure • Exited North Asia as not aligned with strategy	• Continue to launch new Asia-focused products • Standardise product offering across SEA markets to improve local and multimarket sales • Standardise processes across SEA to achieve labour efficiency

Driving operational efficiencies

Transforming processes and capabilities

- Automated press and broadcast functions increase speed of content delivery and reduces costs
- Standardisation of products and processes in South East Asia
- Further consolidation of platforms and systems simplifies technology footprint
- Machine learning removes cost and accelerates workflows

Moving towards a single platform

Critical enhancements to social media functionality in FY21 will bring Isentia closer to meeting all clients' needs from a single platform in all markets

Fast delivery | More content | Better quality

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Transforming our technology

Enhancing business efficiency and improving client experience

- Leading-edge cloud architectures
- Integrating third party providers into tech stack
- Increased use of machine learning

Business Outcomes

- Scalable and reliable tech stack
- Reduced costs across data pipelines
- Faster product development

Client Outcomes

- Faster delivery of content
- Improved relevance
- Continuous release of new products and features

Delivering world-class product innovation

Six development teams, one focus

Social Monitoring

Expanding capability for social media monitoring, analysis and reporting in Mediaportal.

New User Experience

Making Mediaportal even easier to use, as well as delivering a fresh look.

Next Generation Broadcast

Transforming broadcast monitoring so clients receive broadcast items fast, in an easily digestible and shareable format.

Revamped Reporting

A new suite of reporting tools to help Comms professionals keep stakeholders informed in an efficient, controlled and elegant way.

Data Ingestion

Enhanced speed of media items, new metadata and new media types.

App

Delivering a new app experience, so users can check and share media coverage through the day.

Investing in and delivering product innovation

Maintaining high velocity in product release rate

JULY 1, 2019

Live Alerts
Real-time, SMS notifications of important broadcast content

Feeds
A consolidated view of your media coverage

Mobile App
Relaunched mobile experience with new look

Syndication
Syndicated media items grouped and condensed for quicker browsing

Translation
Easy translation of your online content at the click of a button

Analytics enhancements
More dashboard charts, as well as full screen view

Broadcast transcripts
Automated, Voice to Text transcripts of your broadcast content

Off-brief search
Find any media item, even outside your briefs

Transformed broadcast
Faster delivery of broadcast content to help you stay on top of the news in real-time

App enhancements
Search within the app and save and share key media items

CALD
Culturally and Linguistically Diverse Media Monitoring capabilities

COMING UP

Q1
App enhancements
Search sorting, recent searches and reporting capabilities

Q2
New look
Evolution of Mediaportal look and User Experience

Q2
Broadcast improvements
Enhancements to the text and display of fast broadcast media

Q2
Social data
Engagement data for social items and added reporting capabilities

Q3
Enhanced Reports
Redesigned reporting experience including scheduled reports and customisation

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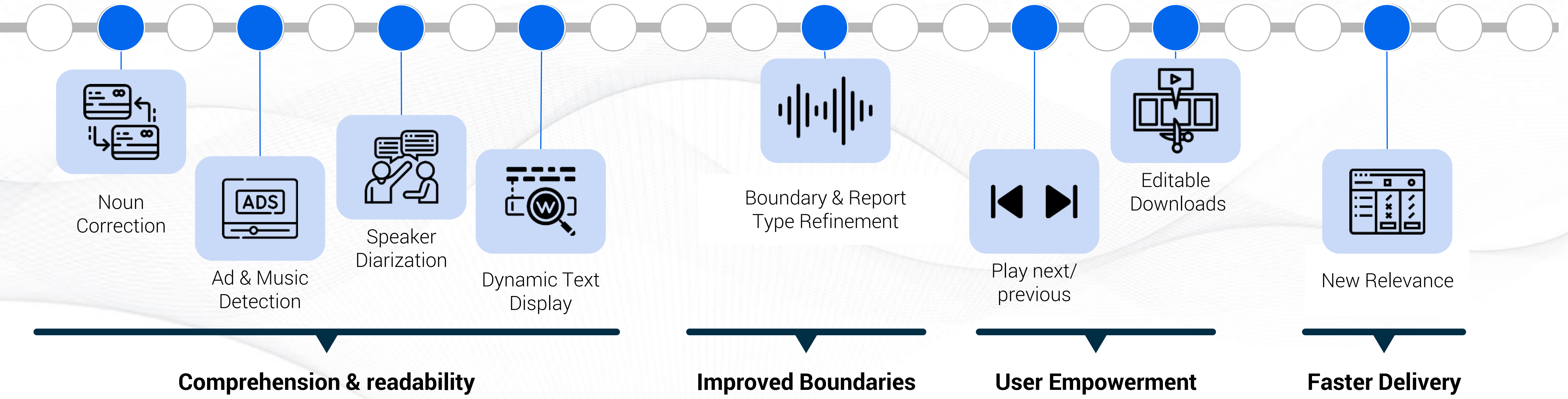
Reimagining broadcast delivery

World-class technology, game changing capability in FY2021



Streamlining Asian operations

Exit North Asia to focus on growth markets

- North Asia closure follows extensive strategic review
- Business impacted by ongoing decline in print media
- Despite significant cost reduction program, North Asia remained loss-making and cashflow negative
- Growth would have required significant capital investment given size of the market and unique data sets
- Strategic alliance with Wisers provides some offset of closure costs and new opportunities for collaboration across the broader region

