1H24 Results Presentation

20 February 2024

Presenters

Andrew Russell,
Group CEO and MD

Neil Montford,
CFO

Agenda

Headlines

01 We are making good progress with our "reset and energise" strategy and the business has returned to profitability in 1H24, ahead of plan on a cash EBITDA performance basis

02 As we right size the Bravura operating cost base, forecast annualised FY24 gross cost out is $40m, including $27m delivered in 1H24

03 The business has a strong balance sheet with 1H24 closing cash balance of $88.3m

04 We have implemented our new operating business structure to re-align around our core regions, products and clients in EMEA and APAC

05 We are upgrading FY24 EBITDA guidance to $18m-$22m from $10-$15m

1H24 Financial Results

Improving and ahead of previous guidance for FY24

bravura solutions

Revenue	Profitability	Cash Position
1H24 Gross Revenue $127.0m Up 7.4% vs 1H23	EBITDA $7.9m Up $11.5m vs 1H23	Net Closing Cash $88.3m Now Cash EBITDA positive[3]
1H24 Recurring Revenue $73.4m Up 10.0% vs 1H23[2]	Adjusted NPAT ($1.7m) Up $12.6m vs 1H23[1]	1H24 Net cash inflow $12.6m Up $28.6m vs 1H23

1. Adjusted NPAT excludes non-recurring items.
2. Recurring revenue comprises revenues contracted for the contract term and typically includes maintenance, managed services, hosting, cloud and SaaS.
3. Cash EBITDA equals EBITDA less Capex and Lease costs.

Agenda

01 1H24 Summary

02 1H24 Results Details

03 Key Takeaways

04 Q&A

05 Appendix

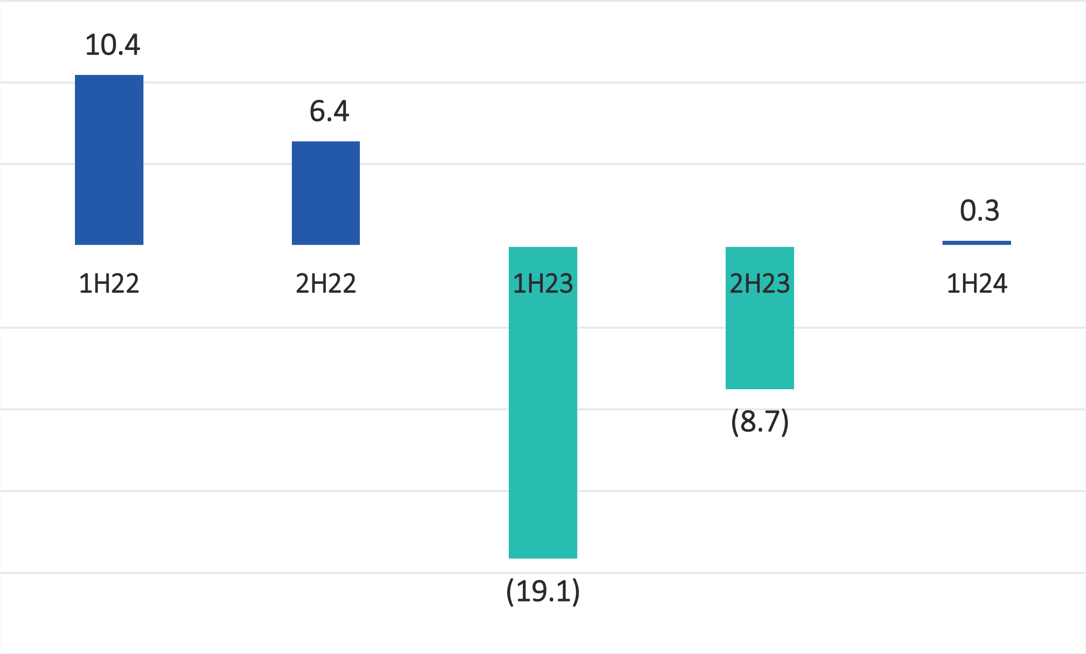
Results 1H24
(ASX: BVS)

