

ASX Announcement

21 August 2025

IPH reports 13% increase in NPAT to \$68.8m

IPH Limited (ASX:IPH), a leading international intellectual property (IP) services group, announces its results for the year ended 30 June 2025 (FY25).

FY25 Summary

- Revenue up 16.5% and Underlying EBITDA up 6.0% year on year; reflects acquisitions in Canada
- Underlying NPATA of \$120.6m, up 7.3%; equating to Underlying Basic EPSA of 45.3 cps (FY24: 46.4cps)
- Statutory NPAT \$68.8m, up 13.2%; equating to Basic EPS of 25.8 cps (FY24: 25.1cps)
- Continued strong operating cashflow generation – cash conversion ratio of 103%
- Final dividend declared of 19.5 cps; total dividends for FY25 of 36.5 cps (FY24: 35.0 cps)
- Organic revenue growth achieved in ANZ despite lower market patent filings
- IPH Asia patent filings up 16.5% in FY25 – supports future revenue and earnings
- CIPO issues delayed revenue in Canada – emerging signs of recovery in FY26 as systems are restored.

Financial Performance

\$m	FY25	FY24	Change %
Revenue ¹	710.3	609.9	16.5%
Underlying EBITDA ²	207.2	195.5	6.0%
Underlying EBITDA %	29.2%	32.1%	(2.9pp)
Underlying NPATA ³	120.6	112.4	7.3%
Underlying Basic EPSA	45.3 cps	46.4 cps	(2.3%)
Statutory NPAT	68.8	60.8	13.2%
Basic EPS	25.8 cps	25.1 cps	2.9%
Total Dividends (interim & final)	36.5 cps	35.0 cps	4.3%

1) Revenue and other income excluding interest income.

2) Underlying EBITDA is earnings before interest, taxes, depreciation and amortisation and non-underlying expense determined to be one-off, infrequent or non-cash. Refer to the IPH 2025 Full Year Results Investor Presentation for further details on non-underlying costs and a reconciliation to statutory measures.

3) Underlying NPATA is Underlying NPAT adjusted to exclude non-cash amortisation (net of income tax impacts) of acquired intangible assets.



Earnings increase from Canadian acquisitions

The FY25 Underlying results include an incremental 5.5 months' contribution from ROBIC (acquired 15 December 2023); incremental 3 months' contribution from Ridout & Maybee (acquired 29 September 2023) and also includes 9 months' contribution of Bereskin & Parr (acquired 28 September 2024) compared to the prior corresponding year.

Revenue for the year of \$710.3m was up 16.5% largely driven by increased revenue from Canadian acquisitions.

Underlying EBITDA increased by 6.0% to \$207.2 million (FY24: \$195.5 million) due to increased earnings in Canada from acquisitions.

The Group recognised a net foreign exchange gain of \$0.2 million (FY24: gain \$1.3m) primarily driven by the depreciation of the AUD against the USD at 30 June 2025 relative to 30 June 2024 offset by a strengthening of the SGD against the USD across the same period. 38% of Group revenue is generated in USD.

Agent fee expenses, employment costs and other operating expenses all increased marginally higher than the revenue increase due to continued inflationary cost pressures and further investment in capabilities. Agent fee expenses increases are offset by increases in recoverable disbursements revenue. During the second half of the financial year, the Group activated a corporate cost reduction program to streamline functions. FY25 realised only a small proportion of these annualised savings.

Underlying NPATA increased by 7.3% to \$120.6 million. Underlying NPATA more accurately presents the underlying performance of the business given the Company's growth by acquisition and significant non-cash amortisation cost relating to customer relationships acquired.

FY25 non-underlying expenses, net of income tax impacts, of \$13.2m (FY24: \$17.1m) were primarily related to business acquisition transaction costs, acquisition integration costs and restructuring costs.

Underlying Basic EPSA of 45.3 cps decreased 2.3% from the prior year, reflecting the 9.8% increase in the weighted average number of shares on issue in FY25 following the capital raise in August 2024.

The Company reported a 13.2% increase in Net Profit After Tax (NPAT) to \$68.8 million primarily due to the increased Underlying EBITDA along with a reduction in finance costs.

Like for like financial performance

As performance of the Group is subject to variability from impact of foreign exchange movements as well as acquisitions part way through financial years, the Company presents financial performance on a like-for-like basis.

On a like for like currency adjusted basis, revenue was flat on the prior year with variability in geographic markets. On a like for like currency adjusted basis, Underlying EBITDA was 3.9% down on the prior year as the flat revenue, coupled with incremental costs, impacted earnings and margin. During the second half of the year the Group implemented a corporate cost reduction program to better align costs to revenue.

