



Optima Legal

PEXA Investor Update

December 2022



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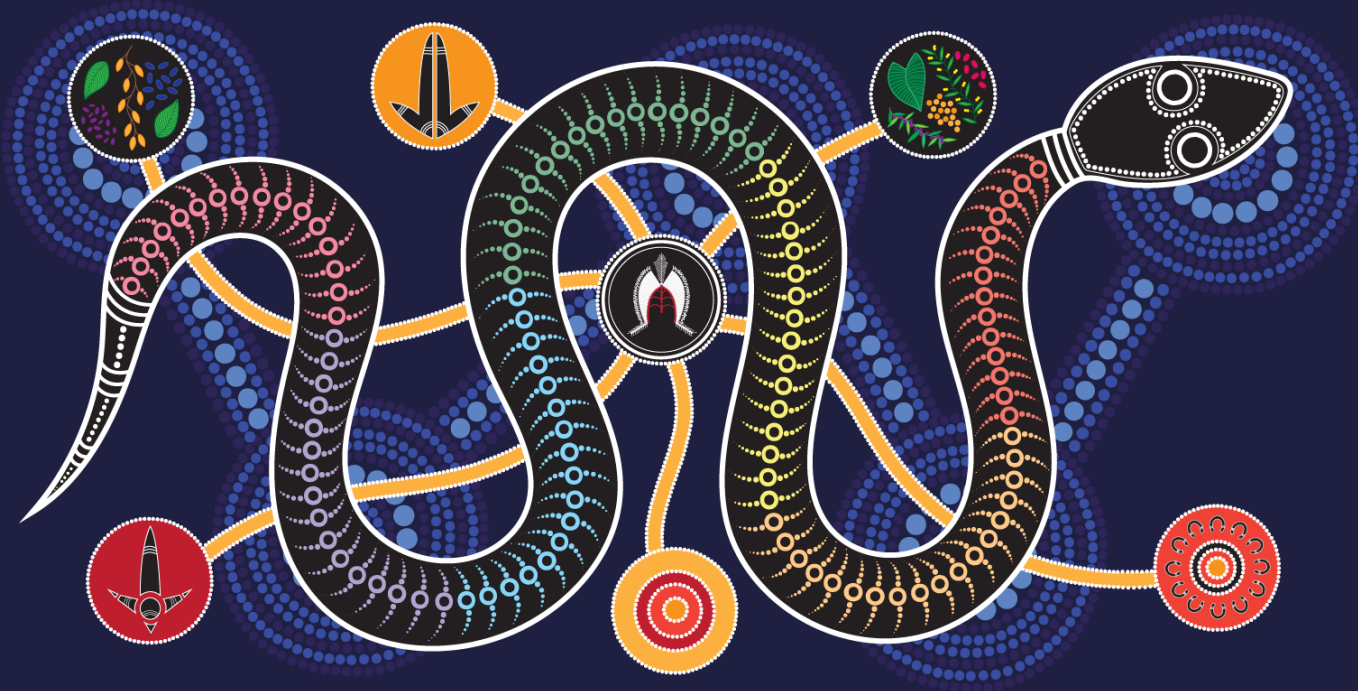
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In the spirit of reconciliation PEXA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

We accept the invitation to walk with First Nations Peoples, to a better future for us all, and invite you to join the movement.

For more details, go to UluruStatement.org



Today's speakers



Glenn King

Group Managing Director and Chief Executive Officer



Scott Butterworth

Chief Growth Officer



Tom Trevorrow

Managing Director, Optima Legal

Today's agenda



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PEXA Group Strategy



PURPOSE	<h2>CONNECTING PEOPLE TO PLACE</h2>			
PRIORITIES	 <p style="text-align: center;">ENHANCE</p> <p>Enhancing the core Exchange in Australia to build deeper customer relationships</p>	 <p style="text-align: center;">EXPAND</p> <p>Bringing digital property settlement solutions to Torrens title jurisdictions internationally</p>	 <p style="text-align: center;">EXTEND</p> <p>Providing innovative data insights and digital services, transforming the experience of developing, buying and selling, settling, owning and servicing properties</p>	 <p style="text-align: center;">EVOLVE</p> <p>Investing in our people, platform and brand to sustain an innovative culture and reputation trusted by stakeholders</p>