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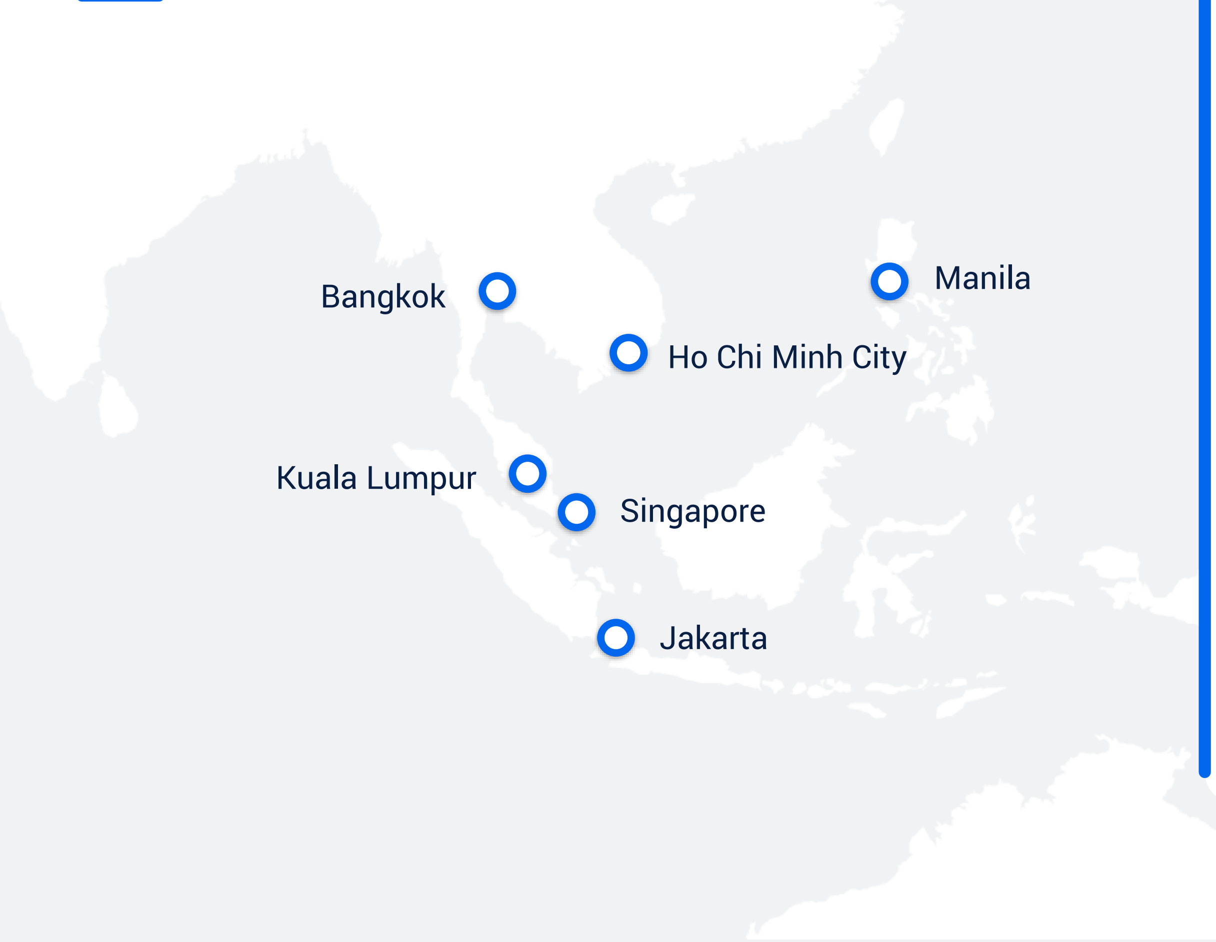
Aligning South East Asia and ANZ

Building regional scale with a single platform



- Commonality in data sets across ANZ and South East Asia
- Market-leading insights capability and common research methodologies in all markets
- Unique mix of traditional and social media monitoring
- Strong local partnerships and multi-market sales will increase multi-national client base
- Significant operational efficiencies through the standardisation of product and processes across region
- New matrix structure allows better access to head office functions

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FY20 Financial Performance

Peter McClelland, CFO

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FY20 Financial Overview

Realising significant operational efficiencies, strong cashflow results in further debt reduction

Revenue

$110.3M

$12.2m lower on pcp

Cost base reduced by $10m or

10%

Yielding a more efficient, adaptable business model

Underlying EBITDA[1]

$20.9M

$2.2m lower on pcp

Underlying EBITDA margin

18.9%

In line with pcp

Underlying NPATA[2] of

$7.7M

AASB16 neutral impact on NPATA

Net debt

$24.6M

Strong operating cashflow reduces debt by $3.7m

1.Underlying EBITDA adjusts for certain non-operating items and is pre AASB 16. EBITDA post AASB 16 and non-operating items was $11.4m
2 Underlying NPATA adds back to NPAT the amortisation of intangibles resulting from acquisitions and adjusts for certain non-operating items. NPATA inclusive of non-operating items is a loss of $4.9m

FY20 Financial Results Summary[1]

Transforming the cost base to deliver a more efficient, streamlined operating model

Overview

$M	FY20	FY19	VARIANCE	VARIANCE %
Revenue	**110.3**	**122.5**	**(12.2)**	**(10.0%)**
ANZ	76.4	87.6	(11.2)	(12.8%)
ASIA	33.9	34.8	(0.9)	(2.6%)
Cost of Sales	**18.4**	**23.8**	**5.4**	**22.7%**
Operating Expenses	**71.0**	**75.6**	**4.6**	**6.1%**
Underlying EBITDA pre AASB 16[1]	**20.9**	**23.1**	**(2.2)**	**(9.5%)**
Underlying EBITDA Margin	*18.9%*	*18.8%*		
Underlying EBITDA incl AASB 16	**24.8**	**23.1**	**1.7**	**7.4%**
Subscription Customers	**FY20**	**FY19**		
Average Monthly Customers	3,093	3,336		

Revenue growth in South East Asia is offset by declines in ANZ and North Asia

Strategic initiatives remain focused on customer experience and one platform for the company

Cost transformation programs continue to deliver greater variability and overall reductions in cost structure.

