

1 May 2023

ASX ANNOUNCEMENT

Investor Session Presentation

Please find attached for immediate release in relation to McMillan Shakespeare Limited (ASX: MMS) the following document:

- Investor Session Presentation

The presentation will be live streamed from 10:00am AEST. Participants can register for the livestream via: <https://s1.c-conf.com/diamondpass/10030078-fh85t7.html>

The link to the live presentation will be placed on the McMillan Shakespeare website <https://mmsg.com.au/>

An archive of the event will be available on the McMillan Shakespeare website.

This announcement was authorised for release by the Board of MMS.

For more information please contact:

Ashley Conn
CFO and Company Secretary
McMillan Shakespeare Limited

A modern office lounge with large windows overlooking a city skyline. The room features a curved ceiling with recessed lighting, a large potted plant, and several armchairs and a sofa arranged around a low coffee table. The space is bright and airy, with a mix of wood, metal, and fabric materials.

MMS Investor Session

1 May 2023

MMS

Disclaimer and important information

This presentation has been prepared by McMillan Shakespeare Limited ABN 74 107 233 983 ("MMS"). It contains summary information about MMS and its subsidiaries and their activities current as at the date of this presentation. The presentation contains selected information and does not purport to be all inclusive or to contain information that may be relevant to a prospective investor. No reliance may be placed on MMS for financial, legal, taxation, accounting or investment advice and the information in this presentation is not and should not be considered a recommendation to investors or potential investors. It does not take into account the investment objectives, financial situation and particular needs of any particular investor and each person is responsible for conducting its own examination as to the sufficiency and relevance for their purpose of the information contained in this presentation and any offering documentation. Each person should undertake their own independent investigation of MMS and assessment of the merits and risks of investing in MMS' shares.

This presentation contains certain forward-looking statements which are based on management's own current expectations, estimates and projections about matters relevant to MMS' future financial performance. These statements are only forecasts. Actual events or results may differ materially. Nothing in this presentation is a promise or representation as to the future. MMS does not make any representation or warranty as to the reasonableness or accuracy of such statements or assumptions. MMS assumes no obligation to update any forward looking statements.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and options of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans.

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Financial data

All dollar values are in Australian dollars (\$) unless stated otherwise.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation.



We would like to acknowledge the Traditional Owners of the lands on which we meet today and pay our respects to Elders past and present.

Agenda

Purpose is to provide a business and strategic priorities overview

Welcome to MMS Investor Session

Rohan Martin

CEO introduction and MMS strategy

Rob De Luca

GRS overview and strategic priorities

Kylie Chambers

AMS overview and strategic priorities

Adam Morrison

PSS overview and strategic priorities

Sean Dempsey

CFO Capital priorities and OnBoard Finance

Ashley Conn

ESG update and closing messages

Rob De Luca

Q&A session

Rob De Luca

CEO and Managing Director



Positioned to deliver sustainable growth

Executive team with diverse experience

Favourable financial characteristics with track record of strong total shareholder return

Trusted partner with strong positions in large and growing markets

Businesses well positioned to capture opportunities and take advantage of changing macro dynamics

Clear strategy with 3 strategic priorities: Excel in customer experience; technology enabled productivity; and competency led solutions