"Reset and Energise" focus in 1H24 delivering strong results

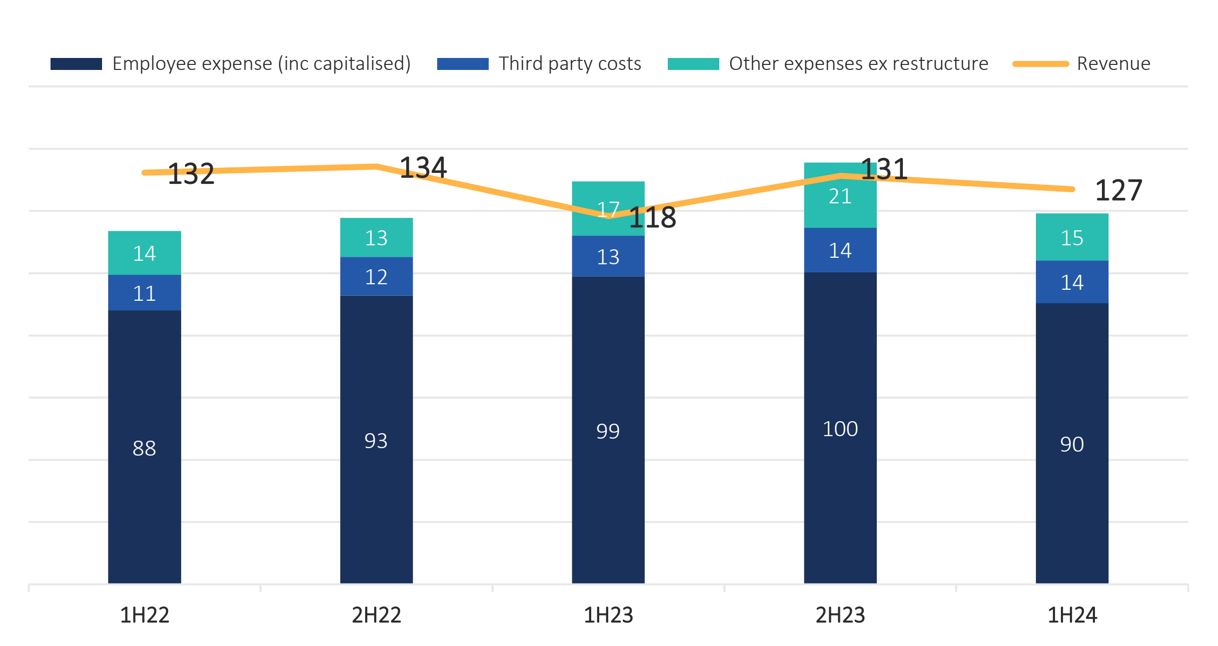
	RESET AND ENERGISE		ACCELERATE FINANCIAL PERFORMANCE	
FY24/FY25 Strategic Pillars	Realigning around the core	Market-leading Technology	Growing with existing clients	Building a quality business
	▪ Re-align to key markets AU-Wealth, UK-Wealth, UK-FM, NZ & SA ▪ Service and delivery excellence with reduced cost to serve	▪ Consistent evolution of modular product and technology solutions ▪ An increasing share of revenue from enablement capabilities	▪ Build out existing relationships via a product-led strategy and roadmap ▪ Client contract renewals are data driven and value generating	▪ Create a product and technology-led culture with a focus on solving client pain points ▪ Rebuild our employee value proposition
	▪ Business returned to profitability ahead of plan ▪ Regional market focus through appointment of CEOs in EMEA and APAC ▪ P&L accountability aligned to regional model	▪ Investment in digital advice positioning Bravura as market leader, with more than 10,000 individual statements of advice issued ▪ Multiple RFI and contract negotiations underway to provide advice capabilities to super funds in APAC	▪ Client focused to introduce new management and reset key relationships in APAC and EMEA as the business transforms ▪ Eligible client renewals 1H24 were completed with improved economics	▪ Regional P&L management ▪ Product level P&Ls ▪ New KPI framework to align employees to business priorities ▪ Quality taskforce to improve delivered product ▪ Improved development tooling

