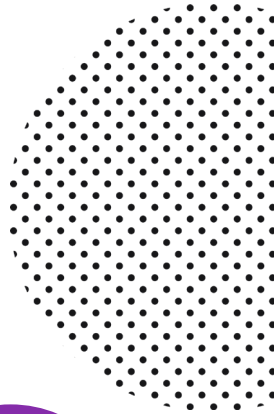


Integrated Research Limited Annual General Meeting

25 November 2020

Paul Brandling

Chairman



ONLINE ATTENDEES – QUESTION PROCESS



When the Question function is available, the Q&A icon will appear at the top of the app

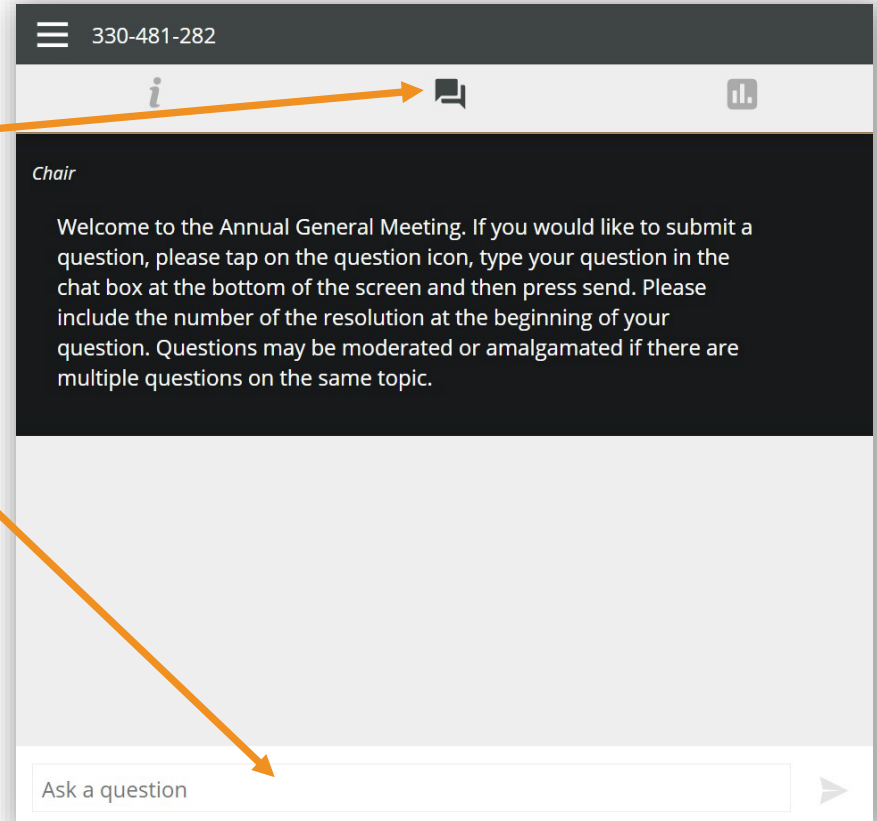


To send in a question, click in the 'Ask a question' box, type your question and press the send arrow