Executive Team with diverse experience



Rob De Luca

CEO and Managing Director
1 year at MMS



Ashley Conn

CFO and Company Secretary
~3 years at MMS



Kylie Chambers

CEO GRS
>10 years at MMS



Adam Morrison

CEO AMS
>10 years at MMS



Sean Dempsey

CEO PSS
~9 years at MMS



Denise Tung

Chief Digital Officer
<1 year at MMS



Wallace Yim

Chief Information Officer
~2 years at MMS



Helene Gordon

Chief People Officer
<1 year at MMS

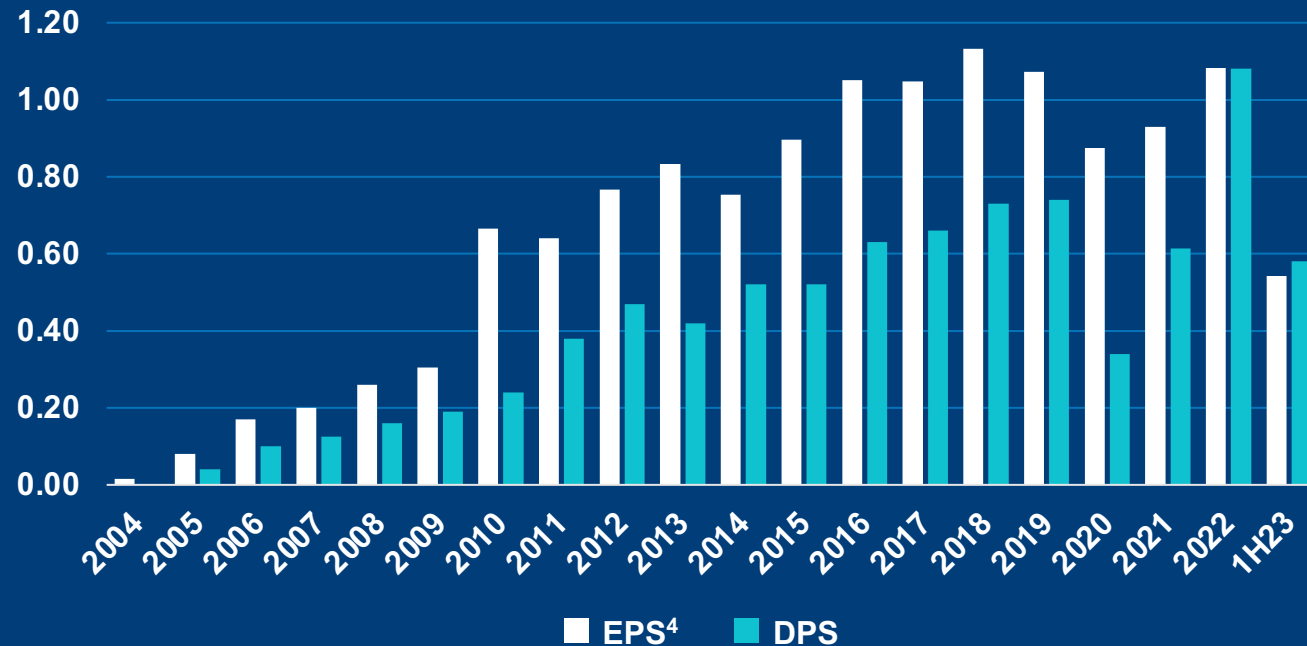


Rohan Martin

Head of Corporate Affairs
and Sustainability
>10 years at MMS

Our financial performance and shareholder returns

Favourable financial characteristics with track record of strong total shareholder returns



1. Annual total shareholder returns ("TSR") are the average annual total return to shareholders, in the form of dividends received and share price appreciation. Dividends are 100% franked.
2. Historical growth in earnings are based on the first full year of earnings post the IPO (FY 2004) to the latest full year of underlying earnings (FY22).
3. Dividends paid exclude share repurchases.
4. The graph shows underlying EPS. Underlying net profit after tax and acquisition amortisation (UNPATA), being net profit after tax but before the after-tax impact of acquisition and divestment related activities, accounting standard changes and non operational items. FY22 and 1H23 are presented on a Normalised basis. Normalised refers to adjustments made for the negative earnings transitional period for the implementation of the funding warehouse, OnBoard Finance ("Warehouse"). It normalises for the Warehouse's in year operating and establishment expenses and for an adjustment for commissions that would have otherwise been received in period had the sales been financed via a principal and agency funder rather than through the Warehouse. Normalised financials are and are currently expected to be stated up to and including FY25.

Annual TSR¹

22.3%
since IPO

Dividends Paid³

\$8.50
fully franked per share

Absolute TSR¹

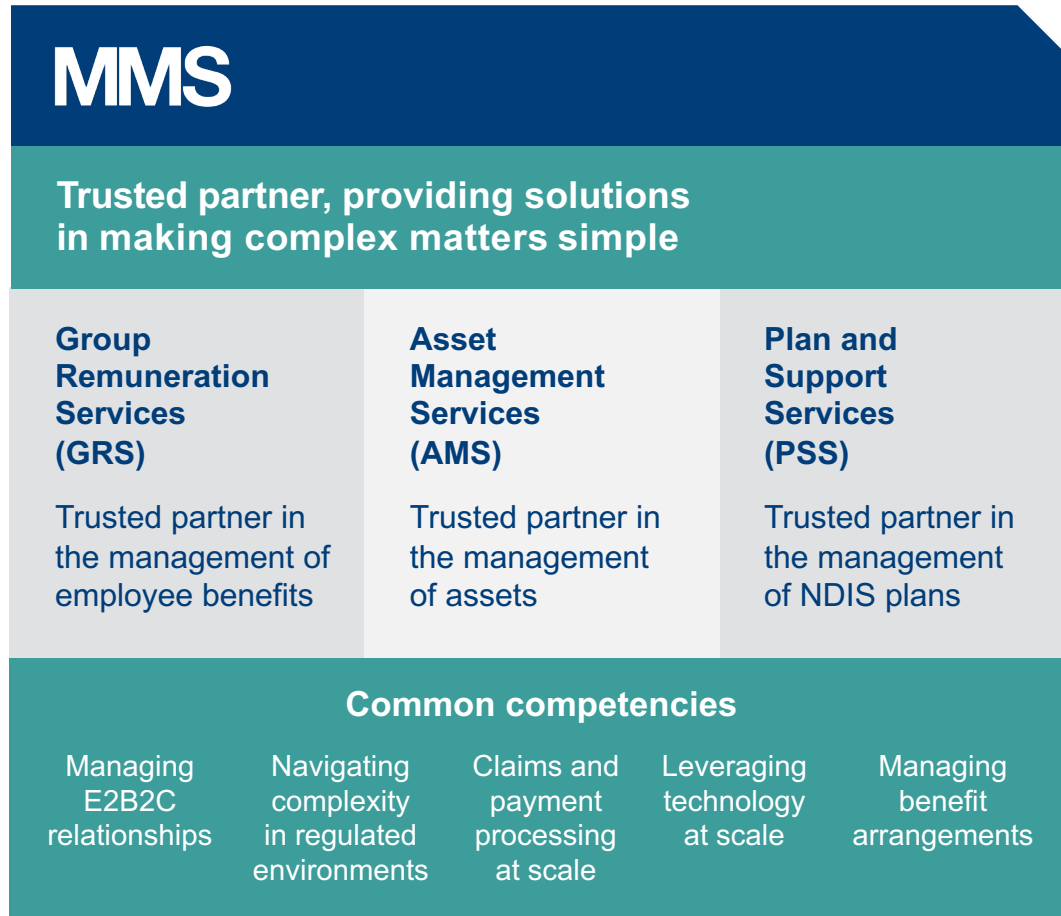
\$23.33
per share

EPS CAGR²

16.6%
(13.5x since FY05)