Bravura returned to cash EBITDA profitability during 1H24

Cash EBITDA (A$m)



Revenue and Costs (A$m)



Headcount	1,509	1,553	1,637	1,490	1,311

The ongoing organisational change program is tracking to deliver $65m total annualised gross savings

	FY23 Actual $m	1H24 Actual $m	2H24 Forecast $m	Revised Annualised Gross savings $m	Tracking against plan
Organisational Realignment	**25**			**25**	✓
External Cost Reductions			**5**	**5**	✓
Optimising Operating Model		**12**	**3**	**15**	✓
Right Sizing		**15**	**5**	**20**	✓
Total	**25**	**27**	**13**	**65**	✓

COST TO EXECUTE

	FY23 Actual	1H24 Actual	2H24 Forecast	Total (FY23 & FY24)
Cash	$3.6m	$8.6m	$9.0m	$21.2m
Expense	$7.6m	$4.6m	$9.0m	$21.2m
Restructure Provision	$11.9m	-$4.3m	-$7.6m	-
P&L Impact pre tax	$19.5m	$0.3m	$1.4m	$21.2m

Total cash spend in FY24 is expected to be $17.6m of which $11.9m was provisioned in FY23. $4m of FY24 cash spend relates to expenses incurred in FY23.
Some of the activities in the organisational change program may occur during the start of FY25.

FY24 Guidance Update

2023 AGM Guidance for FY24	FY24 Updated Guidance
Group Revenue Around the same as FY23	**Group Revenue** Around the same as FY23
EBITDA[1] $10m – $15m	**EBITDA[1]** $18m – $22m
Capex[2] and Lease costs $16m	**Capex[2] and Lease costs** $16m
Annualised Gross Cost Out $22m	**Annualised Gross Cost Out** $40m

1. EBITDA = Operating Revenue minus Operating Costs adding back capitalised development costs and depreciation on Right of Use assets and interest on Lease Liabilities.
2. Capex in FY24 includes capitalised development costs and property, plant and equipment (PPE) expenditure. Cash EBITDA equals EBITDA less Capex and Lease costs.

Agenda

Results 1H24
(ASX: BVS)

1H24 Results – Takeaways

01 We are successfully executing in line with our strategic pillars for FY24 and FY25

02 The business is transforming at a fast pace and we have realigned our business around regions, products and clients

03 The business is stable and well capitalised which will allow us to formulate a capital management strategy in 2H24

04 Focused effort has returned the business to profitability earlier than forecast, delivering a growing cash EBITDA[1] margin in FY24 and FY25

1. Cash EBITDA = Operating Revenue minus Operating Costs plus software and PPE capitalisation.

Agenda

Results 1H24
(ASX: BVS)

Questions

Agenda

Results 1H24
(ASX: BVS)

Appendix Index

bravura solutions

Results 1H24
(ASX: BVS)

1H24 Operating Results

A$m	1H24	1H23	$ chg	% chg	
Wealth Management	83.9	77.3	6.6	**8.5%**	
Funds Administration	43.1	41.0	2.1	**5.1%**	
Total Revenue	127.0	118.3	8.7	**7.4%**	1
Wealth Management Margin	17.1	3.2	13.9	**434.4%**	
Funds Administration Margin	11.7	15.0	(3.3)	**(22.0)%**	
Corporate Costs	(20.9)	(21.8)	0.9	**4.1%**	
EBITDA	7.9	(3.6)	11.5	**319.4%**	2
Depreciation and Amortisation	(4.0)	(6.6)	2.6	**39.4%**	3
ROU Lease related expenses	(3.6)	(3.4)	(0.2)	**(5.9)%**	
Non-recurring items[1]	0.0	(176.6)	176.6	**100.0%**	
EBIT	0.2	(190.2)	190.4	**100.1%**	4
Net Interest & FX (expense) / gain	0.3	(1.4)	1.7	**121.4%**	
Profit before tax	0.5	(191.6)	192.1	**100.3%**	
Tax (expense) / benefit	(2.2)	0.7	(2.9)	**(414.3)%**	
NPAT	(1.7)	(190.9)	189.2	**99.1%**	5
Adjusted NPAT[1]	(1.7)	(14.2)	12.6	**88.0%**	

