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Equity raising & Acquisition of OneVue

Investor presentation
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Equity raising

Raising targeting \$170m via an institutional placement and SPP



Equity raising to further strengthen Iress' position in the current environment, and provide flexibility for opportunities

Equity raising targeting \$170m

\$150m placement for sophisticated and institutional investors

Share Purchase Plan is targeting to raise approximately \$20m

Shareholder fairness a key focus

Equity raising to proceed irrespective of potential acquisition of OneVue

Conservative approach

Equity raising will further strengthen balance sheet and increase flexibility for opportunities in current environment

Funding OVH acquisition via debt possible but preference for more conservative approach to balance sheet in current environment

Increased headroom

Available cash at 31 December 2019 plus recent renewal of debt facilities and expected proceeds from equity raise results in total pro forma cash headroom of \$265m¹ after allowing for the cost of acquiring OneVue

Extension of maturities by four years and additional \$105m facility secured at end of April 2020

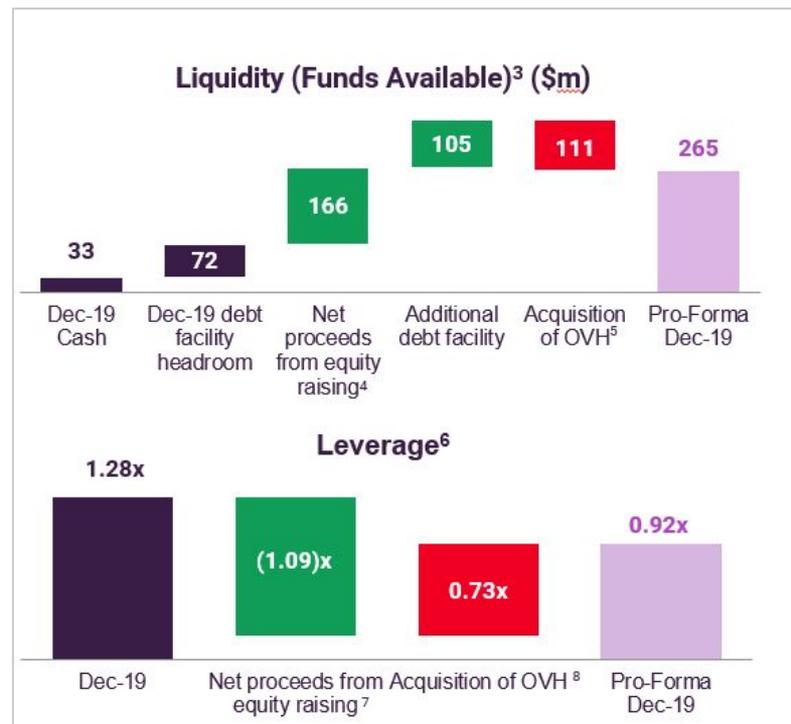
Full equity raising timeline on slide 15

1. Excludes dividend payment in March 2020 and 2020 operating cashflows.

Equity raising to further strengthen balance sheet and provide flexibility



Additional liquidity	
Placement	\$150m
SPP ¹	\$20m
Total cash from equity raise	\$170m
Extension of debt facility	\$105m
Total additional liquidity	\$275m
Investments and costs	
Equity value of OVH	\$107m ²
Acquisition transaction costs	\$4m
Equity raising transaction costs	\$4m
Total acquisition and costs	\$115m



1. Iress reserves the right to accept or scale back applications at its discretion that may result in the SPP raising more or less than this amount. 2. Assuming 40cps and fully diluted shares outstanding of 267.9m. 3. Defined as total cash on Iress balance sheet plus undrawn debt facilities (not adjusted for dividend payment in March 2020 or 2020 operating cashflows). 4. Net of \$4.0 m estimated transaction costs. 5. Includes \$4.0m in estimated transaction costs (excludes OVH's net cash position). 6. Defined as net debt divided by Segment Profit as defined in Iress' debt agreements. 7. Equity raise net proceeds divided by Iress' FY19 Segment Profit. 8. OVH consideration and acquisition transaction costs divided by Iress' FY19 Segment Profit (no adjustment for OVH earnings).

Update on 2020 financial performance



	Segment (\$AUDm)	1H 2019	FY 2019	YTD April 2020 (Unaudited)	YTD April 2019	Change YTD April 2020 v pcp
Revenue	APAC	128.2	264.5	94.0	85.4	+10%
	UK & Europe	65.1	142.7	53.0	41.3	+28%
	Mortgages	14.6	29.0	7.0	10.0	(30%)
	South Africa	24.2	48.3	16.1	16.1	-
	North America	9.6	24.5	10.3	5.7	+83%
	Total revenue	241.8	508.9	180.4	158.5	+14%
Direct contribution	APAC	92.3	191.1	67.4	61.7	+9%
	UK & Europe	43.3	91.9	32.0	27.7	+16%
	Mortgages	9.7	19.2	3.8	6.7	(44%)
	South Africa	18.9	37.5	12.8	12.6	+2%
	North America	4.3	10.4	4.1	2.6	+55%
	Total direct contribution	168.4	350.1	120.0	111.3	+8%
	Product & Technology	(57.0)	(118.6)	(45.1)	(37.1)	+21%
	Operations	(19.5)	(42.7)	(14.8)	(12.6)	17%
	Corporate	(17.8)	(36.7)	(11.9)	(11.7)	(3%)
	Segment Profit	74.1	152.1	48.2	49.8	(3%)

- Iress continues to operate and support all services to clients and users. Year to date, Iress has performed in line with previously guided expectations and has not seen material impact as a result of COVID-19.
- Broader economic uncertainty surrounding COVID-19 impacts Iress' ability to predict what lies ahead, and for this reason, Iress made a prudent decision to withdraw guidance on 7 May 2020.
- Iress' strong underlying business fundamentals continue in the current environment with high levels of recurring revenue (~90% in FY19) and cash conversion¹ (typically 90-100% on an annual basis).
- Revenue YTD April 2020 v pcp reflects underlying growth in Australian Wealth (+13%) and the UK (+9%), and contribution from recent acquisitions of QuantHouse and O&M. Revenue performance in Mortgages reflects expected revenue timing and some COVID-19 project delays.
- Segment Profit movement reflects results from the recent acquisition of loss-making businesses QuantHouse and BC Gateways (~\$1.4m combined loss YTD April 2020) and previously communicated investment in organic growth opportunities before revenue.
- While Iress has not experienced material impacts to date from the current environment, like all businesses Iress is not immune to the broader economic impacts of COVID-19 and continues to focus on revenue performance and cost management.