Our business platform

Trusted partner with strong market positions



1. Net Promoter Score (NPS) reflects average score for 1H FY23.

2. Normalised EBITDA margin for 1H FY23.

3. Market positions as at end December 2022.

4. Free cash flow conversion of UNPATA for 1H FY23

5. Return on Capital Employed (ROCE) for 1H FY23. Refer to appendix for detailed calculation.



Key macro thematics

Well positioned to capture opportunities shaping our business



Increased government spending with commitment of \$537b¹ over the next 4 years in Health and Aged Care



Number of NDIS participants projected to increase, growing at CAGR of ~6%² to Jun-32, with increasing use of plan management



Decarbonisation policy settings and targets are expected to result in increased demand for Electric Vehicles (EVs)



Increasing demand for outsourcing of select administrative services to support operational efficiencies



Rising interest rates and inflation in tight labour market



Digitally native companies are driving value from **personalisation**



Emergence of **new vehicle distribution models**



Accelerated use of technology, robotics and analytics strategies as **workplace automation** focus increases

1. Department of Health and Aged Care, Record investment in the future of Australia's health system, 29 March 2022.

2. NDIS Quarterly report (December 2022)

MMS clear strategy to deliver sustainable growth

Making Matters Simple





Kylie Chambers

CEO GRS

Group Remuneration Services



MMS

Market leader with clear opportunity for customer growth and productivity improvements

#1 Salary Packaging¹ and #1 Novated lease provider¹

Carryover to provide benefit for novated as auto supply stabilises

Future growth supported by EV opportunity and expanding health sector

Investing in digital supporting changing customer preferences

Focusing on productivity improvements through leveraging technology

1. Market positions as at end December 2022.



Group Remuneration Services (GRS) – Our business



#1 Salary
Packaging
provider¹

386k Salary Packages
As at 31 December 2022

#1 Novated
Lease
provider¹

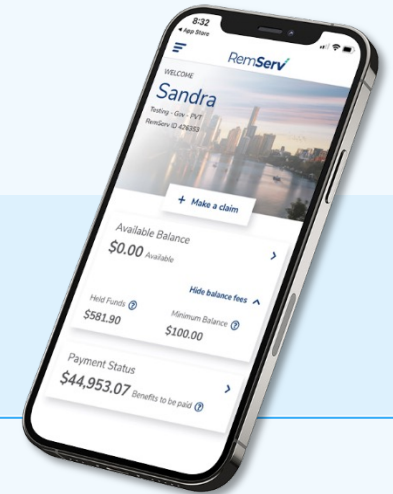
74k Novated Leases
As at 31 December 2022

Net
Promoter
Score

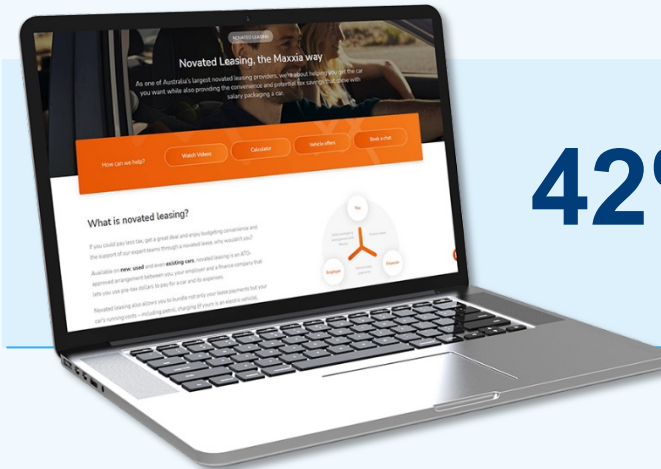
+46 Net Promoter Score
1HFY23

Increasing reliance on digital
interactions and tools to support
customer expectations

93% Claims made via
our apps



42% Novated lease
leads are digital
1HFY23



1. Market positions as at end December 2022.

GRS – Market and macro themes

Market¹

Salary Packaging



Total Addressable Market (TAM)

\$225 million

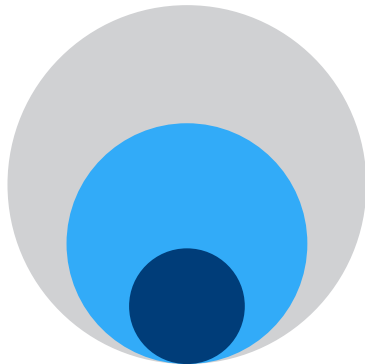
Serviceable Available Market (SAM)

\$190 million

Market share of SAM

39.4%

Novated Leasing



Total Addressable Market (TAM)

\$1.1 billion

Serviceable Available Market (SAM)