Your question will be sent immediately for review

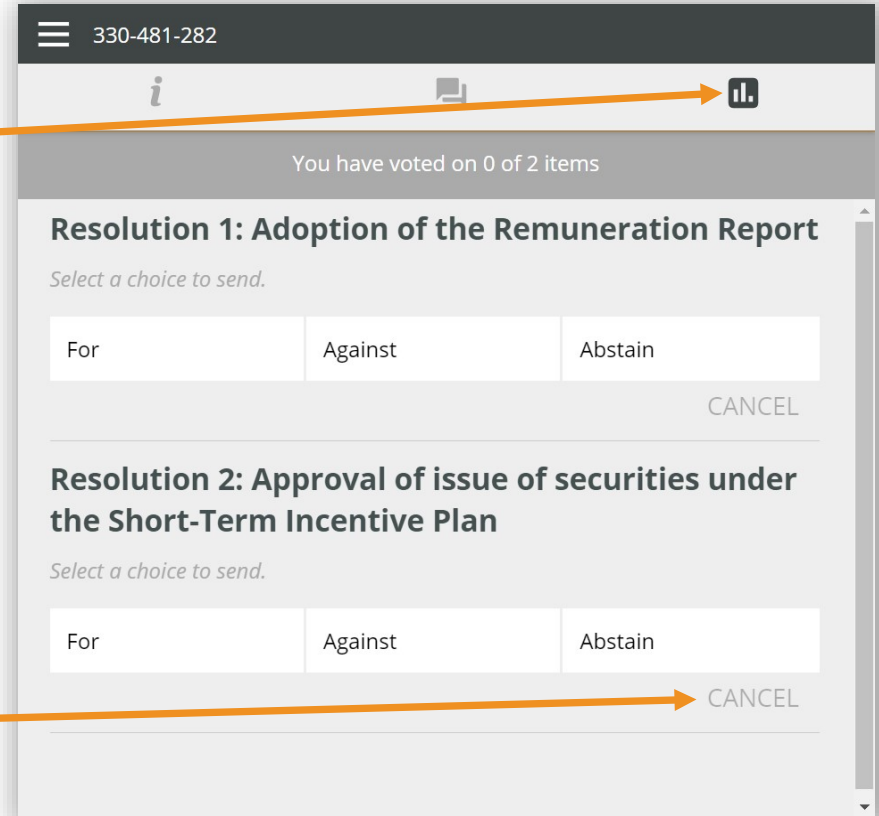
✓ Received



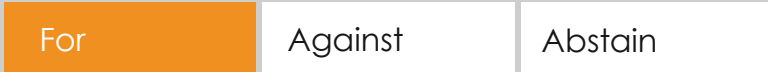
ONLINE ATTENDEES – VOTING PROCESS



When the poll is open, the vote will be accessible by selecting the voting icon at the top of the screen



To vote simply select the direction in which you would like to cast your vote. The selected option will change colour



There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed



Paul Brandling

Chairman





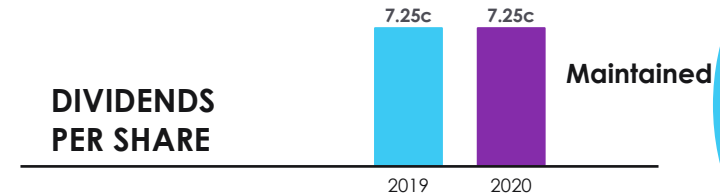
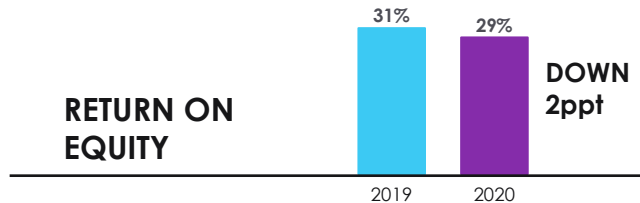
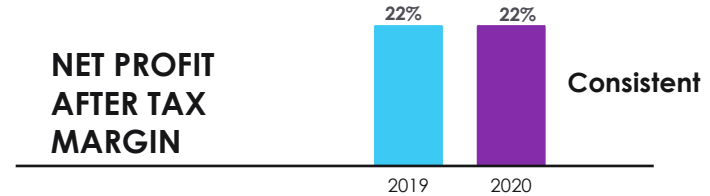
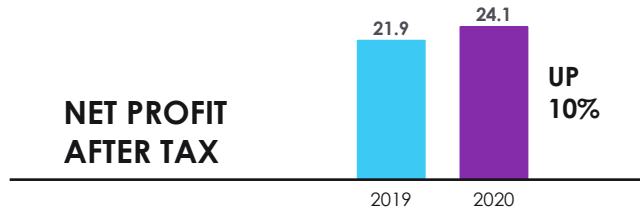
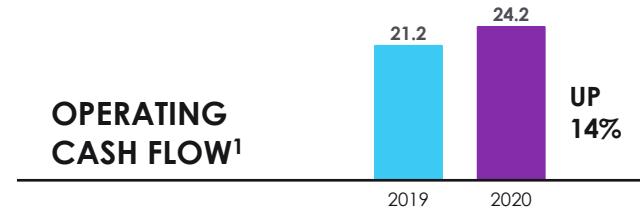
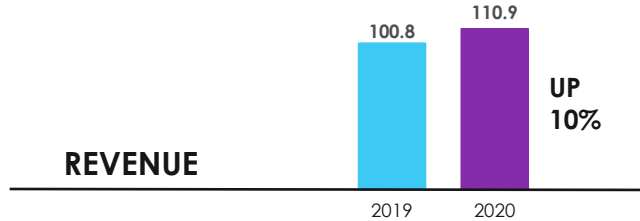
Peter Adams