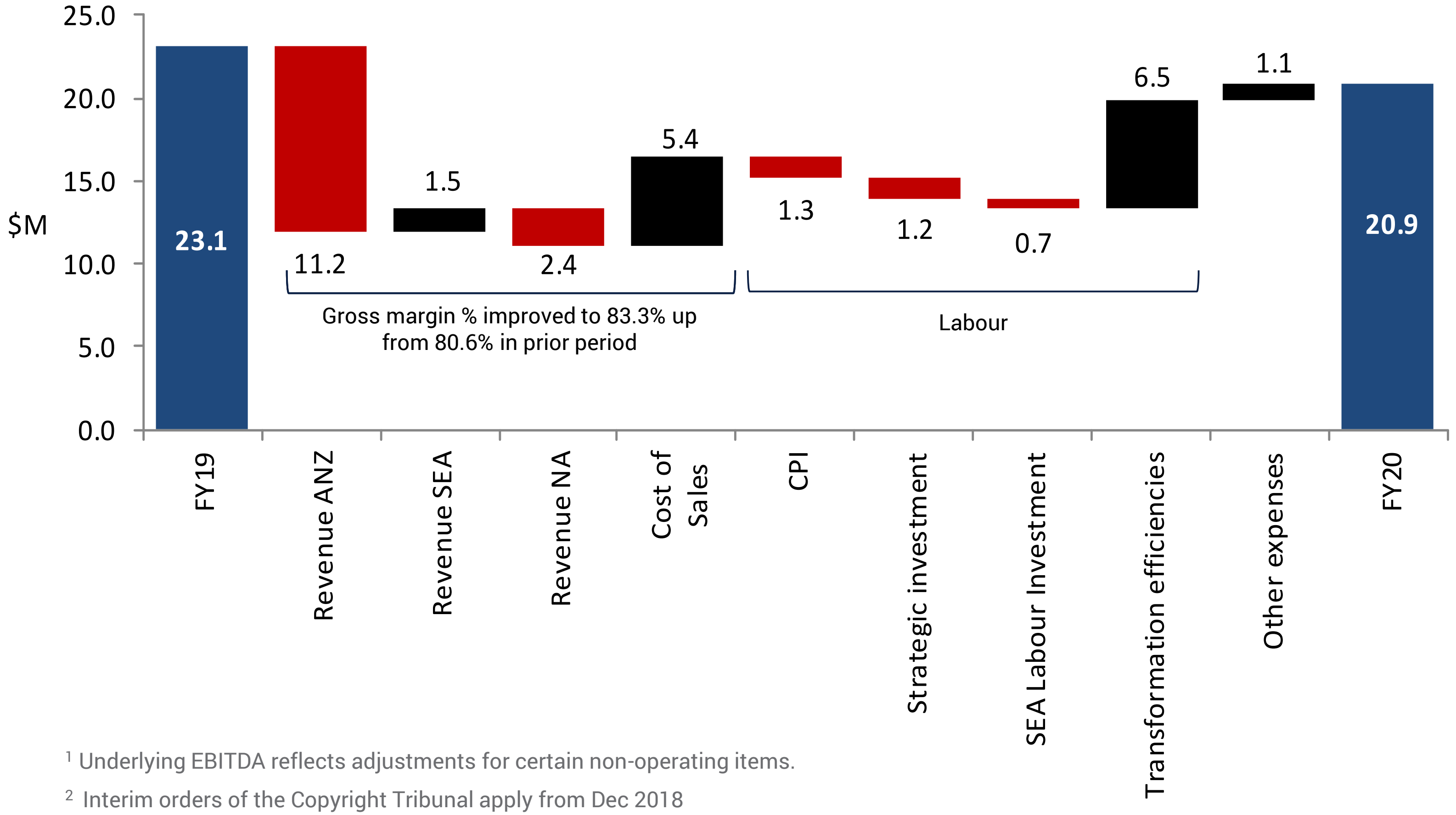
- Total costs reduced by $10m almost evenly split between cost of sales and operating expenses
- Maintained EBITDA margin at 18.9%

Implementation of AASB 16 Leases increased underlying EBITDA by $3.9m. NPAT impact is neutral.

[1] Underlying EBITDA reflects adjustments for certain non-operating items.

Underlying EBITDA pre AASB16[1]

Realisation of operational efficiencies funds strategic investment



Competitive pressures impact revenue in ANZ.

Limited impact on revenue from COVID-19

Ongoing focus on reducing costs of content, copyright, production and delivery[2].

Transformation programs including automation, process efficiency and further leveraging of international operations reduces labour and other operating expenses.

Strategic investment in customer solutions through Product & Tech improvements and Business Development

COVID-19 drove increase in transaction-related cost of sales offset by cost control measures

[1] Underlying EBITDA reflects adjustments for certain non-operating items.

[2] Interim orders of the Copyright Tribunal apply from Dec 2018

FY20 ANZ Results Summary

ANZ market challenging but continue to transform cost base and maintain margin

ANZ				
$M	**FY20**	**FY19**	**VARIANCE**	**VARIANCE %**
Revenue				
SaaS - Media Intelligence	58.9	69.4	(10.5)	(15.1%)
VAS	17.5	18.2	(0.7)	(3.8%)
Total SaaS/Vas	**76.4**	**87.6**	**(11.2)**	**(12.8%)**
ANZ Contribution pre AASB 16	**30.6**	**34.4**	**(3.8)**	**(11.0%)**
Contribution Margin	40%	39%		
ANZ Contribution incl AASB 16	**30.8**	**34.4**	**(3.6)**	**(10.4%)**

ANZ Contribution is the profit before the allocation of Head Office costs.