Key Callouts

1. Total revenue increased 7.4% in 1H24 vs the pcp, driven by more project work and upgrades, coupled with price increases in underlying contracts.
2. EBITDA increased $11.5m, from $3.6m loss in the pcp to a profit of $7.9m. This was due to an increase in revenue and a decrease of operating expenses from $121.9m to $119.1m in 1H24 driven by:
   - Decreased head count as a result of organisational restructures;
   - Decrease in other overhead costs as a result of enhanced focus on cost control.
3. Depreciation and Amortisation decreased by 39% vs the pcp due to lower amortisation from impaired assets.
4. Net Interest and FX Expense improved to $0.3m gain, mainly attributable to the improved cash and debt free position.
5. Adjusted NPAT of ($1.7m) represents a $12.6m increase vs the pcp figure of $14.2m loss due to an improvement in operating performance.

1. Adjusted NPAT is calculated by excluding non-recurring items. There are no non-recurring items in 1H24.

01

Reconciliation of EBITDA, Cash EBITDA and Operating EBITDA

bravura solutions

A$m	1H24	1H23	$ chg	% chg
EBITDA				
Revenue	127.0	118.3	8.7	7.4%
Less: Operating Expenses	(122.8)	(125.3)	2.5	2.0%
Add back: Depreciation - Right of Use assets	3.0	2.7	0.3	11.1%
Add back: Interest - Lease Liability	0.7	0.7	0.0	0.0%
EBITDA	**7.9**	**(3.6)**	**11.5**	**319.4%**
Cash EBITDA				
Revenue	127.0	118.3	8.7	7.4%
Less: Operating Expenses	(122.8)	(125.3)	2.5	2.0%
Less: PPE Capex	(0.5)	(3.8)	3.3	86.8%
Less: Material upfront licence fee revenue recognised	(2.2)	0.0	(2.2)	(100.0%)
Add back: Developed Software	(1.2)	(8.3)	7.1	85.5%
Cash EBITDA	**0.3**	**(19.1)**	**19.4**	**101.6%**
Operating EBITDA				
Revenue	127.0	118.3	8.7	7.4%
Less: Operating Expenses	(122.8)	(125.3)	2.5	2.0%
Operating EBITDA	**4.2**	**(7.0)**	**11.2**	**160.0%**

Descriptions

1. **EBITDA** adds back depreciation on Right of Use assets and interest on Lease Liabilities (both accounted under IFRS 16).
2. **Cash EBITDA** provides the cash result for the business. It includes Revenue less Operating Costs by adding the cost of Developed Software that has been capitalized, the cash paid for PPE Capex purchased, and adjustment for material revenue recognised upfront with cash received over time.
3. **Operating EBITDA** includes Revenue less Operating Costs plus Developed Software that has been capitalised.

01

Balance Sheet

bravura solutions

A$m	31 Dec 2023	30 Jun 2023	
Cash	88.3	75.7	1
Trade receivables	40.0	56.6	2
Contract assets	21.8	26.8	
Intangible assets	35.9	36.4	3
Property, plant and equipment	35.8	38.6	4
Other assets	16.9	20.4	
Total assets	238.7	254.5	
Trade and other payables	9.2	17.9	5
Contract liabilities	39.1	36.5	
Lease liabilities	26.9	27.8	
Other liabilities	39.8	46.4	
Total liabilities	115.0	128.6	
Net assets	**123.7**	125.9	

Key Callouts

1. Cash has increased due to strong collection activities and cash cost savings from reduced employment expenses.
2. Trade debtors have trended down due to an enhanced focus on cash collection and a more efficient invoicing process.
3. Intangible Assets reflect amortisation and a small amount of additions for the period.
4. PPE reflects depreciation for the period.
5. Trade and other payables have decreased in line with a reduction in expenses and one major supplier which was paid in early July .