\$490 million

Market share of SAM

22.6%

Macro themes

Customer preference for digital and personalised service

Increasing use of technology to automate processes

Employment growth in health, aged care and Government sectors

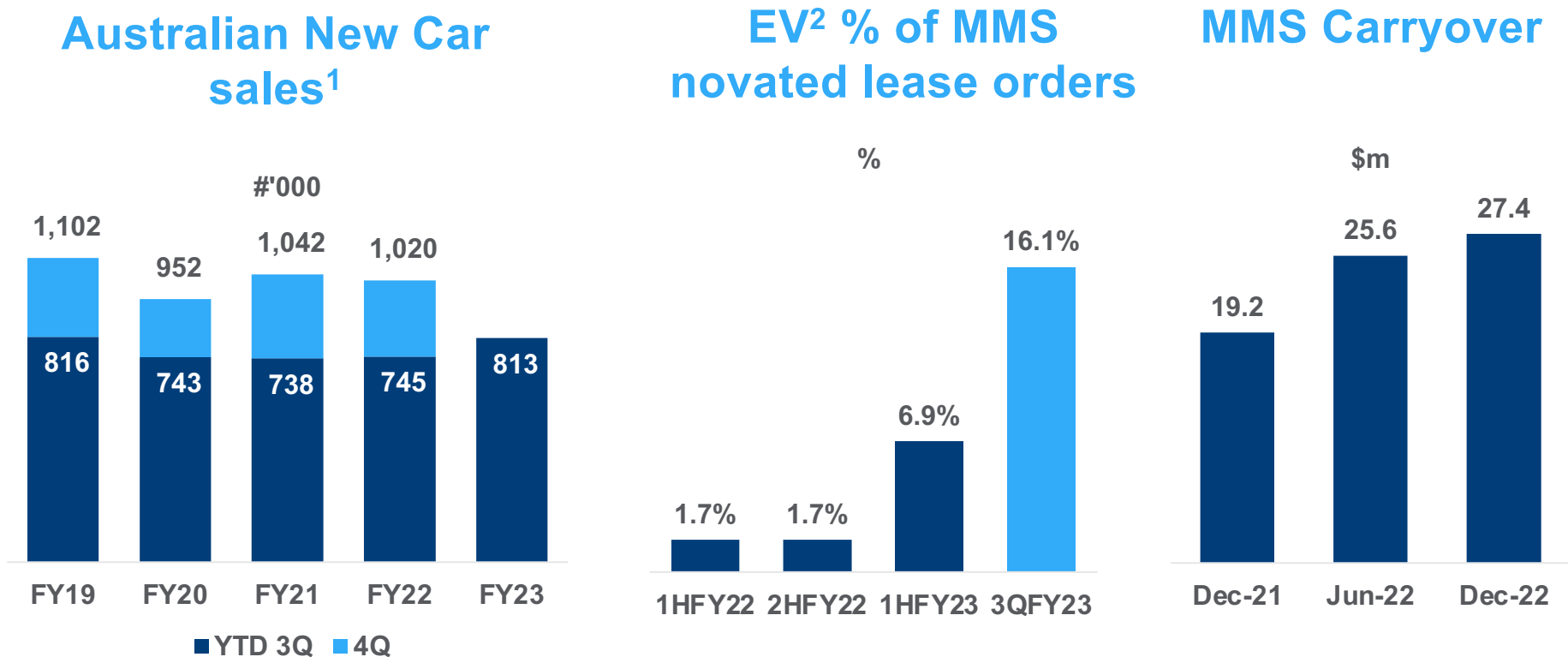
Stabilising auto supply

Increasing portion of new car sales will be EVs

1. Source: OC&C Strategy Consultants (July 2022).

Australian new car sales and MMS novated experience

New car sales back to pre-pandemic levels, with increasing demand supported by EVs and carryover to benefit future periods



1. Source: Vfacts.
2. EV includes battery electric, plug in hybrid and hydrogen fuel cell vehicles and PHEV only.



EV opportunity

Opportunity for growth across broader customers and elevated yields from higher average price

	Novated EV with FBT exemption	Novated EV pre FBT exemption	Novated ICE (Petrol)
Make / model	Tesla Model 3	Tesla Model 3	Mazda CX-5 Maxx Sport FWD
Car price ¹	\$66,350	\$66,350	\$40,838
FBT exemption	Yes	No	No
Cost pre estimated tax savings (annual)	\$19,001	\$20,141	\$15,282
Estimated tax savings (annual) ²	\$6,555	\$2,622	\$2,631
Total cost ³ (annual)	\$12,446	\$17,518	\$12,651
	\$5,072	Savings from EV bill	
	\$205	Saving on EV alternative from lower priced ICE	

1. Car price as quoted in April 2023.

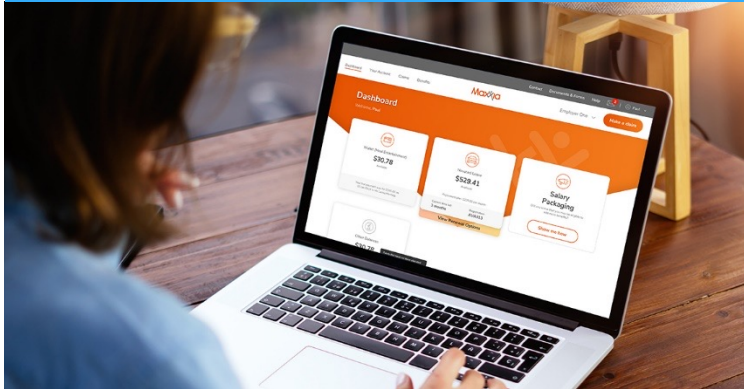
2. These examples assume 4 years lease term (salary packaging arrangement with Maxxia fully maintained lease), a residual value of 37.5%, Employee Contribution Method (ECM) or FBT Exempt Method (for EV with FBT exemption), \$100,000 gross annual salary, vehicle purchased in VIC and 15,000 kms travelled per annum. Includes all estimated running costs (including electricity charging costs). Excludes state EV subsidies. The price listed is an indicative cost approximation and the amounts may change depending on personal circumstances.