CFO



Performance Review (A\$M)

Delivering record results



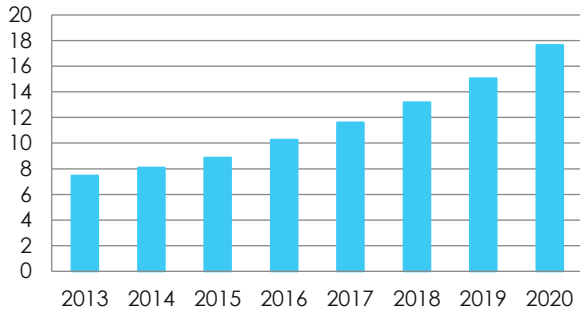
Note 1: Operating cashflow was up 5% on a "like for like" adjusting for new AASB leasing standard

Revenue Analysis - Geographic

APAC consistent growth with solid ROW performance

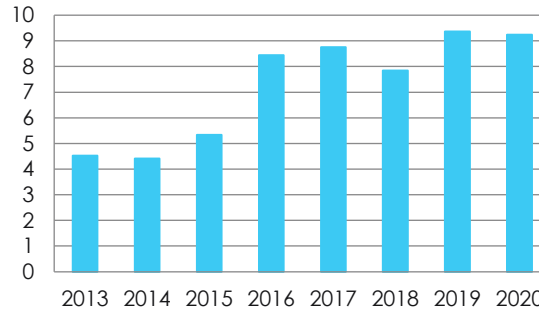


Asia Pacific Revenue A\$M



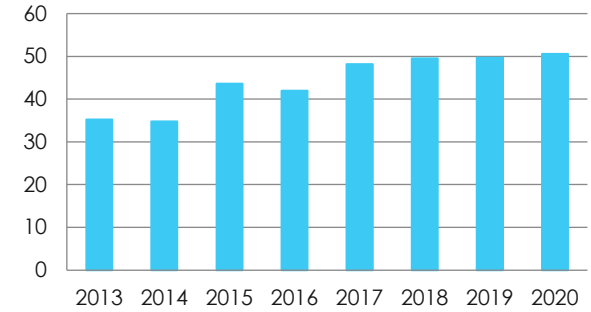
APAC achieved revenue growth of 17% with strong UC licence growth. Seven years of consecutive growth

Europe Revenue £M



Europe revenue declined by 1%; UC licence growth offset by lower Payments and Infrastructure (cyclical)

Americas Revenue US\$M



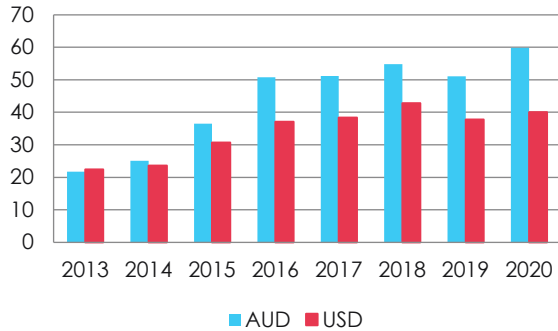
Americas momentum improved in 2H after slow 1H; 2H licence fees grew in all product lines; region breaks US\$50 million in revenue

Revenue Analysis - Product

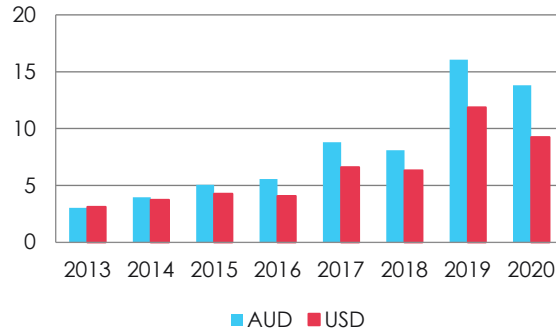
Step change: remote working and cashless transactions