VALUES

Innovate for good



Better together



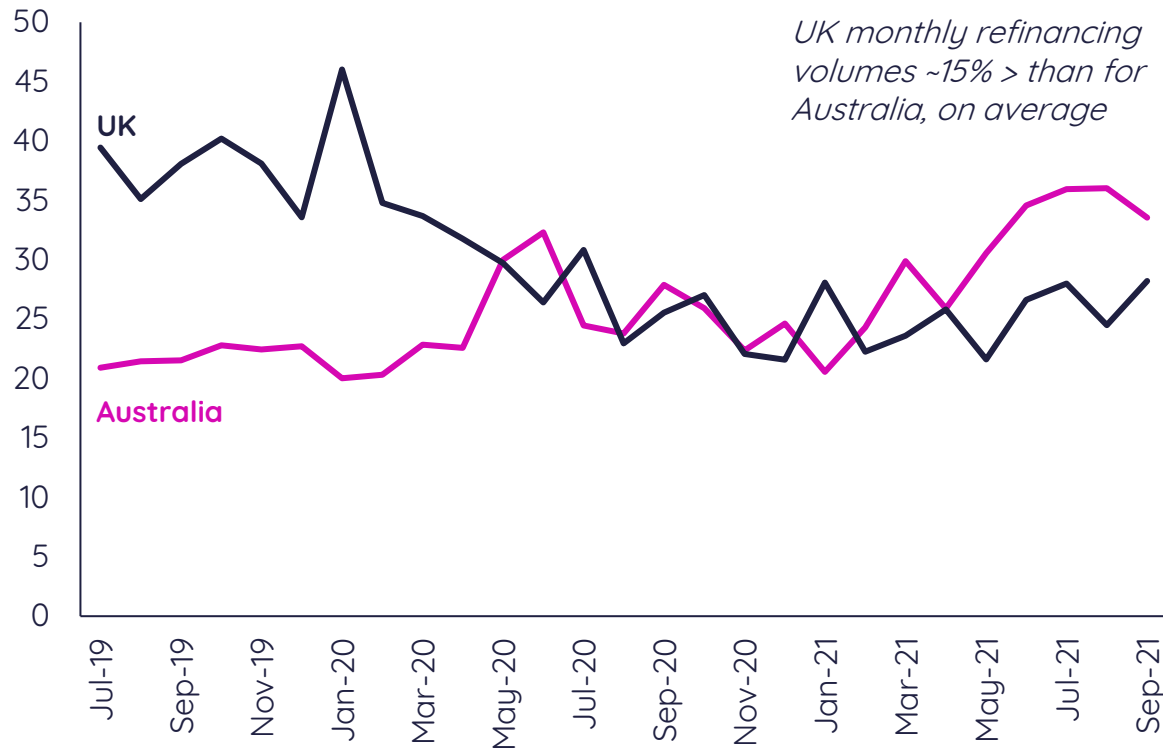
Make it happen
Make it count



UK remortgage market opportunity



UK vs Australian (external) remortgage volumes ¹



¹ #'000 per month

Source: ABS; UK Finance

UK remortgage overview and PEXA benefits

UK vs Australia remortgage volumes

- Anticipate UK remortgage activity will normalise from pandemic-era lows over coming years, with volumes in both countries returning to trend

UK remortgage market divided into two segments

- Fee assisted: Incoming lender chooses conveyancer (85-90% of volumes)
- Cash back: Borrower chooses conveyancer (10-15% of volumes)

Market issues

- Difficult to scale with peak volumes or at times of uncertainty
- ~1-2 weeks from application to offer, and ~4-12 weeks post offer
- Approximately an up to 25% transaction abandonment rate
- Funds transfer via conveyancer trust accounts