Competitive pressures responsible for declining SaaS revenues

COVID-19 impacting sales cycle

VAS more resilient, with H2 stronger than H1 due to increased insights demand during pandemic

Some H2 FY20 increases in content and labour costs associated with COVID-19

ANZ cost transformation programs
- deliver $7.4m or c.14% lower cost base
- Improve contribution margin to 40%

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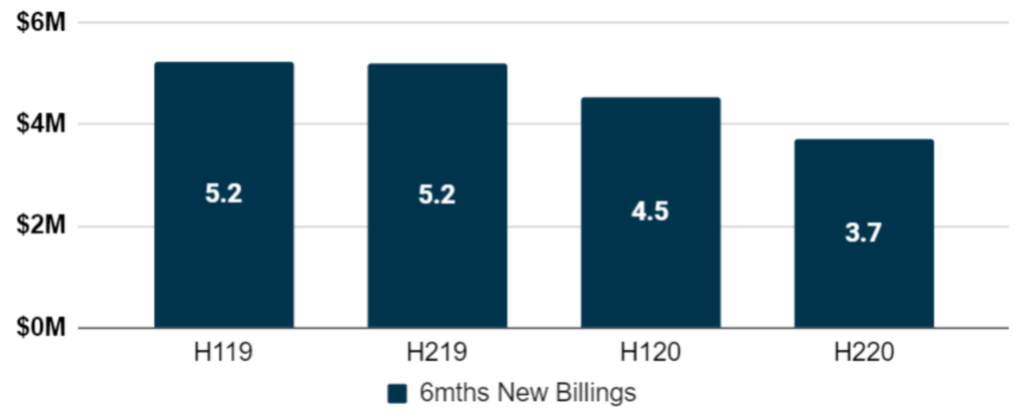
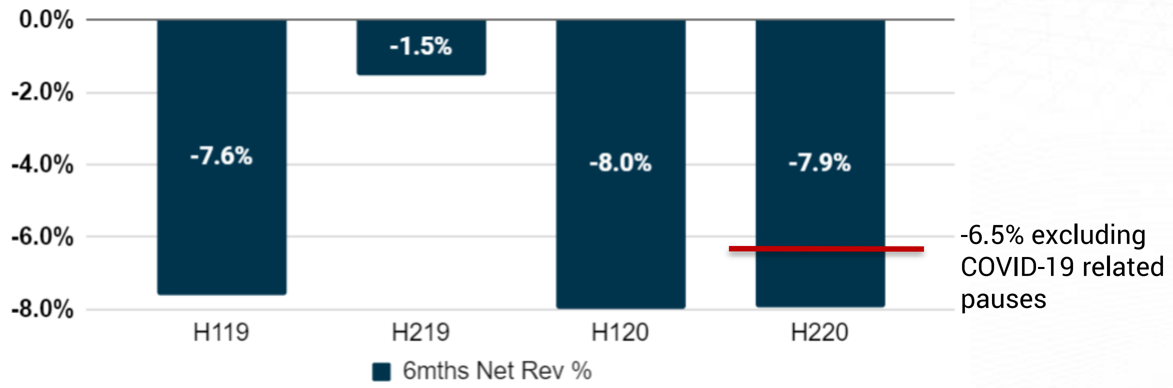
ANZ Focus On Client Acquisition and Retention

Over 300 new client wins with majority returning from competitors

ANZ Annualised New Billings $m



ANZ Net Win/Loss of Subscription Billing [1]



New sales:

H2 new billings impacted by COVID-19 economic uncertainty which has led to longer sales cycles

Net Win / Loss:

Net win/loss in line with H1 despite a marginal reduction in new billings and H2 includes COVID-19 related pauses and cancellations.

[1] Net change in the subscription billing run rate over the period due to client wins and losses.

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FY20 Asia Results Summary

South East Asia continued growth, North Asia underperforming

Asia				
$M	**FY20**	**FY19**	**VARIANCE**	**VARIANCE %**
Revenue				
SaaS - Media Intelligence	16.3	16.1	0.2	1.2%
VAS	17.6	18.7	(1.1)	(5.9%)
Total SaaS/Vas	**33.9**	**34.8**	**(0.9)**	**(2.6%)**
Asia Contribution pre AASB 16	**4.8**	**3.0**	**1.8**	**60.2%**
Contribution Margin	14%	9%		
Asia Contribution incl AASB 16	**6.8**	**3.0**	**3.8**	**126.6%**

South East Asia revenue growth slowed in H2 FY20 due to sales team restructuring and some impact from COVID-19

North Asia affected by ongoing unrest in Hong Kong and decline in traditional media in China

Total Asia cost reduction of $2.8m or 8.5% predominantly associated with right-sizing cost structures in North Asia

Costs in South East Asia grew in line with sales reflecting investment to standardise products and processes

Asia Contribution is the profit before the allocation of Head Office costs.

FY20 South East Asia Results Summary

Investing for growth in South East Asia

South East Asia				
$M	**FY20**	**FY19**	**VARIANCE**	**VARIANCE %**
Revenue				
SaaS - Media Intelligence	11.4	11.0	0.4	3.6%
VAS	13.9	12.9	1.0	7.8%
Total SaaS/Vas	**25.4**	**23.9**	**1.5**	**6.3%**
Contribution pre AASB 16	**6.1**	**4.0**	**2.1**	**52.5%**
Contribution Margin	24%	17%		
Contribution incl AASB 16	**7.1**	**4.0**	**3.1**	**77.5%**

Asia Contribution is the profit before the allocation of Head Office costs.