1. Cash conversion = Unlevered, pre-tax cash generated from operating activities / Segment Profit.

Raising targeting \$170m via a placement and SPP



Offer size	<ul style="list-style-type: none">• Fully underwritten institutional placement to raise approximately \$150m (the “Placement”)• Approximately 14.4m new fully paid ordinary shares to be issued to sophisticated and institutional investors under the Placement (the “Placement Shares”) representing approximately 8.2% of Iress’ existing ordinary shares on issue• Non-underwritten SPP to existing eligible shareholders¹ in Australia and New Zealand, up to \$30,000 per shareholder• The SPP is targeting to raise approximately \$20m. Iress reserves the right to accept or scale back applications at its discretion that may result in the SPP raising more or less than this amount. In deciding to take either of those actions, Iress will focus on treating shareholders fairly
Placement pricing	<p>Placement Shares to be issued at a fixed price of \$10.42 (the “Placement Issue Price”). This represents a:</p> <ul style="list-style-type: none">• 7.0% discount to Iress’ last closing price on 29 May 2020 of \$11.21 per share; and• 7.6% discount to the VWAP of Iress ordinary shares traded during the 5 trading days up to and including 29 May 2020 of \$11.27 per share
Ranking/ Allocation	<ul style="list-style-type: none">• The Placement Shares will rank equally with existing fully paid Iress ordinary shares from their date of issue• It is intended that eligible sophisticated and institutional shareholders who bid for an amount less than or equal to their ‘pro rata’ share² of Placement Shares under the Placement will be allocated their full bid, on a best endeavors basis
SPP details	<p>The issue price per new fully paid ordinary share under the SPP (the “SPP Shares”) will be the lower of:</p> <ul style="list-style-type: none">• The Placement Price; and• The VWAP of Iress ordinary shares traded during the five trading days up to, and including, the SPP closing date (expected to be 29 June 2020) less a 2% discount, rounded down to the nearest cent; and• The closing price of Iress ordinary shares on the SPP closing date (expected to be 29 June 2020) less a 2% discount, rounded down to the nearest cent

1. Eligible shareholders are registered Iress shareholders, as at 7.00pm 29 May 2020 (Sydney time), who have a registered address in Australia or New Zealand, do not hold Iress shares on behalf a person who resides outside Australia or New Zealand and are not in the United States or acting for the account or benefit of any person in the United States. 2. For this purpose, an eligible shareholder’s ‘pro rata’ share of the Placement Shares will be estimated by reference to Iress’ beneficial register on 27 May 2020, but without undertaking any reconciliation processes and ignoring shares that may be issued under the SPP. Unlike in a rights issue, this may not truly reflect the participating shareholders actual pro rata share of Placement Shares. Nothing in this presentation gives a shareholder a right or entitlement to participate in the Placement and Iress has no obligation to reconcile assumed holdings (e.g. for recent trading or swap positions) when determining a shareholder’s ‘pro rata’ share of Placement Shares. Iress and the Underwriter disclaim any duty or liability (including for negligence) in respect of the determination of a shareholder’s ‘pro rata’ share of Placement Shares.

Acquisition of OneVue



Proposed acquisition of OneVue via Scheme of Arrangement



Structure

Intend to acquire 100% of the outstanding shares of OneVue via scheme of arrangement

Consideration

Consideration to OneVue shareholders of 40 cents per share which equates to an implied equity value of approximately \$107m (based on fully diluted shares outstanding of 267.9 million)

Timing & conditions

Expected to be implemented Q3 2020

(Customary conditions including ACCC approval, court and shareholder approval and absence of a MAC or prescribed event)

OneVue Board

OneVue's Board has unanimously recommended OneVue shareholders vote in favour of the scheme¹

Transaction premium

Spot ²	67%
1 month VWAP ³	84%
6 month VWAP ⁴	61%
12 month VWAP ⁵	19%

Captures trading prior to Sargon voluntary administration

1. In the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the transaction is in the best interests of the OVH shareholders. 2. Spot price of 24 cps as at 28 May 2020, being the last trading day prior to the announcement of the proposed Scheme of Arrangement. 3. Based on the volume weighted average price of OneVue shares in the month leading up to and including 28 May 2020. 4. Based on the volume weighted average price of OneVue shares in the six months leading up to and including 28 May 2020. 5. Based on the volume weighted average price of OneVue shares in the twelve months leading up to and including 28 May 2020.

Strategic acquisition supports growth in changing market



Technology and innovation core to Iress' growth strategy

Structural shifts and changing market dynamics presents opportunities

Scale in funds administration

OneVue has largest single third-party fund registry in Australia (based on FUA)

Further potential to grow this business

Provides an opportunity to more effectively connect advice recommendations to implementation

Leverage Iress' strength in software and data

OneVue's position in administration in funds, super and investments, and Iress' strength in software and data will drive innovation through technology

Opportunity for development of software and services that brings advice and investments closer together

Delivers long-term shareholder value

Whilst the transaction is expected to be EPS dilutive in the near term, there is significant earnings upside potential through continued innovation delivering automation and efficiency for clients