Cash Flow

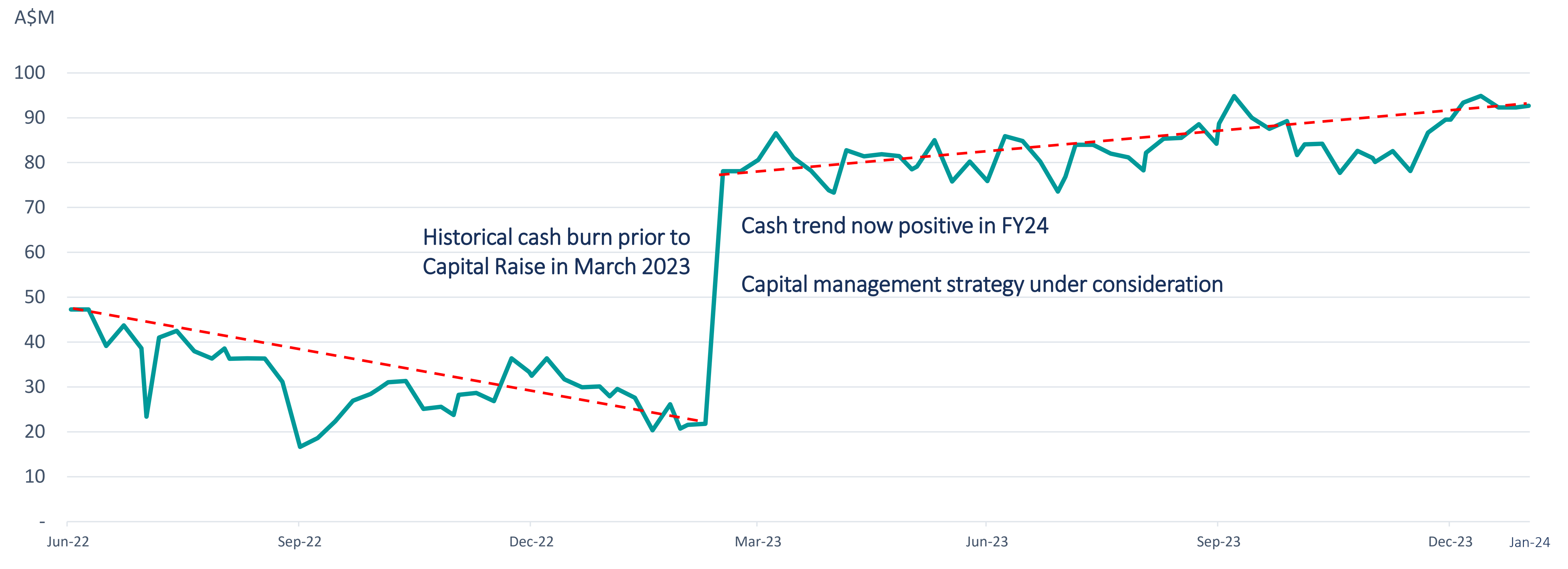
A$m	1H24	1H23
Receipts from customers	166.2	114.4
Payments to suppliers and employees	(147.5)	(110.6)
Interest received	1.1	0.0
Income taxes paid	(1.0)	(1.6)
Total operating cash flow (direct method)	18.8	2.2
Purchase of property, plant and equipment	(0.3)	(2.0)
Payments for capitalised software development	(1.2)	(8.3)
Contingent consideration	0.0	(4.9)
Total investing cash flow	(1.5)	(15.2)
Proceeds from working capital facilities	0.0	9.5
Finance costs paid	(0.2)	(0.2)
ROU lease payments	(3.9)	(4.1)
Dividend paid	0.0	(7.9)
Total financing cash flow	(4.1)	(2.7)