South East Asia revenue continued to grow and contribution increases 52.5%

Positive operating leverage as margins expand to 24% from 17% in pcp

H2 FY20 revenue slowdown due to COVID-19 and sales restructure

Labour costs increase in line with revenue and new management team, offset by savings in cost of sales

Reorganisation of the leadership structure completed in H2 to:

- Drive regional focus
- Increase product standardisation
- Improve margins by accelerating efficiency and process improvement programs

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FY20 North Asia Results Summary

Strategic decision to exit loss making North Asia business

North Asia				
$M	**FY20**	**FY19**	**VARIANCE**	**VARIANCE %**
Revenue				
SaaS - Media Intelligence	4.8	5.0	(0.2)	(4.0%)
VAS	3.7	5.9	(2.2)	(37.3%)
Total SaaS/Vas	**8.5**	**10.9**	**(2.4)**	**(22.1%)**
Contribution pre AASB 16	**(1.2)**	**(1.0)**	**(0.2)**	**(20.0%)**
Contribution Margin	-14%	-9%		
Contribution incl AASB 16	**(0.3)**	**(1.0)**	**0.8**	**80.0%**

Asia Contribution is the profit before the allocation of Head Office costs.

Full year of trading included in FY20 financials

- North Asia impacted by ongoing unrest in Hong Kong and decline in traditional print media in China
- Cost reduction activities contained impact of declining revenues on contribution

Isentia announced on 30 June 2020 that it would close North Asia

North Asia Closure & Strategic Alliance

Poor alignment with rest of Isentia's business

North Asia Closure Costs	
$M	
Customer referral fees	0.7
Redundancies	(2.2)
Other exit expenses	(0.6)
Total cash costs (booked in FY20)	**(2.1)**
Reversal of contingent consideration	1.3
Impairment of assets	(9.9)
Total non-cash costs (booked in FY20)	**(8.7)**
Total Non operating items (booked in FY20)	**(10.8)**
Tax Benefit	**0.5**
Total	**(10.3)**

Strategic decision to exit North Asia

- Poor alignment to strategic objectives and ongoing capital investment requirements
- Loss-making and negative cashflow outlook
- Streamlining Asian business operations and management focus

Entered into strategic alliance in Greater China

- Wisers are a strong local partner
- Client transfers underway
- Client referral fee received

Net cash closure costs (redundancies and other exit costs) to be incurred in H121 of $2.1m. Further costs to be incurred in FY21 will result in total cash closure costs at the lower end of estimated $3-4m.

Closure costs of $10.8m booked in FY20. Some further costs to be incurred in FY21

Group Operating Expenses[1]

Sustainable cost savings as transformation continues

Total Expenses

$M	FY20	FY19	VARIANCE	VARIANCE %
Employee expenses	54.7	58.2	3.5	6.0%
Cost of Sales	18.4	23.8	5.4	22.7%
Occupancy	5.2	5.2	(0.0)	(0.4%)
Software and support	4.1	3.7	(0.4)	(10.8%)
Communication & Marketing	2.2	2.7	0.5	18.5%
Other operating expenses	4.8	5.8	1.0	17.2%
Total expenses	**89.4**	**99.4**	**10.0**	**10.1%**
Full-time Equivalent (FTEs)	*1123*	*1164*	*(41)*	*(3.5%)*

[1] Excludes AASB 16

Cost transformation programs deliver sustained cost reductions across business model.

Total expenses (pre AASB16) reduced by $10.0m or 10.1%

- Net labour savings in ANZ and North Asia
- Investment in labour in Product, Tech and Business Development in line with strategy
- Management of labour cost inflation pressures
- Cost of sales savings through increased variability in Australian copyright and Asia production costs
- 2H FY20 COVID-19 led to savings in travel costs offset by higher labour and content costs

FY20 costs shown pre impact of AASB16 for comparative purposes. AASB16 would decrease occupancy by $3.9m and total expenses reduce to $85.5m

Cash Flow – Cash Envelope

Net debt at lowest level since June 2015

Cash Flows			Comparable financial information	
$M	FY20 Per Annual report	AASB 16 adjustment	FY20	FY19
Underlying EBITDA	24.8	3.9	20.9	23.1
(Increase) / decrease in net working capital	(0.9)		(0.9)	7.8
Net cash from operating activities	**23.9**	**3.9**	**20.0**	**30.9**
Operating cash flow conversion %	*97%*		*96%*	*134%*
Payments for property, plant and equipment	(0.7)		(0.7)	(1.2)
Payments for intangibles	(7.8)		(7.8)	(7.1)
Proceeds from release of security deposits	0.1		0.1	0.0
Net cash used in investing activities	**(8.5)**	-	**(8.5)**	**(8.2)**
Net finance costs paid	(2.6)	(0.4)	(2.2)	(2.2)
Tax paid	(3.1)		(3.1)	(0.2)
Payments to vendors for prior year assets acquisition	-		-	(2.5)
Proceeds from borrowings	5.0		5.0	-
Repayment of borrowings	(7.3)		(7.3)	(12.0)
Repayments of leases	(4.0)	(3.5)	(0.5)	(0.4)
Other one-off items including restructuring costs	(2.0)		(2.0)	(2.6)
Net cash from/(used in) financing activities	**(14.0)**	**(3.9)**	**(10.1)**	**(19.8)**
Net cash flow	**1.4**	**-**	**1.4**	**2.8**
Cash and cash equivalents at the beginning of the financial period	14.7		14.7	11.9
Cash and cash equivalents at the end of the financial period	16.2		16.2	14.7
Gross drawn debt	**40.8**		**40.8**	**43.0**
Net debt	**24.6**		**24.6**	**28.3**

[1] The comparable financial information excludes these AASB16 adjustments
Note that in the balance sheet, cash held by the Korean business is classified as assets held for sale.