3. Cost represents estimated reduction in take home pay (annual).

GRS – Strategic priorities

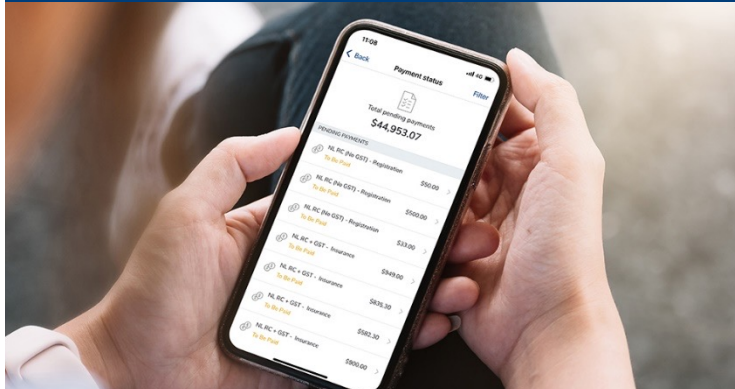
Creating differentiated leadership in novated leasing and salary packaging markets

Excel in customer experience



- Enhancing the client experience through a co-designed Employer Reporting Portal
- Consolidated 16 databases into a “Single Source of Truth”, to enable personalisation to drive customer growth

Technology-enabled productivity



- Customer led functionality uplift to enable a proactive and personalised service model
- Automation of manual processes utilising AI to optimise productivity and margins

Competency-led solutions



- Delivering an enhanced EV offering through key partnerships within the supply chain
- Supporting EV charging infrastructure to remove uptake barriers for Customers



Adam Morrison

CEO AMS

Asset Management Services



MMS

Specialist player with technology platform positioned to benefit from EV opportunity

Specialist player across fleet management and Aggregation services

Technology investments to enable productivity improvements

Leverage opportunity as fleets decarbonise, switching to EVs in line with ESG commitments

Growth in volumes and fleet renewals as auto supply stabilises



Asset Management Services (AMS) – Our business



Specialist
Fleet
Management
provider

14k

**Assets Under
Management¹**

As at 31 December 2022

Asset
finance
aggregator

\$654m

**Net Amount
Financed²**

1HFY23

Net
Promoter
Score

+48

**Net Promoter
Score³**

1HFY23

1. AM-ANZ businesses.

2. Aggregation business.

3. Net Promoter Score for AM-ANZ businesses.

Increased utilisation of digital tools to manage customer interactions and deliver straight through processing efficiencies

101k

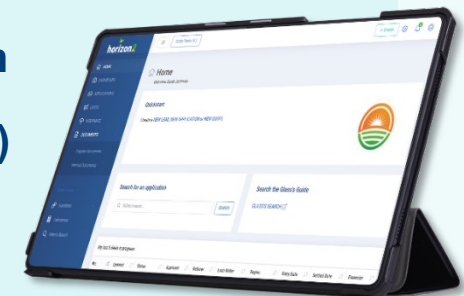
**Individual
processes
managed through
OneView
FY22**



Horizon 2 – Aggregation platform

741 **Unique users (brokers)**
As at 1 April 2023

15 **Lenders & 3rd party
providers connected via API**
As at 1 April 2023



AMS – Market and macro themes

Market¹

Total Addressable Market (TAM)

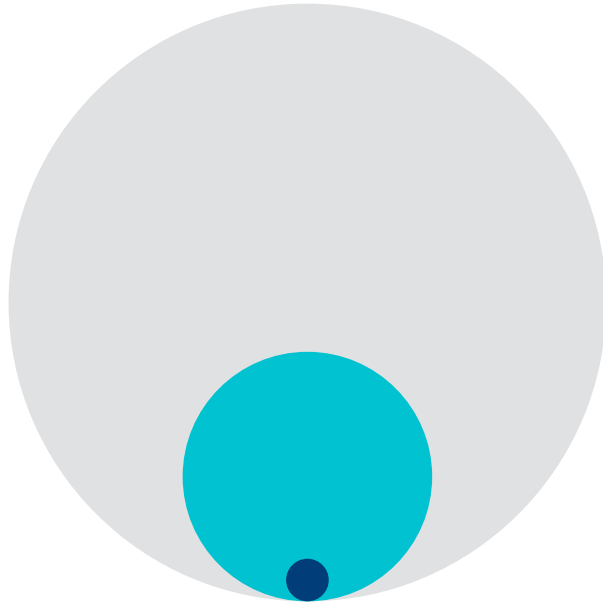
3.4 million units

Serviceable Available Market (SAM)

593,000 units

Market share of SAM

2.9%



Macro themes

Increase in EV transitions

- Clients transitioning fleets to achieve emission reduction targets
- EV Bill² increases incentive for driver assigned vehicles

Stabilising auto supply

- Return of supply to support corporate fleet growth
- Increase in vehicles returned for sale, part offset by lower used car prices

1. Source: CVA (December 2022).

2. Legislation applies: to battery electric, plug-in hybrid and hydrogen fuel cell vehicles under the threshold for fuel efficient cars (\$84,916 in 2022/23); to second hand retail car sales on 1 July 2022 or later; retrospectively from 1 July 2022 and be reviewed after 3 years.