1H24 Cashflow	**A$m**
Cash at 30 Jun 2023	75.7
Operating cash flow	18.8
Investing cash flow	(1.5)
Financing cash flow	(4.1)
Effects of exchange rate changes on cash and cash equivalents	(0.6)
Cash at 31 Dec 2023	88.3

02

Cash burn stabilised and turned to cash generating

Cash Balance



Available cash tracks the bank balance and impacts from operating, financing and investing activities

Strategy on a page

bravura solutions

Together we create technology that reshapes how organisations and people prosper

Our market leading platforms power the core for wealth providers and fund managers and enables them to secure their customers' financial future

RESET AND ENERGISE

- Realigning around the core
- Market-leading technology

ACCELERATE FINANCIAL PERFORMANCE

- Growing with existing clients
- Building a quality business

ENGAGE HEARTS & MINDS

Our people: Invest in people and operate with best-in-class ways of working

DRIVE HIGH PERFORMANCE CULTURE

Our clients: Deliver high value, consistent and focused services

DELIVER VALUE

Our shareholders: Rebuild trust and grow shareholder value

OUR VALUES

- DO THINGS RIGHT
- WORK TOGETHER
- TAKE CHARGE
- MAKE A DIFFERENCE

Servicing blue chip customers in EMEA and APAC regions

bravura solutions

Europe (including UK)

Funds Admin

- £ 3.3TN FUA

Babel

- £ 11TN deal/transactions processed per annum

Australia

Digital Advice

- 3.4m+ Australians have access to our digital advice solution

Sonata Alta

- Over 3.4m transactions per month processed through Sonata Alta

South Africa

Wealth and Insurance

- 4 clients @ ZAR $34BN FUA

New Zealand

Wealth

- 38% market share of KiwiSaver based on account volumes

Insurance

- Sonata underpins 2 of the top 4 life insurers in NZ

The Bravura value proposition is to simplify complexity, automate for efficiency and reduce operational risk

bravura solutions

Two Key Lines of Business	Underpinning Financial Services Products
Wealth and Advice	▪ Wrap platforms ▪ Superannuation and pension ▪ Life insurance ▪ Private wealth and portfolio admin ▪ Funds administration ▪ Financial planning software ▪ Unit registry
Transfer Agency (TA) / Funds Administration	

Solving Customer Pain Points

- Simplify complexity of manual back-office processes
- Automation at scale
- One source of record
- Digitisation

05

Our technology provides leading Registry, Digital, Data and Automation products

	WEALTH AND ADVICE	FUNDS ADMIN
CUSTOMER REGISTRY	Sonata	Rufus GFAS GTAS
DIGITAL	BravuraDigital midwinter a Bravura company	taWeb
DATA	DaaS	
AUTOMATION	SonataAlta Orchestrator	Babel
MODULAR	FinoComp a Bravura Company delta FINANCIAL SYSTEMS	

- **Core Registry Leadership**
- **Market focused product capability**
  - Best of breed **Digital Advice**
  - Market level **Data**
  - Deep **Automation integration**
- Scalable **cloud first** SaaS model

Technology focused response to solve customer pain points

06

Glossary

bravura solutions

APAC
Asia and Pacific Region

Cash EBITDA
Operating revenue minus operating costs less development costs, capex and lease costs

EBITDA
Operating revenue minus operating costs, adding back depreciation on right of use assets and interest on lease liabilities

EMEA
Europe, Middle East and Africa region

Employee benefits expense
Includes salary and wages, defined contribution superannuation and pension expense, share-based payments, other employee expenses

External cost reduction
Closing and resizing offices in Australia, UK and NZ and the renegotiation of hosting and IT partnerships