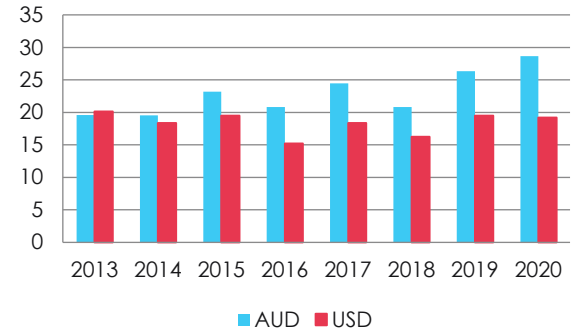
Unified Communications \$M



Payments \$M



Infrastructure \$M



Unified Communications achieved growth of 17% : strong renewal and capacity sales. 29 new customers; future driver: remote working

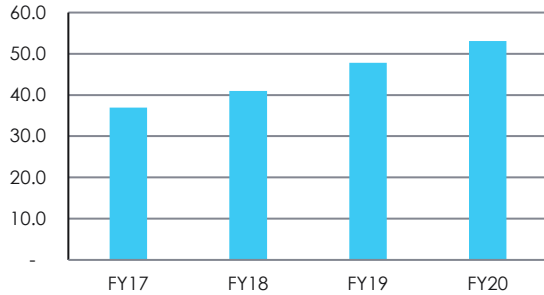
Payments declined by 14% (underlying base growing – see subscription slide). Nine new customers; future driver: increased cashless transactions

Infrastructure achieved growth of 9%: High margin product line with sticky customer base

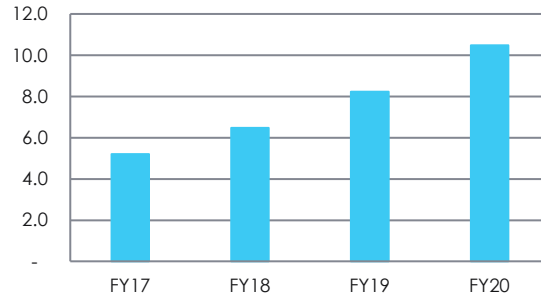
Proforma Subscription Revenue*



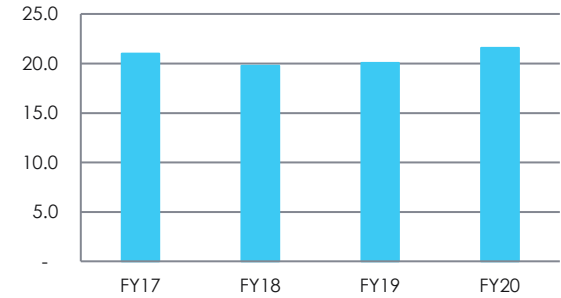
Unified Communication A\$M



Payments A\$M



Infrastructure A\$M



Unified Communications up 11%; three platforms served (Microsoft, Avaya and Cisco)

Payments up 27%; strong bookings fueling subscription growth

Infrastructure up 8%: High margin product line with sticky customer base

* - proforma subscription revenue is a non-statutory alternate view of revenue (unaudited)

Business model evolution



Summary:

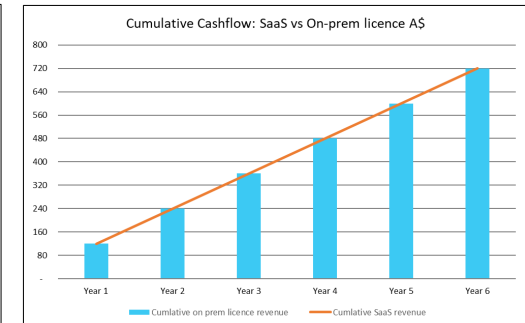
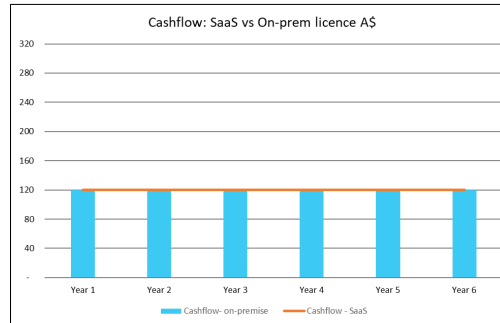
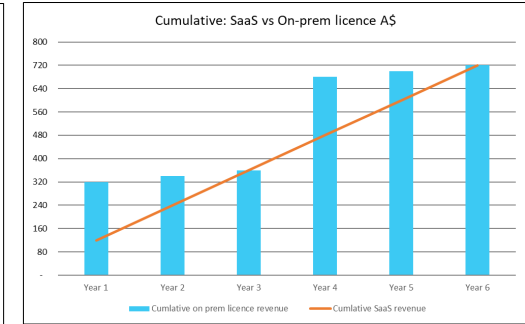
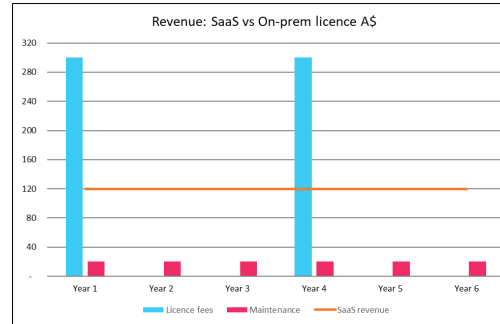
- No changes to accounting policies
- Compliance with International Financial Reporting Standards (IFRS)
- New cloud solutions recently released
- Cloud revenues expect to grow faster than on-prem revenue
- Introduce new SaaS metrics as business becomes more material