OneVue: Administration for fund managers, super funds & investors



	Managed Funds	Superannuation	Investments
Overview	<p>Largest single third-party fund registry in Australia by FUA</p> <p>Proprietary technology & highly automated</p> <p>Opportunity to build on strong position and scale</p>	<p>Third-party administration services</p> <p>Consolidating to Iress' Acuity</p> <p>Domain expertise across broad range of funds</p>	<p>White-labelled online investment solutions</p> <p>Proprietary technology & highly automated</p> <p>Competitive features incl managed accounts</p>
Size	<p>FUA ~\$490bn</p> <p>1,383 funds across 58 fund managers & 5 custodians</p>	<p>FUA \$5.1bn</p> <p>145,000+ members</p> <p>36 funds</p>	<p>FUA \$6bn</p>
Revenue model	<p>Subscription + transaction + service fees</p> <p>95% recurring</p>	<p>Mix of legacy pricing models</p> <p>including FUA, members, services</p>	<p>Admin fee, capped FUA fee</p>

OneVue financial performance and impact



OneVue Reported P&L	FY19 ⁵	1H20
Services revenue ¹	\$49.6m	\$24.3m
EBITDA ^{1,2}		
Fund Services	\$6.4m	\$3.7m
Platform Services	\$2.6m	\$1.8m
Corporate	\$(4.6)m	\$(2.1)m
Total EBITDA ^{1,2}	\$4.5m	\$3.4m
EBIT	\$(0.1)m	\$0.3m
Adjusted NPATA ^{1,3}	\$1.5m	\$1.0m
Reported NPAT	\$1.4m	\$(27.1)m⁴
Capitalisation of internal software development costs ⁶	\$5.0m	\$3.6m

Iress financial impacts

- Differences in accounting policies, particularly the treatment of internal software development costs, would have resulted in an EBITDA loss in FY19 in Iress' hands
- The transaction rationale is strategic, however, is expected to result in \$3-4m pa in synergies at full run rate (year 3) - largely savings in corporate cost overlap including software licence fees, board/listing costs and property
- Iress intends to invest c.\$7m during the first two years to integrate and accelerate the business
- The acquisition of OneVue is expected to be EPS dilutive in the near term. Strategic opportunities from the acquisition are expected to deliver significant value over time

- OneVue's Reported 1H20 NPAT included the writedown of \$26.1m in relation to the amounts receivable from Sargon in respect of the sale of Diversa Trustees

Note: OneVue's financial year end is 30 June. 1. From continuing operations (the Trustee business sale was completed on 28 June 2019 and is classified as a discontinued operation). 2. EBITDA represents earnings from Continuing Operations before interest, tax, depreciation and amortisation excluding non-recurring items and share-based payments. 3. Adjusted NPATA is NPAT from Continuing Operations before acquired amortisation and excludes non-recurring items, non-cash share-based payments and Discontinued Operations. 4. Includes write-down of deferred consideration receivable provision expense of \$26.1m for Sargon Capital. 5. FY19 results are presented on a pre-AASB 16 basis. Onevue applied AASB 16 'Leases' from 1 July 2019, which resulted in a \$1m reduction in operating expenses for 1H20. 6. Sourced from OVH cash flow statement - payments for intangible assets.

Matters relating to Sargon



- Iress has conducted extensive due diligence on OneVue and its business and has considered the implications of OneVue's claims to the Sargon receivables and the surrounding arrangements. As previously announced by OneVue, it has significantly written down the value of those receivables in OneVue's accounts to \$3.86m.
- The consideration payable under the Scheme has been arrived at taking these matters into account and Iress considers that they have been appropriately addressed in the context of the transaction.
- OneVue is overseeing the sale of Madison Group as a result of security arrangements associated with the Sargon receivable. The Madison Group is not owned by OneVue and that will not change as a result of the Scheme or those security arrangements.



Appendices

Equity raising timeline



Record date for SPP	7pm (Sydney time), Friday 29 May 2020
Bess enters trading halt, Placement and the SPP announced	Monday 1 June
Placement bookbuild	Monday 1 June
Announcement of the outcome of the Placement	Tuesday 2 June
Trading halt lifted	Tuesday 2 June
Settlement of the Placement Shares	Thursday 4 June
Allotment and normal trading of Placement Shares, cleansing notice released	Friday 5 June
SPP offer opens	Tuesday 9 June
SPP booklet dispatched to eligible shareholders	From Tuesday 9 June
SPP closing date	5pm (Sydney time), Monday 29 June
Issue date for SPP Shares	Wednesday 8 July
Commencement of trading of SPP Shares	Thursday 9 July
Holding statements for SPP Shares dispatched	Friday 10 July

Key risks

Introduction



Investors should be aware that there are risks associated with an investment in Iress. Some of the principal factors that may, either individually or in combination, affect the future operating and financial performance of Iress and the value of Iress shares (before and after the proposed acquisition of OneVue Holdings Limited (“**Acquisition**”)) are detailed in this section. Some are specific to an investment in Iress and others are of a more general nature.

The summary of risks that follows is not exhaustive and does not take into account the personal circumstances, financial position or investment requirements of any particular person. Additional risks and uncertainties that Iress is unaware of, or that it considers to be immaterial, may also become important factors that adversely affect Iress’ operating and financial performance. Therefore, before participating in the Placement or SPP or investing in Iress, it is important that you read and understand this Presentation and consider these risks and uncertainties clearly.

You should have regard to your own investment objectives and should seek advice from your professional adviser, who is licensed by ASIC or the relevant regulator in your jurisdiction to give that advice, before deciding whether or not to invest.

Acquisition risks



Integration risk

The Acquisition involves the integration of the OneVue business, which has previously operated independently to Iress. Consequently, there is a risk that the integration of the OneVue business (in particular, the integration of employees, corporate culture and information technology systems) may be more complex than currently anticipated. The integration could also encounter unexpected costs, challenges or issues, or take longer than expected, divert management's attention from other areas of the Iress business or not deliver the expected benefits. This may affect Iress' operating and financial performance.