PEXA proposition

- Could reduce post-offer processing time to less than 1 hour
- Eliminates need for conveyancers to 'handle the funds'
- Potential to materially reduce abandonment rate

Optima Legal is an established market leader



2005
Name change from DLA Direct to Optima Legal, **Investment in technology and business growth**



2013
Newly implemented case management systems and re-mortgage website



2018
Execution of large-scale IT upgrade to support business strategy



2022
Tom Trevorrow appointed as Managing Director of Optima

PEXA announces acquisition, settles 1 December 2022

2000s

2010s

2020s



2006 - 2009
Number of acquisitions made expanding Optima's footprint and broadening capability



2014
Acquired by Capita PLC under a Solicitors Regulation Authority (SRA) approved Alternative Business Structure



2022-2023
Augmenting Optima Legal's service delivery model with PEXA's Remortgage solution, **driving uptake and delivering new service model**

Optimal Legal snapshot



Year ending June 2022¹

+49

Customer NPS

73.9k

Remortgages²

265

FTE

3.9k

Equity Release

12.9yrs

Average tenor of top 10 clients

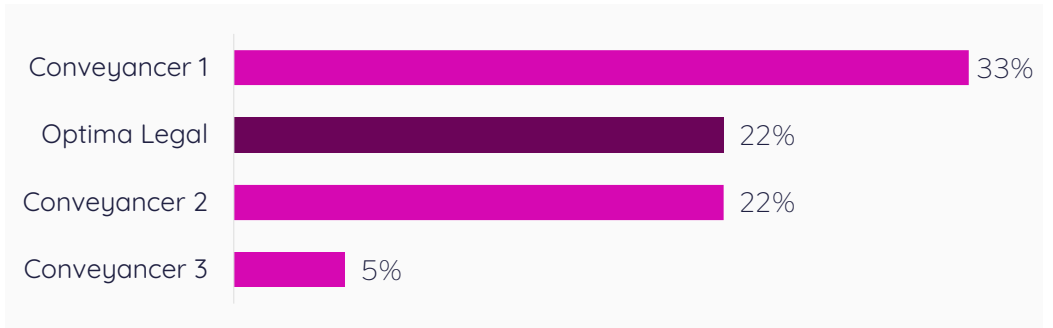
6 out of top 8

UK Lenders are clients

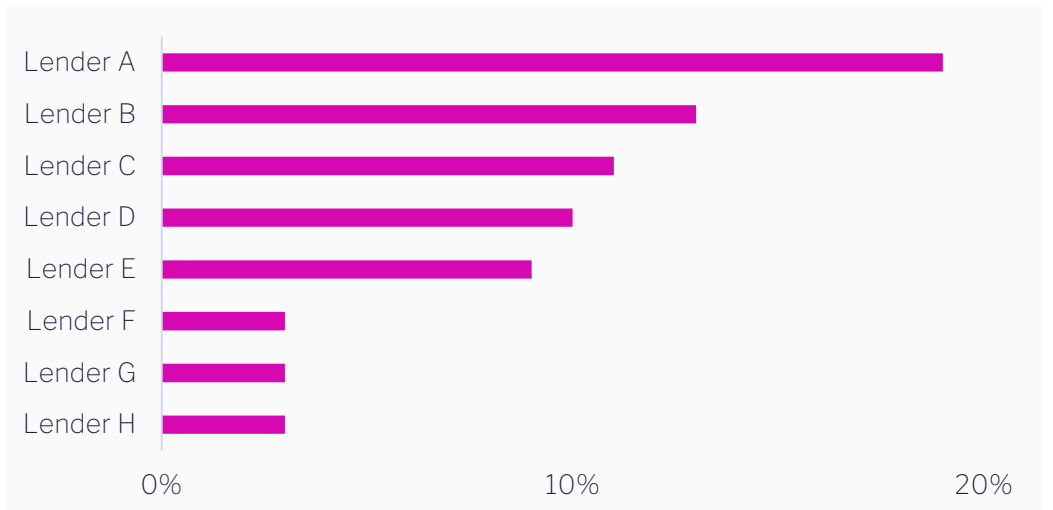
£10.3m

Revenue for year ending Dec 2021

UK Market Segment Share (% of volumes) 2021³



UK mortgage gross new lending market share of Optima Legal Customers 2014-2021⁴



¹ Unless stated otherwise in metric-specific commentary

² One billable transaction available per remortgage event, with only incoming lenders requiring representation to complete a remortgage in the UK