- AASB16 reclassifies items between operating activities and financing activities[1]
- Management of the cash envelope is a key focus. In FY20, net debt reduced by $3.7M from FY19 to $24.6M.
- Cashflow managed tightly during H2 FY20 to offset potential impacts from COVID-19
- FY19 cash flow benefited from favourable working capital movements
- Continued investment in technology and product platforms in line with strategic plan
- FY19 Income Tax paid included tax refund of $1.9m
- No dividends paid or declared during the period

Debt Facility

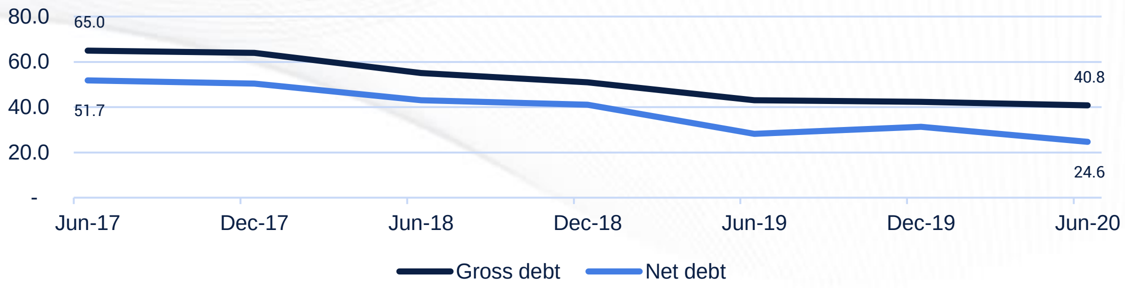
Headroom on debt facility as continue to reduce debt

$M	Available	Debt Drawdown	Guarantee Drawn	Undrawn
Facility A	32.8	32.8	0.0	0.0
Trade finance facility	11.4	8.0	0.0	3.4
Facility B	3.0	0.0	0.4	2.6
Total debt	**47.2**	**40.8**	**0.4**	**6.0**
Cash and cash equivalents		16.1		
Net debt		**24.6**		

RATIOS[1]	BANK COVENANT	ACTUAL	EBITDA HEADROOM
Leverage Ratio	<2.75x	1.22x	56%
Debt Service Ratio	>1.25x	2.32x	27%

[1] Ratios and headroom on 12 month rolling basis

Gross and Net Debt position $m



- Net debt reduced to $24.6M from FY19
  Over 50% reduction since June 2017
- In December 2019, facility was extended to August 2021.
- Covenant headroom on debt facility exists.

FY21 Outlook

Ed Harrison, CEO

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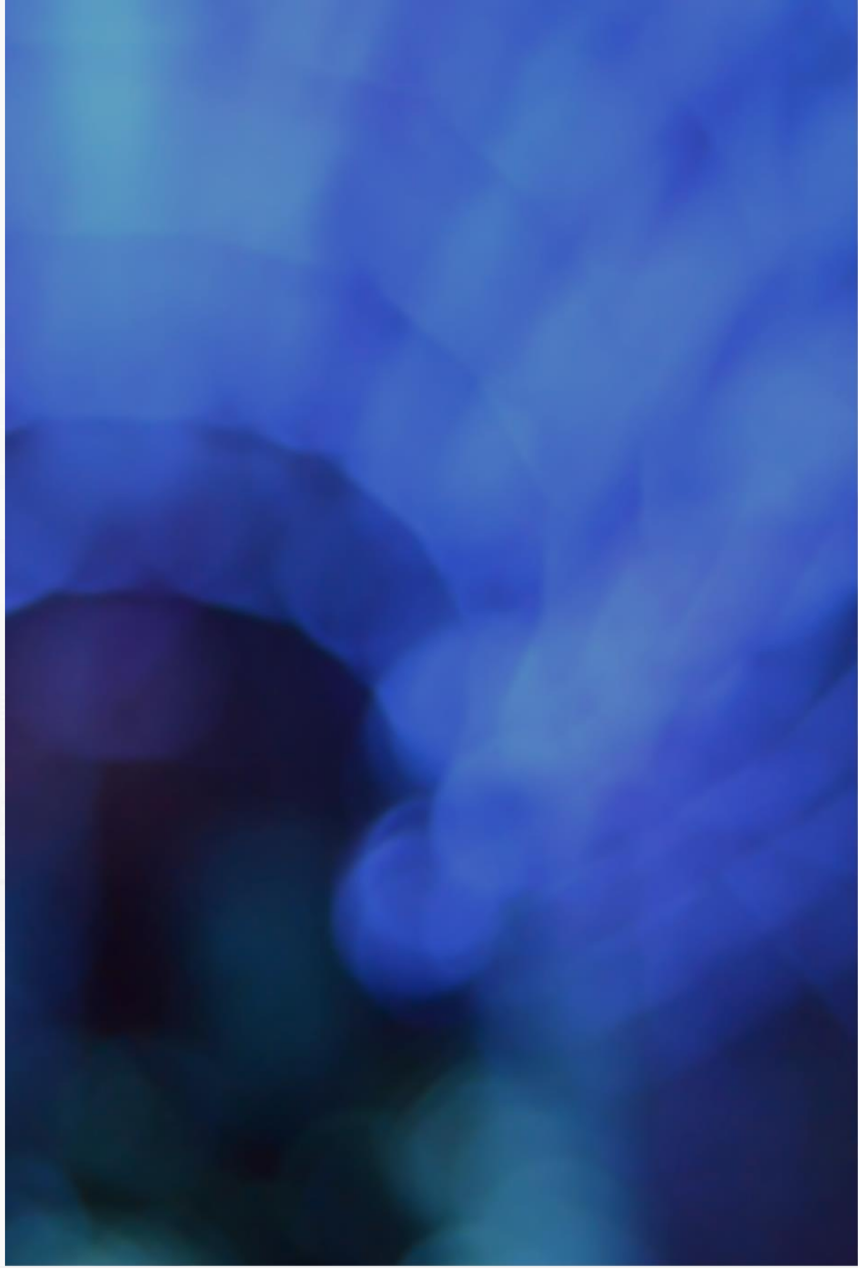
Looking ahead