Established model (refer bars on charts):

- Licence revenue recognised upfront
- Maintenance revenue over time

Emerging model (refer lines on charts):

- SaaS revenue recognised over time
- Timing of cashflows expected to be similar to established model



Trading update



Macro environment

- Economic uncertainty
- Pandemic conditions
- US election
- Exchange rate volatility

YTD Performance

- Year to date revenue behind prior year
- Sales cycles lengthened due to current environment
- FX headwind

1H considerations

- A significant proportion of licence sales occur in last few weeks of the reporting period
- Continuing currency volatility
- Risks: temporary sales deferrals and currency swings may mean 1H revenue and NPAT less than prior corresponding period

Key Success Drivers

- Market growth
- Expand addressable market
- Move to cloud
- New products
- New customers
- Increasing sales capacity

(refer CEO address following this presentation)



John Ruthven

CEO & Managing Director

Building the IR of the future

Through innovation acceleration



Strategy - continue to build long-term recurring revenues;

- Leverage structural shift in the market – remote working & cashless payments; with an increased focus on collaboration and payments
- Transition the business to cloud; leveraging the strong competitive position to take customers from on-premises, to hybrid, to cloud
- Expand into adjacent areas in collaboration and payments; as well as higher-value segments

Products - IR is the leading global provider of user experience and performance management solutions for Unified Communications, Payments and IT Infrastructure

Customers - global enterprise customer base spanning diverse industries and including more than 25% of Fortune 500 companies

People - deep domain expertise; product champions; solution & customer focused; experienced global leadership

Three Market Dynamics

Short-term volatility, long-term growth



Structural change

What it means

Collaboration

Shift to remote working; 500m global workers estimated to be remote in CY2021 (40% of knowledge workers)¹

- 48% YoY growth of conferencing users in CY2020²
- Accelerated move to cloud
- Increase in multi-vendor environments
- Work practices changed forever (remote workers grow to 600m by 2024)¹

Transactions

Accelerated shift to digital payments; [Visa reported that their annual US transaction volumes are up 30% for online transactions excluding travel, whilst in-store is down 5%]⁴

- One off -1.7% reduction in global noncash annual volume CY20 v CY19, against forecast growth of 14%⁵
- Revised outlook of 11.5% CAGR for CY19-23⁵

Cloud

Public cloud spending to accelerate to 18.8% CAGR over 2021-2024³ [after 6.1% growth in 2020³]

- Cloud UC migration to accelerate to 11.6% CAGR for CY19-24³
- 84% of banks globally planning to move mission-critical systems into the cloud⁶

1: Gartner remote workers forecast, Aug 2020

2: Gartner UC Global Forecast, Sep 2020

3: Gartner Public Cloud Services, Worldwide, 2018-2024, 3Q20 Update

4: Visa Q42020 Earnings Results, Oct 2020

5: Capgemini world payments report 2019, 2020

6: ACI/Ovum Survey: Payments Modernization in the Cloud: An Inflection Point in the History of Payments, Aug 2020