³ Source: UK Finance, PwC Strategy&

⁴ Source: PwC Strategy&

Experienced leadership team



Person	Qualifications	PXA Group Board	PXA UK Board	Optima Board	Optima ELT	PXA Group ELT
 <p>Scott Butterworth Chief Growth Officer PEXA Group</p>	<ul style="list-style-type: none"> Over 25 years' corporate experience Former CFO of ASX Listed firm Slater & Gordon Lawyers 					
 <p>Tom Trevorrow MD & CEO Optima Legal ¹</p>	<ul style="list-style-type: none"> Solicitor with 15+ years experience in property and real estate industry Served on the executive boards of several companies, leading Optima since Jan 2022 					
 <p>Lucy Ellacott Head of Legal Practice Optima Legal ¹</p>	<ul style="list-style-type: none"> Solicitor with over 20 years' experience in legal practice, risk and compliance 5 years with Optima, experience in previous roles working with SRA and FCA regulation 					
 <p>David Morrissey Director of Operations Optima Legal ¹</p>	<ul style="list-style-type: none"> 25+ years transformation experience in housing, financial services, publishing, insurance, and office technology 					
 <p>Helen Silver Group Non-Executive Director</p>	<ul style="list-style-type: none"> 30+ years in public sector and financial services, including senior executive roles Spent 8 years at Allianz Australia until mid-2022, recently as Deputy Managing Director 					
 <p>John Hooper UK Non-executive Director ²</p>	<ul style="list-style-type: none"> 30+ year career in financial services Chair, Cumberland Building Society Chair, PEXA UK Chair, Optima ² 					

¹ Former Capita executive transferred to PEXA

² Subject to regulatory approval

Benefits of bringing Optima Legal into the PEXA Group



Business Model

- Combine Optima Legal's capability and PEXA's digital platform to enable frictionless and faster remortgages
- Prove and refine PEXA's integration model for other conveyancers
- Accelerate uptake of PEXA's remortgage solution via new channel



Risk

- Reduce investment risk associated with build of PEXA Remortgage solution through accelerating uptake
- Investment in enhance cyber security to drive customer confidence in Optima Legal's offering
- Enhance Optima's risk and control framework through PEXA Group expertise



Customer

- Expand lenders' access to PEXA's transformative, faster remortgages with a leading conveyancing firm
- Productivity enhancements and PEXA integration will increase Optima's capacity and timeliness, benefiting lenders
- Drive appetite among panel conveyancers to deploy PEXA's proven remortgage solution



People

- Introduce PEXA purpose and values into Optima, while investing to foster greater connection and engagement
- Refreshed EVP for Optima to drive talent retention, while also supporting staff to uplift skill levels
- Bring greater scale to the PEXA Group's UK operations, with Optima team benefiting from support of larger group

Workplan to meet these opportunities and create value within Optima Legal



Designing and implementing an integrated deployment pattern of PEXA's Remortgage solution with Optima Legal to provide an opportunity to test and refine approach before launching to the broader market



Value Creation

- Clear opportunity to further augment Optima's tech-driven legal conveyancing business with PEXA's Remortgage solution
- TSA has commenced – Some activities have transitioned, others will transition over 12 month period
- Go To Market approach is being refined to support:
 1. Optima Legal-PEXA Exchange solution
 2. Optima Legal standalone solution
 3. PEXA Exchange standalone solution
- Staff turnover at Optima has historically been elevated. Work has commenced to structurally address these issues.
- IT systems, infrastructure and cyber security upgrades have been budgeted.
- Risk, Finance and other control functions are being assessed – Appropriate controls will be put in place.

Q&A