FY2021 economic outlook uncertain

- The economic uncertainty created by COVID-19 and the Copyright Tribunal proceedings has limited FY21earnings visibility. As a result, Isentia will not provide FY21 financial guidance

- Despite the economic uncertainty, we expect both the media intelligence sector and Isentia's subscription model to remain resilient, allowing continued focus on the strategic plan and ongoing investment in new products and technology



Q&A

Ed Harrison, CEO
Peter McClelland, CFO

Appendix

AMEC Awards 2020

Award-winning media insights

amec AWARDS 2020 International Communication Effectiveness
Gold WINNER
Best crisis comms measurement and reporting

amec AWARDS 2020 International Communication Effectiveness
Gold WINNER
Best evaluation on a small budget (<£10,000 or <$10,000)

amec AWARDS 2020 International Communication Effectiveness
Gold WINNER
Best first step on a measurement journey

amec AWARDS 2020 International Communication Effectiveness
Gold WINNER
Most impactful client recommendations arising from a measurement study

Silver WINNER
amec AWARDS 2020 International Communication Effectiveness

AASB16 *Leases*

Adopted AASB16 Leases on 1 July 2019 which has resulted in the recognition of right-of-use assets and corresponding lease liabilities. Straight-line operating expense recognition in EBITDA is replaced with a depreciation charge for the right-of-use assets and an interest expense on the recognised lease liabilities.

Overview

Predominantly relates to office leases

Balance Sheet

Initial recognition of right-of-use assets $10.1m and corresponding lease liability

Finance lease capitalised previously under AASB117 with net carrying value of $1.2m now presented under right-of-use assets

DTA and DTL recognised as a result of AASB16 adoption

Profit & Loss

The adoption of AASB16 has resulted in a FY20 increase underlying EBITDA by $3.9m

This is offset by an increase in depreciation of $3.6m and net finance costs of $0.4m

Cashflow

No impact on net cashflows

Increase in reported operating cashflows offset by higher financing cashflows

Disclosure

2020 Profit & Loss, stated on a same basis as the prior year

2019 comparatives are not restated

2020 EBITDA and contribution shown pre and post AASB16 impact

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Group Financial Results

GROUP				
$M	**FY20**	**FY19**	**VARIANCE $M**	**VARIANCE %**
Group	**110.3**	**122.5**	**(12.2)**	**(10%)**
SaaS - Media Intelligence	75.2	85.5	(10.4)	(12%)
VAS	35.1	36.9	(1.8)	(5%)
Revenue	**110.3**	**122.5**	**(12.2)**	**(10%)**
Copyright, consumables and other direct purchases	(24.2)	(29.5)	5.3	18%
Employee costs	(54.7)	(58.2)	3.4	6%
Other operating expenses	(10.5)	(11.8)	1.3	11%
Expenses	**(89.4)**	**(99.4)**	**10.0**	**10%**
Underlying EBITDA pre AASB 16	**20.9**	**23.1**	**(2.2)**	**(10%)**
AASB16 Adjustment	**3.9**	**-**	**-**	**-**
Underlying EBITDA after AASB 16 Adjustment	**24.8**	**-**	**-**	**-**
EBITDA margin	*19%*	*19%*		
Non-operating items	(2.0)	(2.2)	0.3	12%
North Asia Exit	(2.1)	-	(2.1)	
Fair value adjustment on contingent consideration	1.3	-	1.3	
Impairment of assets	(10.4)	(41.0)	30.5	75%
Loss on disposal of assets	(0.1)	(0.2)	0.1	45%
EBITDA	**11.4**	**(20.3)**	**31.7**	**(156%)**
Depreciation and amortisation	(11.0)	(7.1)	(3.9)	(56%)
Amortisation of acquired intangibles	(7.8)	(8.0)	0.2	2%
Finance costs	(2.7)	(2.2)	(0.5)	(23%)
Profit/(loss) before tax	**(10.1)**	**(37.5)**	**27.4**	**(73%)**
Tax	(0.8)	3.2	(4.0)	(124%)
NPAT	**(10.9)**	**(34.3)**	**23.5**	**(68%)**
add back: Amortisation of acquired intangibles after tax	6.0	6.2	(0.2)	(3%)
NPATA	**(4.9)**	**(28.1)**	**23.2**	**(83%)**
add back: Impairment of assets	10.3	35.6	(25.3)	(71%)
add back: Fair value adjustment on contigent consideration	(1.3)	-	(1.3)	
add: Extraordinary items (net of tax)	1.4	1.7	(0.3)	(19%)
add: North Asia Exit	2.1	-	2.1	
Underlying NPATA	**7.7**	**9.2**	**(1.5)**	**(16%)**
Underlying Earnings per share (cents)	*3.9*	*4.6*	(0.7)	(16%)

Underlying EBITDA excludes non-operating items.