AMS – Strategic priorities

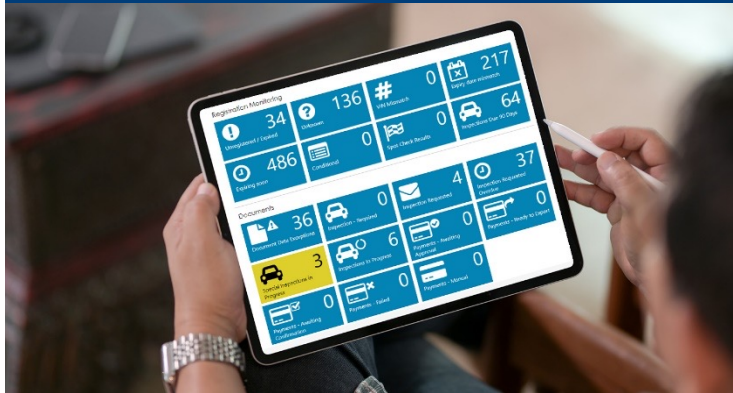
Delivering specialised solutions that enable customers to make the most of their assets

Excel in customer experience



- Leveraging data and technology investments to improve service experience to existing and new clients
- Delivering new services to our clients to assist in managing the visibility of their assets

Technology-enabled productivity



- Consolidation of two Aggregation systems and simplification of back office processes
- Maximise the value of our proprietary OneView system and utilisation of OCR technology to drive productivity improvements

Competency-led solutions



- Leveraging auto market relationships and supply chain to deliver enhanced EV offering
- Supporting clients with EV transitions with infrastructure and charging solutions
- Focus on EV Bill opportunity for driver assigned fleet vehicles

AMS – Customer stories

Supporting Interleasing
clients from point A to
point EV

Play
video





Sean Dempsey

CEO PSS

Plan & Support Services



MMS

Well positioned to continue to benefit from growth in the NDIS with a scalable platform

#2 Plan Management provider¹

Scheme is forecast to grow to >1m participants in 2032

Contributing to the success of NDIS objectives of delivering choice and control to participants and supporting the financial integrity and sustainability of the Scheme

Opportunity for consolidation in fragmented market

Scalable technology platform to drive productivity

1. Market position as at end December 2022.



Plan and Support Services (PSS) – Our business

#2 Plan
Management
provider ¹

29k

PSS Customers
As at 31 December 2022

Support
coordination
provider

38k

**Support
Coordination Hours**
1HFY23

Net
Promoter
Score

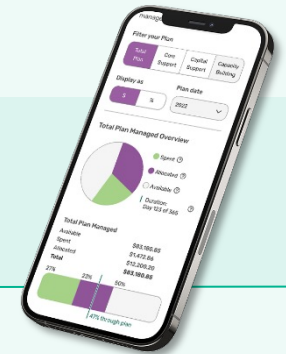
+51

**Net Promoter
Score**
1HFY23

Improved functionality for customers and suppliers
improving visibility of spend and payment
processing times

276k

**Monthly dashboard
interactions**



~1.3m

**Website page views by
402k individual users**
12 months to Mar-23









70%

**Invoices processed
via digital assets**
12 months to Mar-23



1. Market position as at end December 2022.

PSS – Plan Management supporting participants and the Scheme

Value	For the participants Choice and control			For the NDIS Scheme outcomes, integrity and sustainability		
						
Value	Support participants to achieve their goals with their NDIS plan			Support scheme success by contributing to successful participant outcomes including participation in work and community activities		
	Remove the complex tasks related to provider, invoicing and budget management			Support integrity and sustainability of the scheme through invoice scrutiny, budget management and supporting scheme controls		
	Build capacity to understand availability of supports, navigate the NDIS and to increase social and community participation and employment			Fees paid to plan managers represent ~1.35% of all NDIS payments		
PSS Stats						
						
PSS Stats	92% Customer Retention / +51 Net Promoter Score ¹			\$29.8m ² of invoices not paid due to PSS Integrity checks		
				23 ² cases of potential fraud identified by PSS and referred to Quality & Safeguards Commission		
PSS Stats	15,000 ² spending alerts			35% ² of services paid under the price guide limit, equivalent to \$68.2m in 1 year savings		
	\$					
PSS Stats	\$300k ² savings through <i>My Benefits</i>					

1. 1HFY23 average.

2. 12 months to October 2022.