Commenting on the performance of the Group's three operating segments, Chief Executive Officer, Dr Andrew Blattman, said:

"Organic revenue increased in ANZ despite the decline in market patent filings. IPH continues to be disproportionately impacted by our larger exposure to US patent filings which declined by 7.9% compared to an overall market decline of 1.7% in FY25. IPH market share among higher-value international filers remains relatively stable while IPH in-bound filings from China increased by 18% compared to the prior year.

"Additionally, IPH secured 721 case transfers during the year, which are not included in filings but represent future revenue opportunities. Like for like Underlying EBITDA declined by 2.4% reflecting inflationary cost pressure and increased IT costs including cyber security upgrades.

"In Asia, like for like revenue was flat on the prior year with Underlying EBITDA marginally down by 1.7% on the prior year. This reflects the impact of lower non-lodgement revenue in FY25 associated with the reduction in market patent filings across the region over the past 2-3 years. However, the FY25 result represents an improvement on the prior year where revenue declined 2% and Underlying EBITDA was down 6%. Encouragingly, IPH Group filings across the Asia region increased by 16.5% in FY25 which provides a stronger revenue and earnings platform for FY26 and beyond. A market share gain in Singapore during the year continues to reinforce our leadership position.

"As we have indicated previously, our Canada business was significantly disrupted by the Canadian Intellectual Property Office (CIPO) systems issues causing a backlog of workflow which delayed revenue in FY25. We anticipate revenue recovery in FY26 as this backlog is cleared. Litigation revenue (which is variable and dependent on case flow) was also lower in FY25 due to a number of cases being settled.



"The integration of Bereskin & Parr into the Group, acquired in September 2024, as well as its merger with existing member firm Smart & Biggar in March 2025, was successfully completed with synergies achieved above target and a continued increase in client referrals from our Canada business to the IPH network."

Continued strong cash generation and FY dividend up 4%

IPH continues to generate strong cashflows with a gross operating cashflow to EBITDA conversion ratio of 103%.

The Group completed a capital raising of \$125 million (before costs) during the year to fund the cash consideration of the Bereskin & Parr acquisition and retain balance sheet flexibility.

Net debt at 30 June 2025 was \$356.3 million (30 June 2024: \$359.9m) with a leverage ratio of 1.9x which remains within the Company's maximum target leverage ratio of up to 2.0x.

The leverage ratio increased from 1.6x at 31 December 2024 following the on-market share buy-back broadly completed across the second half of the year which resulted in the cancellation of 15.9 million IPH ordinary shares and return of \$74.2 million to shareholders.

The Company declared a final dividend of 19.5 cps, 30% franked at the corporate tax rate, up 3% on the FY24 final dividend, bringing FY25 total dividends to 36.5 cps, up 4% on the prior year. The record date for the final dividend is 29 August 2025 with a scheduled payment date of 23 September 2025.

The IPH Dividend Reinvestment Plan will operate in respect of the final dividend with valid election notices to be received by 1 September 2025.

FY26 priorities

Dr Blattman said IPH was focused on optimising its network of member firms targeting organic growth and operational efficiencies.

"Our focus remains on organic growth with business development initiatives targeting Western Europe, Japan, South Korea and Chinese incoming filings. In Asia, we aim to build on the current momentum in filings to deliver revenue and earnings growth. Our focus in Canada is to leverage our integrated platform and the anticipated recovery in patent workflow following the CIPO systems issues.

"Meanwhile, we have restructured our corporate services and leadership team to better support member firm-growth and have also realigned our cost base to drive operational efficiencies to deliver estimated annualised cost savings of \$8m-\$10m from FY26.

"IPH maintains a strong balance sheet with continued high cash generation and our focus remains on delivering improved returns to shareholders.

"Despite short-term economic disruptions, the medium-term fundamentals for IP remain supportive for growth. Companies' intellectual property remains one of their most valuable assets and that requires protection across global markets. In an era of de-globalisation, corporations require increasing country-specific IP protection. As a market leader across secondary IP markets with an unmatched global network, IPH remains well placed to service that growth," he said.

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Authorised for release to ASX by: The Board of Directors of IPH

About IPH Limited

IPH is the leading intellectual property services group, comprising a network of member firms operating out of 27 offices and servicing more than 26 IP jurisdictions. The group includes leading IP firms AJ Park, Applied Marks, Griffith Hack, Pizeys, ROBIC, Smart & Biggar and Spruson & Ferguson. IPH employs more than 1,800 employees working in Australia, Canada, China, Hong Kong SAR, Indonesia, Malaysia, New Zealand, The Philippines, Singapore and Thailand.