Iress' existing business model primarily focuses on providing front and middle-office technology solutions to the financial services industry. OneVue is a provider of services and associated software to superannuation fund and investment management clients. OneVue operates in a regulated environment (albeit with a different regulatory focus for each part of its business), and as such, the implementation of Iress' strategy for integrating OneVue's businesses and technology systems, and transitioning towards single operation, may present certain integration risks. In addition, OneVue relies upon third party software providers for some aspects of its solutions. The continued use of that software may be subject to consent of those third party providers in the absence of which there may be additional cost or interruption to services that are dependent upon that software.

Reliance on information provided

Iress undertook a due diligence process in respect of OneVue, which relied in part on the review of financial and other information (including publicly available information) provided by OneVue. Despite making reasonable efforts, Iress has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Iress has prepared (and made assumptions in the preparation of) the financial information relating to OneVue on a stand-alone basis and also the financial information relating to Iress post-acquisition included in this Presentation in reliance on limited financial information and other information (including publicly available information) provided by OneVue. Iress is unable to verify the accuracy or completeness of all of that information. If any of the data or information in respect of OneVue relied upon by Iress in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Iress and the enlarged group may be materially different to the financial position and performance expected by Iress and reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material adverse effect on Iress.

Future earnings may not be as expected

Iress has undertaken financial and business analysis of OneVue in order to determine its attractiveness to Iress and whether to pursue the Acquisition. It is possible that such analysis, and the best estimate assumptions made by Iress, draw conclusions and forecasts in relation to guidance and synergy statements that are inaccurate or which will not be realised in due course. To the extent that the actual results achieved by OneVue are different than those anticipated or any unforeseen difficulties emerge in integrating the operations of OneVue, there is a risk that the profitability and future earnings of the operations of Iress may differ (including in a materially adverse way) from the performance as described in this Presentation.

Compliance

By acquiring OneVue, the Iress group will hold Australian financial services licences ("AFSL") which permit the holders of the AFSL to engage in a different and wider range of activities compared to the Iress group's holding of AFSL for superannuation fund administration services and more passive research or similar purposes. A compliance error caused, for example, by human or software error in the carrying out of services pursuant to an AFSL held by a OneVue group entity could result in a range of potentially adverse financial outcomes for the Iress group including fines, litigation, settlements, restitution to clients or regulators, or loss of the AFSL.

Changes in regulatory environment

OneVue and OneVue's clients operate in a regulated environment which has been and continues to be subject to significant regulatory review and change. Material regulatory changes may place increased demands on industry participants and have continued impacts on the financial services industry. Failure by OneVue to retain its clients and meet the demands of its clients through any period of significant industry change may adversely affect the financial performance or position of Iress post-acquisition.

Acquisition risks



Completion risk

The Acquisition is proposed to take place by way of a scheme of arrangement between OneVue and its shareholders. There is a risk that the acquisition of OneVue may not complete due to a failure to satisfy customary conditions precedent to implementation of a scheme of arrangement. These include obtaining requisite shareholder approvals at the scheme meeting, court approval and the absence of a superior proposal from a third party. Implementation of the scheme is also subject to ACCC approval and the absence of any other regulatory constraint impacting the scheme or material litigation or regulatory action against OneVue.

If, for whatever reason, the Acquisition does not proceed, Iress will retain the funds raised under the Offer and will instead consider alternative options in relation to the use of funds raised under the Offer, including the use of the funds to repay debt or to pursue other growth opportunities. The alternative deployment of this capital may generate lower returns than anticipated under the Acquisition. Further, if the Acquisition is delayed, Iress may incur additional costs and it may take longer than anticipated for Iress to realise the benefits of the Acquisition (including any anticipated synergy benefits). Any failure to complete, or delay in completing, the Acquisition may have an adverse effect on Iress' financial performance, financial position or the price of Iress shares.

Funding risk

There is a risk that Iress does not raise the anticipated amounts under the Offer, and that the underwriting agreement that Iress has entered into with the underwriter is terminated in accordance with its terms (a list of key termination events under the underwriting agreement is set out in slide 7. If so, Iress would need to make a drawdown on its debt facilities to fund the Acquisition. Iress' ability to service the possible debt drawdown will depend on Iress' future performance and cash flows, which in turn will be affected by various factors, some of which are outside Iress' control (such as the general risks described on slide 23).

Acquisition accounting

In accounting for the Acquisition, Iress has performed a preliminary valuation of the business. Iress will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of OneVue post-Acquisition, which may give rise to a materially different fair value allocation to that used for the purposes of the financial information set out in this Presentation.

Historical liability

If the Acquisition is successfully completed, there is a risk that Iress, as the new owner of OneVue, may become directly or indirectly liable for any liabilities that OneVue has incurred in the past, which were not identified or able to be quantified during due diligence or which are greater than expected, and for which there is no protection for Iress (either in the form of insurance or by way of representations, warranties and indemnities, which, as is customary, were not available in the context of a listed company acquisition).

In particular, OneVue is involved in ongoing insolvency and court proceedings in respect of its attempt to recover deferred proceeds from Sargon Capital and its subsidiaries relating to a disposal of a material business by OneVue to that group of companies during 2019. Given the complex nature of the proceedings, and the number of parties involved, OneVue may be exposed to potential claims or counterclaims, or adverse reputational risks, in relation to the Sargon Capital insolvency or other matters. While these proceedings are not anticipated to be material in the context of Iress' business as a whole, litigation and the costs of responding to any threats of legal action may adversely affect the financial performance or position of Iress post-Acquisition.

Operational risks



Domestic and global economic conditions

Adverse changes in economic conditions can impact client expenditure and accordingly, client demand for Iress' systems. In light of recent global macroeconomic events, including the impact of the COVID-19 pandemic, it is likely that some of the countries in which Iress operates will experience an economic recession or downturn of uncertain severity and duration. These economic disruptions (which could include adverse impacts to economic growth, interest rates, employment levels, consumer demand, consumer and business sentiment, market volatility, exchange rates, inflation, government policy, international economic conditions and employment rates among others) are outside of Iress' control and have the potential to have an adverse impact on Iress and its operations.