FA
Funds Administration

Gross cost out
Cost savings resulting from structural or other permanent change. This does not factor in underlying inflationary changes to the core cost base

Operating EBITDA
Operating revenue minus operating costs (including lease costs) adding back capitalised development costs

Organisational Realignment
Reduction in management layers and duplication

Optimising operating model
Integrating our acquisitions and optimising our geographic locations onshore / offshore mix

PCP
Prior Corresponding Period

RFI
Request for Information

Right Sizing
Capacity reductions as projects wind down

SaaS
Software as a Service

WM
Wealth Management

Important Notice and Disclaimer

The information contained in this document (including this notice) and discussed at this presentation (collectively, the **Presentation**) has been prepared by Bravura Solutions Limited (**Bravura**).
The Presentation is subject to the conditions outlined below. Your receipt, access or viewing of the Presentation evidences your acceptance of those conditions and that you agree to be bound by them.

NO OFFER OF SECURITIES

The Presentation is for information purposes only and is not a prospectus, product disclosure statement, disclosure document or other offer document under Australian law or under any other law. It does not and is not intended to constitute an offer for subscription, financial product advice, invitation, solicitation or recommendation by any person or to any person with respect to the purchase or sale of any securities or financial products in any jurisdiction, and also does not form the basis of any contract or commitment to sell or apply for securities in Bravura or any of its subsidiaries (**Bravura Group**). The distribution of this Presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Presentation does not, and does not purport to, contain all information necessary to make an investment decision. The information contained in the Presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in the Presentation constitutes financial, investment, legal, tax, accounting or other advice or any recommendation by Bravura. You must not rely on the Presentation but make your own independent assessment and rely upon your own independent taxation, legal, financial, accounting or other professional advice.

FINANCIAL DATA

All information in the Presentation is in Australian dollars.
The Presentation contains pro forma financial information. Such pro forma financial information has not been prepared in accordance with disclosure requirements of applicable accounting standards and other mandatory reporting requirements in Australia.
This presentation contains a number of non-IFRS financial measures under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC which are not recognised under the Australian Accounting Standards (**AAS**) and International Financial Reporting Standards (**IFRS**). Such non-IFRS financial information do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although Bravura believes this information provides useful information for investors and form key performance indicators for Bravura investors are cautioned not to place undue reliance on any non-IFRS financial information included in this Presentation.
Financial data calculating totals and percentages may be subject to rounding.

FORWARD STATEMENTS

No representation or warranty, expressed or implied, is made as to the adequacy or completeness of the information and opinions contained in the Presentation.
The Presentation may contain certain forward looking statements, including estimates, projections and opinions (**Forward Statements**). We use words such as 'will', 'may', 'intend', 'seek', 'would', 'should', 'could' 'continue' 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', or similar words to identify Forward Statements. While due care and attention has been used in the preparation of forward-looking statements, forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward Statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Bravura Group, and have been made based upon management's expectations and beliefs concerning future developments and their potential effect on the Bravura Group. No representation or guarantee is made or will be made that any Forward Statements will be achieved or will prove correct. Actual future results and operations could vary materially from the Forward Statements. Circumstances may change and the contents of this Presentation may become outdated as a result. Readers are cautioned not to place undue reliance on Forward Statements and Bravura assumes no obligation to update such statements (except as required by applicable regulations or by law).

Important Notice and Disclaimer

PAST PERFORMANCE

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon (and is not) an indication of future performance.

DISCLAIMER

The information is supplied in summary form and is therefore not necessarily complete. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

To the maximum extent permitted by law, the Bravura Group and each of its affiliates, directors, employees, officers, partners, agents and advisers and any other person involved in the preparation of the Presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, the Presentation. The Bravura Group accept no responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of the presentation or this document, which may affect any matter referred to in the Presentation.
This presentation should be read in conjunction with Bravura's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

For more information, visit:

www.bravurasolutions.com/investors

investors@bravurasolutions.com