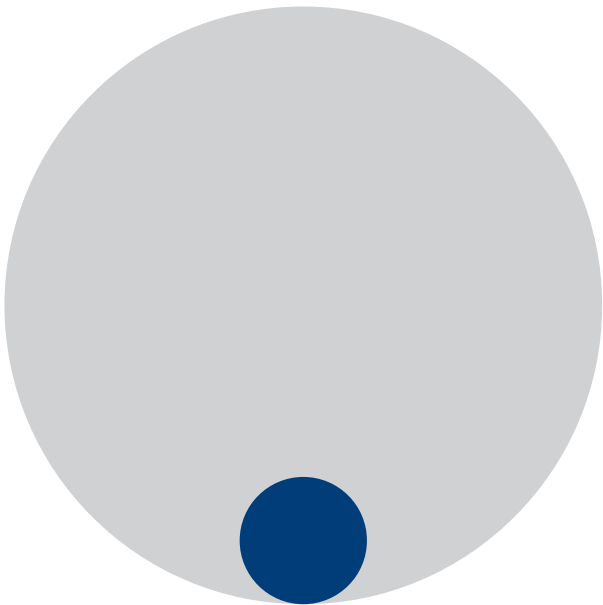
PSS – Plan Management landscape

Increasing importance of Plan Management as the Scheme is forecasted to grow NDIS participants to >1m in 2032

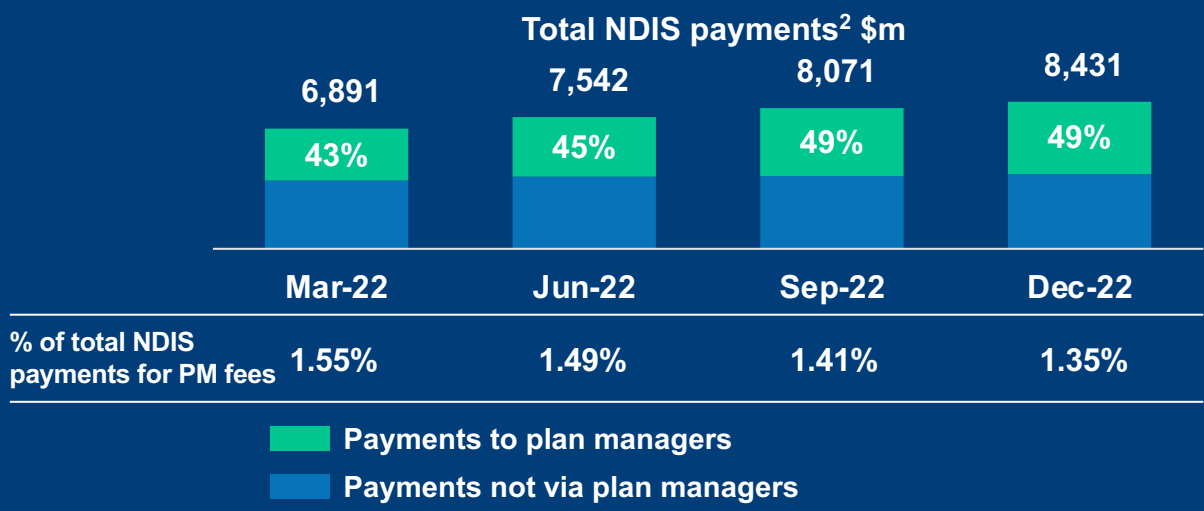
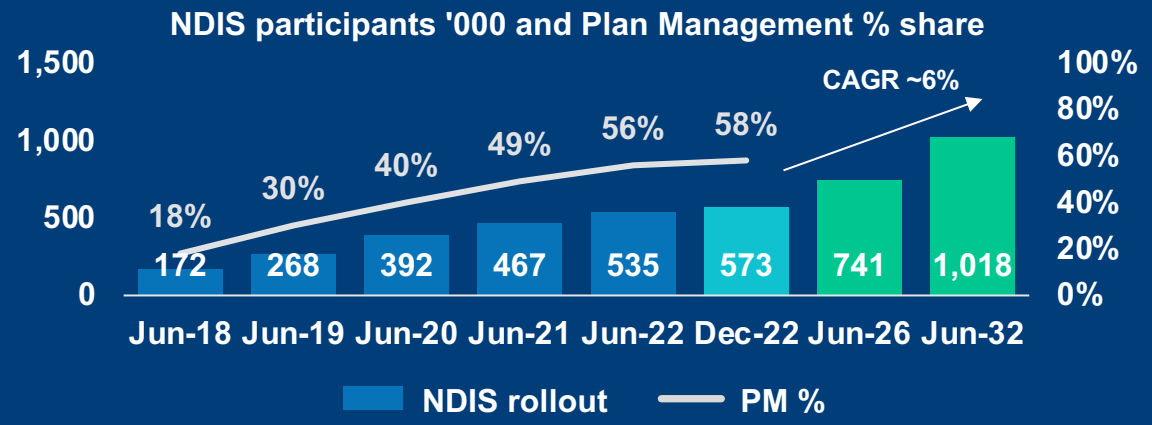
Market¹

Total Addressable Market (TAM)
573k participants

Market share of TAM
5.1%



Market growth¹



1. Quarterly NDIS report December 2022.
2. Quarterly NDIS reports March 2022, June 2022, September 2022 and December 2022.