In particular, the events relating to COVID-19 have resulted in significant market changes and volatility of supply and demand within the economy broadly. The outbreak and its impacts are rapidly evolving and outcomes are uncertain and dependent upon many factors beyond Iress' control. Many of the risks highlighted in further detail below are likely to be heightened due to the impacts of COVID-19. There continues to be considerable uncertainty as to the further short and long term impact of COVID-19, including in relation to governmental responses, international trade impacts, potential taxation changes, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the global economy and share markets. The potential impacts or effects of these possible outcomes on Iress include:

- health impacts to Iress' or its clients' employees, which could result in a closure of a workplace for a period of time and could adversely impact the availability of qualified personnel needed to conduct certain business operations;
- counterparty non-performance or claims under existing contractual arrangements;
- insolvency of counterparties (including clients); and
- postponement of projects or growth opportunities with large associated capital spend, deferral of discretionary capital spend and impact on valuation of assets.

Competition

Iress' position as a market leader in markets which are characterised by rapid technological developments and competitive pressures means that it is susceptible to aggressive competitive behaviour. Typically, financial technology companies, global information companies and internet-based content providers are Iress' major competitive threat. Increased competition could result in reduced prices for Iress' products and services and loss of market share. There is also a risk that increased competition will lead to existing client contracts being terminated, not being renewed or being renewed on less favourable terms.

Data sources

Iress' products rely on Iress' ability to provide accurate, reliable, up-to-date and informative data services including order, pre-trade and post-trade data sourced from certain exchanges or financial services businesses or providers of investment research. The accurate processing, maintenance and integrity of the data sources from which Iress sources its information, and the nature of any contracts that relate to this information, are material to the performance of Iress' products. If Iress cannot provide those data services for any reason, or if there is an error in the processing of such data, there could be an adverse impact on Iress' financial position and performance as well as on its reputation in the market.

Global practice for much of the data sourced by Iress is for the supplier to require an indemnity from Iress for protection from any claims arising from errors, omissions, delays or similar in the data made available to Iress. Iress in turn requires indemnities from clients for these factors. There is a risk that the indemnities provided to Iress are not a perfect match to the indemnities required by the data provider. Similarly, there is a risk that the Iress client defaults leaving Iress with a net exposure to the data provider.

Connectivity

The ability to maintain robust infrastructure and high-speed connectivity between participants and trading destinations and other third-party suppliers, and public internet connectivity for web-based services, are critical components of the business operations of participants. Iress provides connectivity to several markets as part of its service solutions for participants, relying on the provision of network connectivity through hardware and fibre connections provided in some cases by third party network providers. A significant connectivity failure could have a material impact on Iress' reputation as a vendor and therefore on its financial position.

Operational risks



Technology

Given the rate of change within the industries in which Iress operates, it is key to Iress' performance that it can ensure its systems meet and satisfy clients' requirements, via proprietary and third-party intellectual property and technology. If Iress cannot keep abreast of technology changes and satisfy the requirements of its clients, there is a possibility that Iress could lose clients, which would also affect Iress' financial position and performance.

Personnel

The success of a company that operates in an industry dominated by the development of intellectual property depends greatly on the recruitment and retention of quality staff. If Iress is unable to attract and retain adequately skilled staff to meet its requirements (including as a result of any COVID-19 impacts described below), it could over time have a material impact on Iress' ability to meet the needs of its clients and compete effectively.

In particular, Iress' business is complex and requires knowledge on the part of key staff of the detailed operations of different aspects of financial, wealth management, superannuation, and lending markets as well as knowledge of software and information technology. This combination is unusual and Iress competes in the market for the recruitment and retention of key people. There is a risk that the loss of key people could impact the performance of aspects of Iress' services and Iress' financial performance.

Additionally, the direction and impact of trends relating to workplace productivity and the future of work following the COVID-19 pandemic are unknown, and there may be adverse impacts over time to all businesses including Iress. Further, an outbreak of COVID-19 within Iress' workforce, or any sustained absences from key staff due to health reasons or regional conditions, may adversely impact Iress' performance.

Reputational damage

The Iress brand is important in attracting and maintaining clients and employees. Negative publicity associated with Iress, for example as a result of poor client service or a cyber incident or an information security breach, may damage its reputation, potentially reducing Iress' client base and ability to attract new clients, therefore adversely impacting Iress' business, financial performance, and operations.

Further, Iress provides solutions to the financial services industry. The financial services industry is subject to significant public focus, media attention and government review, as seen in Australia in connection with the Hayne Royal Commission. The use of technology within financial services businesses, and especially its role in processing and storing sensitive personal information, can expose both the financial services provider and providers of technology such as Iress to reputational risk where there is a failure in a critical system or process or the release by error or mischief of personal data.

Infringement of intellectual property rights

A large proportion of Iress' property is in the form of intellectual property. Infringements are not always easily identified, making protection and enforcement difficult. Unauthorised reproductions of Iress' intellectual property could reduce its value and have an adverse impact on Iress' business, financial performance, operations and reputation.

Evolution in and prevalence of some classes of intellectual property rights, such as business process patents, has seen heightened exposure to unintended breaches of another party's intellectual property rights. This phenomenon is increasingly coupled with acquisitions by competitors of third party rights to establish competitive positions against incumbents, such as Iress.

Limited range of products and services

Iress' products and services are predominantly used by providers of financial services. The sale of Iress' products and services are sensitive to and could be materially reduced due to factors beyond Iress' control, such as a material downturn in financial markets or market disruptions or suspensions, or regulatory changes impacting its clients.

Failure to retain existing clients and attract new clients

Iress' business is dependent on its ability to retain its existing clients and to attract new clients. If Iress fails to attract new clients or some of its clients choose to terminate or not renew their contracts with Iress in the future, Iress' growth or existing earnings could be materially impacted.

Operational risks



Consolidation in client industries

Consolidation in the industries in which Iress' clients operate may reduce Iress' attainable market and bargaining power with clients that may lead to Iress transacting at less advantageous financial terms with those clients.

