



Market Announcement

FY25 Half Year Interim Results Guidance and Trading Update

Sydney, 16 January 2025 - Integrated Research (**Company, IR**) (ASX:IRI) provides the following update for the six months to 31 December 2024 (1H), unaudited.

Highlights

- TCV (total contract value) and statutory revenue expected to be at the upper end of previous guidance, down against PCP due to softer 1H renewals book, as previously disclosed
- Pro-forma revenue steady against PCP
- EBITDA expected to exceed previous guidance range, down by 62% (midpoint) against PCP
- Significant improvement in new business TCV versus PCP
- Stronger renewals book in the second half of the financial year
- Disciplined cost management continuing
- Cash at bank steady at \$31.1m

Six months ended (A\$m)	31 December 2024 (previous guidance, unaudited)	31 December 2024 (updated guidance, unaudited)	31 December 2023 (actual)	% change (updated guidance, unaudited v PCP)
Total contract value (TCV)	23 – 27	26 – 27	41.3	-36% (midpoint)
Statutory revenue	25 – 29	28 – 29	40.8	-30% (midpoint)
Pro-forma revenue ⁽¹⁾		36 – 37	37.3	-2% (midpoint)
EBITDA ⁽²⁾	(0.5) – 2.0	3.9 – 4.5	11.0	-62% (midpoint)
Cash At Bank		31.1	31.9*	-3%

* At 30 June 2024

Due to a strong finish to the first half, TCV and statutory revenue are expected to be at the upper end of previous guidance, with TCV anticipated to be in the range of \$26m to \$27m, and statutory revenue \$28m to \$29m.

New business (new clients and upsell to existing clients) is expected to account for 29% of total TCV, or \$7.6m. This is a significant increase of 77% or \$3.3m versus PCP of \$4.3m. The improvement in new business TCV is a pleasing proof point for the Company's product-led growth strategy, focused on securing a greater contribution from new business and by doing so establishing an elevated growth rate over the medium term.

The increased contribution from new business also demonstrates the continued relevance and value of IR's existing products for large enterprise clients.

As advised at the Company's AGM in November 2024, the renewals book is softer in FY25 versus FY24, and weighted to the second half of the financial year.

1H EBITDA is expected to exceed previous guidance, in the range of \$3.9m to \$4.5m. This includes a \$2.1m benefit in FX translation and \$1.2m in profit resulting from the sale of the non-core testing solutions business.

Despite softer first half TCV, restructuring costs (such as office leases and organisational re-alignment), and an FY24 dividend payment, cash at bank remains steady at \$31.1m versus \$31.9m at 30 June 2024. Customer collections remain strong. The cash balance excludes restricted cash for security deposits.

The Company's cash balance and anticipated EBITDA reflect ongoing disciplined financial management.

The Company will provide further detail when the audited interim results become available, scheduled for release on 20 February 2025.

¹ Pro forma revenue provides a non-statutory alternate view of underlying performance by restating term licence fee revenue to be on a recurring subscription basis (i.e., over time), rather than upfront at the commencement of a contract, per the statutory view. Other recurring revenues such as maintenance fees and cloud services, as well as other non-recurring revenue streams such as perpetual licence fees, professional services and one-time testing services are consistently treated, as part of proforma and statutory revenue views.

² EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) is a non-IFRS measure used to evaluate the Company's operating performance by focusing on profit from core operations and excluding the effects of capital structure, tax rates, and non-cash accounting items like depreciation and amortisation.

This announcement is approved for release by the Board.

Leanne Ralph
Company Secretary
Integrated Research Limited
ABN 76 003 588 449

About Integrated Research Limited (ASX: IRI). Integrated Research (IR) is the leading global provider of user experience and performance management solutions for payment transactions and collaborative systems. We create value through our real-time, scalable & extensible hybrid cloud platform and our deep domain knowledge to optimise operations of mission-critical systems and improve user experience through intelligent and actionable insights. We enable many of the world's largest organisations to simplify complexity and provide visibility over systems that millions of people can't live without – systems that allow them to transact and collaborate. For further information on IR, visit www.ir.com.