- Shown pre and post the impact of AASB16 for comparative purposes

Depreciation and amortisation increased due to adoption of AASB16.

Non-operating items include costs associated with the closure of North Asia and other non operating items such as restructuring costs

The effective tax rate for the year ended 30 June 2020 is -8% of loss before tax. The primary reason for the variance from the statutory tax rate of 30% is the add back of non-deductible expenses (particularly impairment), as well as the impact of R&D tax offsets and lower taxes across Asia.

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Balance Sheet

$M	June 2020	June 2019
Current assets		
Cash and cash equivalents	16.1	14.7
Trade and other receivables	17.5	20.6
Income Tax Refund Due	0.2	0.1
Prepayments	1.4	1.5
Assets classified as held for sale	0.3	-
Total current assets	**35.6**	**36.9**
Non-current assets		
Property, plant and equipment	2.4	3.8
Right-of-use assets	7.5	-
Intangibles	81.2	97.3
Deferred Tax Assets	5.4	3.5
Total non-current assets	**96.5**	**104.7**
Total Assets	**132.1**	**141.6**
Current Liabilities		
Trade and other payables	13.7	17.8
Contract liabilities	5.0	5.2
Borrowings	3.8	3.8
Lease liabilities	3.8	0.6
Current Tax Liabilities	0.4	1.6
Provisions	8.0	5.4
Contingent consideration	-	0.7
Liabilities directly associated with assets classified as held for sale	0.2	-
Total current liabilities	**34.9**	**35.1**
Non-current liabilities		
Borrowings	36.7	39.2
Lease liabilities	4.7	0.6
Derivative financial instruments	0.1	0.3
Contingent consideration	7.8	7.1
Deferred Tax Liabilities	0.2	0.6
Provisions	-	0.6
Total non-current liabilities	**49.6**	**48.4**
Total Liabilities	**84.4**	**83.3**
Total equity	**47.7**	**58.2**

Decrease in trade receivables in line with underlying revenue performance. DSO management remains a key focus and were maintained during COVID-19

Adoption of AASB16 impacts on the following balance sheet items, Recognition of right-of-use assets and corresponding lease liability and DTA and DTL

Decrease in trade payables due to reversal of timing benefits in payments from prior period.

Balance sheet movements associated with the decision to exit North Asia includes PP&E, Intangibles, Contingent Consideration, Assets and Liabilities classified as held for sale and the increase in current provisions

Cash Flow

Strong cashflow and operational efficiencies fund strategy and debt reduction

Cash Flows			Comparable financial information	
$M	FY20 Per HY report	AASB 16 adjustment	FY20	FY19
Cash flows from operating activities				
Receipts from customers (inclusive of GST)	122.3		122.3	135.2
Payments to suppliers and employees (inclusive of GST)	(100.3)	3.9	(104.2)	(106.9)
Net Interest	(2.6)	(0.4)	(2.2)	(2.2)
Income taxes paid	(3.1)		(3.1)	(0.2)
Net cash from operating activities	**16.2**	**3.5**	**12.7**	**25.9**
Cash flows from investing activities				
Payments to vendors for prior year assets acquisition	-		-	(2.5)
Payments for property, plant and equipment	(0.7)		(0.7)	(1.2)
Payments for intangibles	(7.8)		(7.8)	(7.1)
Proceeds from release of security deposits	0.1		0.1	0.0
Net cash used in investing activities	**(8.5)**	**0.0**	**(8.5)**	**(10.7)**
Cash flows from financing activities				
Proceeds from borrowings	5.0		5.0	-
Repayment of borrowings	(7.3)		(7.3)	(12.0)
Repayments of leases	(4.0)	(3.5)	(0.5)	(0.4)
Net cash from/(used in) financing activities	**(6.3)**	**(3.5)**	**(2.8)**	**(12.4)**
Net increase in cash and cash equivalents	**1.4**	-	**1.4**	**2.8**
Cash and cash equivalents at the beginning of the financial period	14.7		14.7	11.9
Cash and cash equivalents at the end of the financial period	16.2		16.2	14.7

[1] The comparable financial information excludes these AASB16 adjustments
Note that in the balance sheet, cash held by the Korean business is classified as assets held for sale.

- AASB16 reclassifies items between operating activities and financing activities[1]
- Management of the cash envelope is a key focus. In FY20, net debt reduced by $3.7M from FY19 to $24.6M.
- Cashflow managed tightly during H2 FY20 to offset potential impacts from COVID-19
- FY19 cash flows benefited from favourable working capital movements
- Continued investment in technology and product platforms in line with the strategic plan
- FY19 Income Tax paid included a tax refund of $1.9m
- No dividends paid or declared during the period

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Proforma Financial Results Summary[1] Excluding North Asia

Stronger profitability and margins ex North Asia

Overview				
$M	**FY20**	**FY19**	**VARIANCE**	**VARIANCE %**
Revenue	**101.7**	**111.6**	**(9.9)**	**(8.9%)**
ANZ	76.4	87.6	(11.2)	(12.8%)
Asia	25.4	23.9	1.5	6.3%
Cost of Sales	**17.4**	**21.7**	**4.3**	**19.8%**
Operating Expenses	**62.2**	**65.7**	**3.5**	**5.3%**
Underlying EBITDA pre AASB 16[1]	**22.1**	**24.1**	**(2.0)**	**(8.3%)**
Underlying EBITDA Margin	*21.7%*	*21.6%*		
Underlying EBITDA incl AASB 16	**25.0**	**24.1**	**0.9**	**3.7%**

Proforma business strengthens

- Operating margins
- Cash from Operations

Lower rate of decline in revenue and EBITDA on a proforma basis

[1] Underlying EBITDA reflects adjustments for certain non-operating items.

Thank you