Dislocation in Australian financial advice industry

The Hayne Royal Commission has driven significant change in the Australian advice industry, resulting in structural change within financial services. This may result in an overall reduction in the number of advisers or may create opportunities for competitors to take business from Iress.

Information security, failure of critical systems, and data protection

The reliability and security of Iress' information technology systems is essential to its business. The transfer of information to, and compatibility of, systems is integral to Iress' operations. Risk may arise from events that cause these systems to fail, including by error or malicious attacks.

Further, Iress' systems process and store investment data and information relating to the personal details of Iress' clients and their clients. Any failure in the integrity of Iress' information security processes which allow unauthorised access to or loss of personal information could have a significant impact on Iress' reputation and could result in Iress incurring liability to its clients or customers of its clients.

Debtor risk

Iress does not have any significant credit risk to any single counterparty or group of counterparties having similar characteristics. However, as with any client-based organisation, Iress is exposed to receivables from clients and in Iress' case particularly in the financial services industries. Changes in market and/or regulatory conditions (including as a result of the COVID-19 pandemic) could result in some of those clients coming under financial distress and delaying or defaulting on payments due.

Acquisition risk

Iress may pursue acquisitions of new assets or businesses that meet its investment criteria and strategy from time to time, if opportunities arise and funding is available on acceptable terms. If those acquisitions are pursued, Iress would be subject to the risks and costs associated with integrating separate businesses into its existing business. No assurances can be given that such acquisitions will be integrated successfully or without substantial delays, costs or other problems being experienced, or that they will generate an expected rate of return.

Further, a part of Iress' growth strategy is its goal to grow its presence within Australia and in overseas markets. If Iress cannot successfully grow its business, its future financial performance and position may be adversely affected.

Regulatory risk

Regulation and regulatory developments can impact Iress and its clients as regulation may increase the cost of doing business. Regulation (whether current or introduced in the future) may result in structural changes in the industries in which Iress operates, including consolidation or fragmentation, both of which can negatively impact Iress' client engagements. This may, in turn, adversely affect Iress' future financial performance and position.

Financing risk

Iress' business requires ongoing capital expenditure. Iress has financed its working capital requirements and capital expenditures through a combination of cashflows from operating activities and borrowings. Iress' capital expenditure, operations and financial performance could be impacted by the cost and availability of funds and financing to meet its business needs, compliance with terms of financing arrangements, and movements in interest rates. Additionally, volatility of domestic and overseas capital markets may restrict Iress' ability to refinance existing debt or obtain new debt to meet its funding requirements (should they arise).

If Iress is not able to obtain adequate financing or refinancing, this may lead to an adverse impact on its liquidity and may cause it to have to suspend or abandon some of its planned capital expenditures or other business initiatives which could have a material adverse effect on its business, financial condition and prospects.

General risks



Market

Investors should be aware that there are risks associated with any investment in a company listed on ASX. The market value of Iress shares will fluctuate depending on the price at which Iress shares are traded on ASX, and may rise above or below the current Iress share price depending on:

- the financial and operating performance of Iress; and
- external factors over which Iress and its directors have no control.

These external factors (which are unpredictable, and may be unrelated or disproportionate to the performance of Iress – for example, due to the impacts of COVID-19) include:

- economic conditions in Australia, the other markets in which Iress has operations and overseas generally, which may have a negative impact on equity capital markets;
- changing sentiment and general movements in the local and international stock markets;
- changes in domestic or international fiscal, monetary, regulatory and other government policies and laws;
- developments and general conditions in the various markets in which Iress operates (and proposes to operate) and which may impact on the future value and pricing of shares;
- changes in interest rates and the rate of inflation;
- announcements of new technologies and displacement of existing technologies;
- geo-political instability, including international hostilities and acts of terrorism;
- announcements and results of competitors; and
- the expectations of securities analysts and analysts' reports.

Litigation and disputes

From time to time, Iress is involved in litigation and disputes. There is a risk that the resolution of litigation and disputes may result in provisions for such litigation and disputes being exceeded or disruptions to Iress' business. There is also the risk that Iress' reputation may suffer due to the profile of, and public scrutiny surrounding, any such litigation and disputes regardless of their outcome.

Liquidity risk

There can be no guarantee of an active market for Iress shares or that the price of Iress shares will increase. There may be relatively few potential buyers or sellers of Iress shares on the ASX at any time. This may increase the volatility of the market price of Iress shares. It may also affect the prevailing market price at which shareholders are able to sell their Iress shares.

Dilution risk

Existing shareholders who do not participate in the Placement or the SPP will have their percentage shareholding in Iress diluted. Depending on the size of a shareholder's existing holding and the number of shares allocated to them, a participating shareholder may still be diluted even though they participate in the Placement or the SPP.

General risks



Allocation of Placement Shares

It is intended that eligible institutional shareholders who bid for an amount less than or equal to their 'pro rata' share of Placement Shares will be allocated their full bid on a best endeavours basis. For this purpose, an eligible institutional shareholder's 'pro rata' share of Placement Shares will be estimated by reference to Iress' beneficial register on 29 May 2020, but without undertaking any reconciliation processes and ignoring any shares that may be issued under the SPP Offer. Unlike in a rights issue, this may not truly reflect the participating shareholders actual pro rata share of the Placement Shares and accordingly a shareholder's percentage shareholding may be diluted.

Allocation of SPP Shares

If Iress receives applications that exceed the amount it proposes to raise under the SPP, Iress may decide to scale back applications or raise a higher amount, in its absolute discretion. If a scale back is applied, this means that an eligible shareholder in the SPP may be allocated fewer SPP Shares than they apply for. Iress may decide to conduct scale back in its absolute discretion.

Changes in accounting policy and valuations

Changes in accounting policies, arising from recently issued or amended accounting standards by the Australian Accounting Standards Board or the equivalent bodies in the other countries in which Iress has operations, may affect the reported earnings of Iress and its financial position from time to time.

Additionally, Iress maintains internal views on the valuation of its business and these estimates are considered when assessing the accounting carrying value of assets on its balance sheet. Periodic revaluations (which consider both internal and external factors) may result in a reduction of valuations which could lead to some of its assets being impaired.