PSS – Strategic priorities

Leveraging a scalable platform to **empower better outcomes** for people with disabilities

Excel in customer experience



- Excelling in customer experience and increasing utilisation of our customer and supplier self service dashboards
- Leveraging relationships and our data to improve our market position

Technology-enabled productivity



- Complete integration of Plan Tracker and leverage the scalable platform
- Increase utilisation of digital assets and APIs to manage invoicing and ongoing focus on automation of processes to improve productivity

Competency-led solutions



- Continue to evaluate non-organic opportunities
- Investing in systems and processes to support NDIS integrity and sustainability

PSS – Customer stories

Why Plan Partners
do what we do

Play
video



Ashley Conn

CFO & Company Secretary

Finance and OnBoard



Strong balance sheet and focused priorities for capital allocation

Strong
net cash
position

\$43.7m

Net Cash¹
As at 31 December
2022

High cash
conversion

129%

**Free Cash Flow
% of UNPATA**
1HFY23

Dividend
payout
policy

70-100% **Of UNPATA²**
Over 1HFY23

1. Excludes fleet funded debt.

2. During the Warehouse transitional earnings period, currently expected to be up to and including FY25 payout ratio will be applied to Normalised earnings.

Priorities for capital allocation

Invest in the business (operating and capital expenditure)
for sustainable growth

Fund strategic acquisitions

Deleveraging where required

Return to shareholders primarily as fully-franked dividends

Where surplus capital remains, consider share repurchases

Onboard Finance (Warehouse)



Strategic initiative to diversify funding sources and create new annuity based income with higher value per transaction

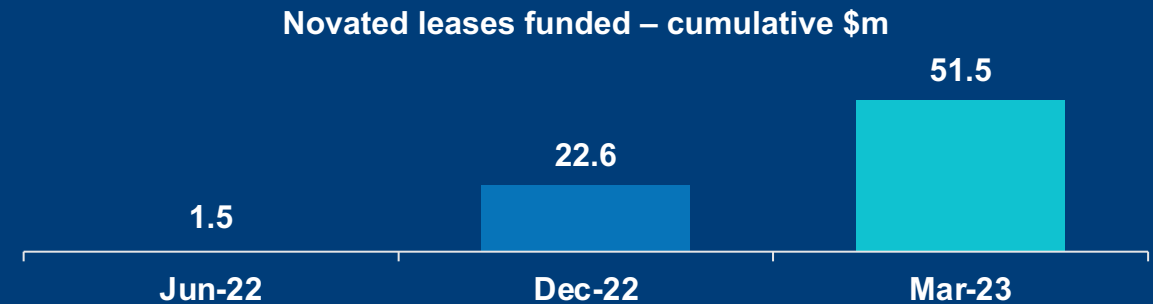
Strategic and financial benefits

- Secures and diversifies our funding sources
- Increase in annuity based income
- New source of income
- Higher overall value per transaction
- 20% of volume aimed at balancing scale for the Warehouse and maintaining diversity of funding via P&A

Update

- Funded \$51.5m of leases to 31 March 2023
- Completed initial draw downs on funding facilities
- FY23 UNPATA impact expected to be ~\$(10m)
- Remains on track to achieve 20% target of novated volume by the end of 2HFY23
- During the transition period, currently expected to be up to and including FY25, financials will be presented on a 'Normalised UNPATA' basis which excludes the above impact

Progress on ramp up to target 20% of volume expected to be achieved in FY23



Rob De Luca

CEO and Managing Director

Sustainability and closing messages



Sustainability

Sustainability strategy progressing well. Driving positive social and environmental outcomes, including contribution to EV adoption and NDIS objectives.

Low carbon future

- Target to achieve net zero emissions¹ across our direct emissions by 2030: **Emissions reduced by 63%²**
- Supporting novated leasing customers and fleet clients transition to a low carbon future leveraging the EV FBT Discount Legislation: **Underway**
- Target to transition 30% of MMS Australian fleet to EVs by end of FY23: **On track**

Customer wellbeing and social inclusion

- Accessibility and Inclusion Plan to enhance disability inclusion in our workplaces, products and services: **Implementation underway**
- Reflect Reconciliation Action Plan, guiding cultural awareness and opportunities for First Nations Australians: **Implementation underway**
- Member of Supply Nation: **Joined January 2023**

Responsible business

- 40-40-20 gender representation target by 2030³: **Joined HESTA 40:40:20 Initiative in 2022**
- Human Rights Position Statement: **Published November 2022**
- Modern Slavery due diligence framework: **Developed in February 2023 and being implemented**

1. Includes Scope 1 (fuel), Scope 2 (purchased electricity), Scope 3 (employee commute and working from home, business travel and third-party services).

2. Reduction in Scope 1, Scope 2 and Scope 3 emissions for direct operations at the end of FY22 from FY19.

3. At Board, Other Executives and General Managers, Senior Manager levels.

Positioned to deliver sustainable growth

Executive team with diverse experience

Favourable financial characteristics with track record of strong total shareholder return

Trusted partner with strong positions in large and growing markets

Businesses well positioned to capture opportunities and take advantage of changing macro dynamics

Clear strategy with 3 strategic priorities: Excel in customer experience; technology enabled productivity; and competency led solutions





Q&A

MMS

The background features a light blue-to-white gradient. On the left, a dark blue triangle points downwards. On the right, a teal triangle points upwards. Two large, semi-transparent light blue circles are positioned in the upper right area.

Thank you

MMS