Product Strategy

Accelerate innovation and reduce time to market



IR invests 20% of revenue on R&D to drive sustainable growth

| | <i>goal</i> | <i>financial outcome</i> | <i>scorecard</i> | <i>key deliverables</i> |
|-----------------|---|--------------------------|------------------|---|
| Value | prioritise investment to bring new products to market | revenue growth | accelerating | new SaaS & hybrid products |
| Velocity | efficient development shop (Agile) | margin improvement | accelerating | extend SaaS platform, reduce time to market; more frequent releases |
| Quality | robust and reliable products | lower cost of support | high | >95% satisfaction, reduce support queues |

IRIS (IR Innovation Success) end-to-end process

Product Futures

Focus on Collaboration & Payments – leverage adjacencies



| Product line | Collaborate | Transact | Hybrid Platform |
|----------------------|--|---|---|
| FY21 H1 ¹ | Microsoft Teams (hybrid & cloud) Zoom | Payments Analytics Simple Switch Integration | Agent Technology |
| FY21 H2 ² | Cisco WebEx Advanced cross-vendor/ platform troubleshooting | Real-Time Payments Payments Analytics Data Sources | Hybrid Data in Cloud Data Insights |
| 2022+ ² | <i>Advanced Analytics</i> <i>Additional UCaaS vendors</i> | <i>Payments Insights</i> <i>Payments Analytics Adjacencies</i> | <i>Machine Learning</i> <i>Cloud Marketplace</i> |

1: Released
2: Planned release

Customer Mix

Mission critical software – sold to Tier 1 customers



| Product line | Collaborate | Transact | Infrastructure |
|--|-------------|----------|----------------|
| <p>Customers</p> | | | |
| <p>Partners & Service Providers</p> | | | |

Customer Demographic

Mission critical software – sold to Tier 1 customers



Product line

Market size

Value proposition

Target customer

Collaborate

450m+ UC endpoints¹

Ensuring excellent user experience and enhanced adoption of mission critical communication tools

Enterprise, Telco, Managed Service Providers

Transact

(F)766.1bn CY20²
(noncash transactions)

Simplifying the complexity of managing payments

Banks, Acquirers / Processors, Merchants / Retailers

Infrastructure

NonStop servers

Optimizing the infrastructure that supports the world's most mission-critical applications

Finance, Health, Telco, Distribution, Manufacturing

Customer Case Studies

Mission critical software – sold to Tier 1 customers



Customer

Collaborate



Problem

Video conferencing platform failure or poor quality

Solution

Proactively manage user experience with real time metrics

Outcome

Land & expand;
'single pane of glass';
video transformation project; expansion

Transact



Customer experience; payment failures & declines; 45,000 lanes

Real time performance metrics visibility and tracking

Contract extension;
customer for 10+ years;
new 5 year agreement;
monitoring payment network

Infrastructure

JPMORGAN CHASE & CO.

Thousands of transactions a second; ATMs, merchant services, cards, retail

Manage hardware and payment applications; thresholds for 'standard operating'

Contract expansion;
customer for 25 years;
contract consolidation;
extended term; new capability

We are a tribe

Behaviours are values in action



tribe behaviours



team up

You demonstrate an ability to cooperate with others and align towards our common goals. You connect with colleagues to produce the best outcomes, and proactively use your skills and experience to strengthen our collective efforts.



be human

You bring your best self to work and act with empathy, respect and kindness towards others. You are patient and humble in supporting others to grow, and you focus on building relationships through trust and understanding.



own it

You take responsibility for your words and actions, and deliver on your commitments. You do what you say you will, and take accountability for your own success.



crush it

You're outcome focused, taking pride in delivering high quality work with passion and tenacity. Your determination and ambition shine through, and you view challenges as an opportunity for growth.



have a laugh

You find time for fun and enjoyment, celebrating the friendships we have across our global team. You bring a positive attitude, and help others find joy in their day.



create great

Key Success Drivers

Maintain the base, grow the base, add new customers



Market growth -

leverage growth in UC conferencing (complexity) and digital payments, hold Infrastructure flat

Move to Cloud -

leverage acceleration in workloads moving to Cloud; benefit of hybrid competitive advantage

New customers -

accelerate new customer acquisition; leverage structural market changes of remote working and cashless payments; new products

Expand addressable market -

extend reach in addressable market with 'agent' technology; simple switch integration

New Products - retain customers and increase share-of-wallet with cloud & hybrid products; increase revenue mix from new products

Increasing sales

capacity - flex coverage model to new business; invest in digital channels; extend MSP channel – products & commercials

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www.ir.com