Tax changes

Future changes in Australian taxation law, or the tax law of other jurisdictions in which Iress has operations, including changes in interpretation or application of the law by the courts or taxation authorities, or Iress' method of calculation, may affect taxation treatment of an investment in Iress' shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted in the various jurisdictions in which Iress operates, or Iress' methods of calculation, may impact the tax liabilities of Iress.

Exchange rates

Iress is exposed to movements in foreign exchange rates. Iress' financial statements are maintained in Australian dollars. However, a portion of Iress' income is earned in other currencies, primarily Canadian dollars, South African rand, New Zealand dollars, Singaporean dollars, Hong Kong dollars and UK pounds. Exchange rate movements in these currencies will impact the value of profits repatriated to Australia, and consequently Iress' income statement and balance sheet, to the extent the foreign exchange rate risk is not hedged or appropriately hedged.

Dividends

The payment of dividends on Iress' shares is dependent on a range of factors including its profitability, the availability of cash and capital requirements of the business. Any future dividend levels will be determined by the Iress Board having regard to its operating results and financial position at the relevant time. There is no guarantee that any dividend will be paid by Iress or, if paid, that the dividend will be paid on previous levels. The level to which Iress is able to frank dividends declared is subject to a large number of factors in addition to those outlined above for dividends. In particular, as the Iress group results are increasingly generated from offshore operations the ability to pay tax in Australia and generate franking credits is lessened. While under its dividend policy Iress aims to frank dividends to the maximum extent possible there is no guarantee that any dividend will be franked, or franked at previous levels.

General risks



The Placement may not be fully underwritten and may not complete

Iress has entered into an underwriting agreement with the Underwriter under which the Underwriter has agreed to fully underwrite the Placement, subject to the terms and conditions of that agreement (the “**Underwriting Agreement**”).

The Underwriting Agreement contains representations, warranties, undertakings and indemnities in favour of the Underwriter.

The Underwriter may terminate the Underwriting Agreement and its obligations under it on the occurrence of certain events before the allotment of Placement Shares occurs. Those events include (but are not limited to) where:

- * Iress breaches the Underwriting Agreement (or a representation within it becomes incorrect, untrue or misleading);
- * There is a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom, or a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- * At any time between 10.00am on the Placement opening date and 6 hours after the Placement closing time, there is an adverse change or disruption to financial, political or economic conditions, or financial markets, in Australia, a member of the European Union, the United States of America, or Hong Kong;
- * A change in Iress’ Managing Director, CFO or board of directors is announced or occurs;
- * Trading in all securities quoted or listed on the ASX, the NASDAQ, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect on one, or substantially all of a day on which that exchange is open for trading;
- * Hostilities commence (or escalate) involving any one or more of Australia, the United States of America, the United Kingdom, Japan, North Korea, any member state of the European Union, Israel or the People’s Republic of China, or there is a major act of terrorism in any of those countries;
- * A new or materially revised law or new regulation is introduced in Australia, or a policy is adopted, or it is officially announced that such a law or regulation will be introduced or policy adopted, which does or is likely to prohibit the Placement, or regulate the Placement, capital markets or stock markets;
- * Iress contravenes the Corporations Act, its constitution, the ASX Listing Rules or other applicable laws or regulations or an order or request made by ASIC, ASX or any Government Agency or any aspect of the Placement does not comply with the Corporations Act, ASX Listing Rules or any other applicable laws;
- ASIC issues or threatens to issue proceedings, or commences or notifies its intention to commence an inquiry or investigation, in relation to the Placement;
- the ASX states or indicates that it will not approve the quotation of New Shares before 9.30am on the allotment date, or that any Iress shares will be suspended from quotation, or that Iress will be removed from the official list of the ASX (or any of these matters actually occur);
- any event specified in the Placement timetable is delayed for more than 24 hours without the Underwriter’s consent, or Iress withdraws the Placement or indicates that it does not intend to or is unable to proceed with the Placement;
- there is an application to a government agency (including the Takeovers Panel but excluding ASIC) for an order, declaration or other remedy, or a government agency commences any investigation or hearing or announces its intention to do so, in connection with the Placement or any associated agreement;
- at any time between 10.00am on the Placement opening date and 6 hours after the Placement closing time, the level of the S&P/ASX 200 Index is 10% or more below the level as at close of business on the previous ASX trading day, or closes at a level that is 15% or more below that level on any day prior to the allotment date;

contd...

General risks



...contd

- a condition precedent is not satisfied or waived by the Underwriter by its applicable deadline;
- there is a material adverse change (or development involving a potential material adverse change) in the condition, assets, liabilities, financial or trading position or performance, profits, losses, management or prospects of the Iress group from that existing at the date of the Underwriting Agreement;
- proceedings are commenced or announced seeking an injunction or other order in relation to the Placement;
- Iress or its group member breaches any material debt or financing arrangement or related documentation which has a material adverse effect on the condition, earnings, business affairs or business prospects, results of operations or general affairs of the Iress group or any group member, or a financier fails to agree a waiver or amendment to a material financing agreement and such failure would, in the Underwriter's reasonable opinion, have a material adverse effect;
- Iress alters its capital structure (other than for a reason permitted in the Underwriting Agreement or its constitution) without the consent of the Underwriter;
- any Iress director or officer is charged with certain offences or is disqualified from managing a corporation under the Corporations Act, or Iress or any of its directors or officers engage in fraudulent activity; or
- an insolvency (or similar) event occurs or is likely to occur in relation to Iress or any of its related bodies corporate.

The ability of the Underwriter to terminate the Underwriting Agreement as a result of the events marked with (*) above, will depend on whether in the bona fide opinion of the Underwriter, the event: (a) has, or is likely to have, a material adverse effect on marketing, success or settlement of the Placement, the willingness of persons to subscribe for New Shares, the market price of Iress shares or the business, financial position or prospects of the Iress group, or (b) has given or is likely to give rise to the Underwriter or its affiliates contravening or incurring liability under Iress' constitution, the Corporations Act or ASX Listing Rules, or any other applicable law.

The termination of the Underwriting Agreement may have an adverse impact on the amount of funds raised under the Placement.

For details of the fees payable to the Underwriter, refer to the Appendix 3B released to the ASX on 1 June 2020.

International offer restrictions

International offer restrictions



This document does not constitute an offer of Placement Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Placement Shares may not be offered or sold in the Placement, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of Placement Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such Placement Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Placement Shares or the offering of Placement Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Placement Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Placement Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the Placement Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the Placement Shares.

Iress as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Iress or its directors or officers. All or a substantial portion of the assets of Iress and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against Iress or such persons in Canada or to enforce a judgment obtained in Canadian courts against Iress or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

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Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

International offer restrictions



The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Placement Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Iress if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Iress. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the *Securities Act* (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the Placement Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Iress, provided that (a) Iress will not be liable if it proves that the purchaser purchased the Placement Shares with knowledge of the misrepresentation; (b) in an action for damages, Iress is not liable for all or any portion of the damages that Iress proves does not represent the depreciation in value of the Placement Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the Placement Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the Placement Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the Placement Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Placement Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the Placement Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Placement Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Placement Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Placement Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Placement Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Placement Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

International offer restrictions



New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The Placement Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The Placement Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

Singapore

This document and any other materials relating to the Placement Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Placement Shares, may not be issued, circulated or distributed, nor may the Placement Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of Iress's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Placement Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Placement Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The Placement Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Placement Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the Placement Shares may be publicly distributed or otherwise made publicly available in Switzerland. The Placement Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

No offering or marketing material relating to the Placement Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of Placement Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

International offer restrictions



United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the Placement Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the Placement Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

This document may be distributed in the UAE only to "qualified investors" (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the Placement Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for Placement Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Placement Shares.

The Placement Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Placement Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Iress.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States unless the securities have been registered under the Securities Act (which Iress has no obligation to do or procure) or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The offer and sale of the securities referred to in this document has not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, such securities may only be offered and sold: (a) outside the United States in "offshore transactions" (as defined in Rule 902(h) under Regulation S under the Securities Act) in reliance on Regulation S; and (b) in the United States, (a) to persons that are reasonably believed to be "qualified institutional buyers", as defined in Rule 144A under the Securities Act, in transactions exempt from the registration requirements of the Securities Act pursuant to Rule 144A thereunder, or (b) to dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. persons" (as defined in Rule 902(k) of the Securities Act) for which they have, and are exercising, investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S, in reliance on Regulation S.

Disclaimers

Important notice and disclaimer



This investor presentation (“**Presentation**”) has been prepared by Iress Limited (ACN 060 313 359) (“**Iress**”). This Presentation has been prepared in relation to a proposed equity raising by Iress by way of an institutional placement (“**Placement**”) of new fully paid Iress ordinary shares (“**Placement Shares**”) and a share purchase plan (“**SPP**”, and together with the Placement, the “**Offer**”) offering eligible shareholders the opportunity to acquire new fully paid Iress ordinary shares (“**SPP Shares**”). In this Presentation, the Placement Shares, together with the SPP Shares, are referred to as the “**New Shares**”.

Summary information

This Presentation contains summary information about the current activities of Iress and its subsidiaries as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all of the information that an investor should consider when making an investment decision nor does it contain all the information that would be required in a disclosure document or prospectus prepared in accordance with the *Corporations Act 2001* (Cth). The Presentation will not be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or any other foreign regulator. It should be read in conjunction with Iress’ periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (“**ASX**”), which are available at www.asx.com.au. The information in this Presentation is subject to change. Iress is not obligated to update it or correct it except as required by law.

No member of the Iress group gives any representations or warranties in relation to the statements and information in this Presentation.

Not financial product advice

This Presentation is for information purposes only and is not a prospectus, disclosure document or other offering document under Australian law or under any other law. This Presentation is not financial product or investment advice nor a recommendation to acquire New Shares and has been prepared without taking into account the objectives, financial situation or needs of any individual investor. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate professional advice from a qualified advisor, including financial, legal and taxation advice appropriate to their jurisdiction. Iress is not licensed to provide financial product advice in respect of Iress shares. An investment in Iress is subject to known and unknown risks, some of which are beyond the control of Iress and its directors. Iress does not guarantee any particular rate of return in relation to Iress shares or the performance of Iress, nor does it guarantee any particular tax treatment. You should have regard to the risk factors outlined in the “Key risks” section of this Presentation when making your investment decision. Cooling off rights do not apply to the acquisition of New shares.

Financial data

All dollar values are in Australian dollars.

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The underwriter and its affiliates are full service financial institutions engaged in various activities, which may include trading, financing, corporate advisory, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The underwriter and its affiliates have provided, and may in the future provide, financial advisory, financing services and other services to Iress and/or the Iress group and to persons and entities with relationships with Iress and/or the Iress group, for which they received or will receive customary fees and expenses. In the ordinary course of its various business activities, the underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of Iress and/or the Iress group, and/or persons and entities with relationships with Iress and/or the Iress group. The underwriter and its affiliates may also communicate independent investment recommendations, market colour or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

The underwriter and/or its affiliates are also acting as exclusive financial adviser to Iress in relation to the acquisition of OneVue Holdings Limited and sole lead manager and underwriter of the Placement, and will receive fees and the reimbursement of expenses in connection with these roles.

The underwriter is acting for and providing services to Iress in relation to the Offer and will not be acting for or providing services to Iress shareholders or any other investors. The underwriter has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with Iress. The engagement of the underwriter by Iress is not intended to create any agency, fiduciary or other relationship between the underwriter and Iress, its shareholders or any other investors.

You acknowledge and agree that determination of eligibility for the purposes of the Offer and of any allocations you may receive under the Placement is determined by reference to a number of matters, including legal requirements and the discretion of Iress and the underwriter and each of Iress and the underwriter disclaim any duty or liability (including for negligence) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

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