



ASX Announcement

19 February 2026

IPH reports 10.5% increase in NPAT to \$41.2m

IPH Limited (ASX:IPH), a leading international intellectual property (IP) services group, announces its results for the half-year ended 31 December 2025 (HY26).

HY26 Summary

- > Revenue up 6.5% reflects turnaround in Canada (including incremental acquisition revenue) and return to growth in Asia, partially offset by decline in ANZ
- > Underlying EBITDA up 6.6% from organic growth, incremental acquisition earnings and ongoing cost discipline
- > 58% of Underlying EBITDA generated outside ANZ demonstrating the diversification of Group earnings
- > Underlying NPATA of \$62.6m, up 2.6%; equating to Underlying Basic EPSA of 24.0c (HY25: 23.1c)
- > Statutory NPAT \$41.2m, up 10.5%; equating to Basic EPS of 15.8 cents per share (HY25: 14.1c)
- > Continued strong operating cashflow generation – cash conversion ratio of 101%
- > Interim dividend declared of 19.0 cps; 20% franked; up 11.8% on pcp
- > On-market share buy-back program to commence from 9 March 2026 provides capital management flexibility

Financial Performance

\$m	HY26	HY25	Change %
Revenue	363.9	341.6	6.5%
Underlying EBITDA ¹	107.1	100.5	6.6%
Underlying EBITDA %	29.3%	29.2%	0.1ppt
Underlying NPATA ²	62.6	61.0	2.6%
Underlying Basic EPSA	24.0c	23.1c	3.9%
Statutory NPAT	41.2	37.3	10.5%
Statutory Basic EPS	15.8c	14.1c	12.0%
Interim Dividend	19.0c	17.0c	11.8%

1. 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 HY26 Results Investor Presentation for further details on non-underlying costs and a reconciliation to statutory measures.

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

Turnaround in Canada and return to growth in Asia partially offset by decline in ANZ

Group Underlying results for HY26 include an incremental ~3 months' contribution of Bereskin & Parr (acquired in Canada on 28 September 2024) compared to the prior corresponding period.

Group revenue of \$363.9m was up 6.5% driven by increased incremental revenue from the Bereskin & Parr acquisition and organic growth in Canada and Asia, partially offset by a decline in Australia/NZ.

Underlying EBITDA increased by 6.6% to \$107.1m (HY25: \$100.5m) primarily reflecting improved earnings in Canada (including acquisition) and Asia as well as cost discipline.

The Group recognised a net foreign exchange loss of \$0.2m (HY25: gain \$1.3m) primarily driven by the appreciation of the AUD against the USD at 31 December 2025 relative to 30 June 2025. Approximately 34% of Group revenue is generated in USD.

Underlying NPATA (Underlying NPAT adjusted to exclude non-cash amortisation of acquired intangible assets) increased by 2.6% to \$62.6m. Underlying NPATA more accurately presents the underlying performance of the business given the Company's growth by acquisition in recent years and significant non-cash amortisation cost relating to customer relationships acquired.

Non-underlying expenses, net of income tax impacts, of \$2.8m (HY25: \$4.8m) primarily related to business transformation project costs, IT SaaS implementation costs and further cyber upgrades.

Underlying Basic EPSA of 24.0c increased 3.9% from the prior corresponding period as a result of the improved financial performance and the 1.5% decrease in the weighted average number of shares on issue as a result of the share buy-back in the second half of FY25.

The Company reported a 10.5% increase in Net Profit After Tax (NPAT) to \$41.2m, driven by increased underlying earnings, a reduction in non-underlying costs compared to the prior corresponding period, partially offset by the increased effective tax rate post acquisition activity in the prior period.

Like-for-like financial performance

As performance of the Group is subject to variability from the 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 basis, Group revenue was slightly ahead of the prior corresponding period, reflecting variability in geographic markets with growth in Canada and Asia partially offset by a decline in ANZ.

On a like-for-like basis, Group Underlying EBITDA was 3.2% ahead of the prior corresponding half, reflecting the revenue improvement and cost discipline in Canada; growth in Asia and the impact of the Group's corporate cost reduction program in FY25.

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

"Our results for the half reflect the enhanced scale and resilience of IPH which stems from our exposure to a number of global IP jurisdictions. While the ANZ market remains challenging in terms of lower international filings, this segment accounts for only 42% of Group EBITDA (before corporate costs) and we have seen positive growth momentum across our other segments.

"We experienced a strong turnaround in our Canadian business with organic revenue growth assisted by acquisition synergies and cost discipline driving a 18.9% increase in like-for-like earnings. While disruption from the CIPO upgrade issues eased somewhat in the first half compared to the prior period, volumes in some office actions remain lower than before the CIPO upgrade and we are yet to see any meaningful recovery in the workflow backlog.

"We continue to see positive signs of recovery in our Asian business with a pleasing return to like-for-like revenue and earnings growth. IPH Asian filings (ex Singapore) increased by 7.3% for the half, building on the growth from the prior year which is starting to yield revenue and earnings uplift. Additionally, we secured more than 2,200 case transfers in the first half of the year across Asia, including cases registered and in prosecution. Of these transfers, in excess of 1,500 were trademarks, in addition to 500+ patents and 200+ designs. Many of these transfers consolidate client portfolios within IPH and support future revenue for the segment. Like-for-like revenue increased by 3.5% with Underlying EBITDA up by 1.5%.

"The ANZ business continues to be impacted by the decline in US PCTs being filed with IPH member firms disproportionately affected by our larger exposure to US clients relative to the market.

"As we detailed at the AGM in November, the Australian patent market also included an unusually high number of self-filed provisional applications (i.e. applications which are not attached to a filing agent) during the period.

"Excluding these self-filed provisional applications, the Australian patent market increased by 1.9% for the half with IPH declining by 4.8% for the same period.

"ANZ like-for-like revenue was 6.1% below the prior corresponding period with Underlying EBITDA down 10.6%. Given the prevailing market conditions, we continue to align our business to the market conditions with a focus on right sizing and ongoing cost discipline to protect margins.

Continued strong cash generation and interim dividend up 11.8%

IPH continues to generate strong cashflow with an EBITDA to operating gross cashflow conversion ratio of 101%.

Net debt at 31 December 2025 was \$339.3m, reduced from \$356.3m at 30 June 2025.

The Group's leverage ratio³ of 1.8x, was down slightly from 1.9x as at 30 June 2025 and remains within the Company's maximum target ratio of up to 2.0x.

The Company declared an interim dividend of 19.0 cents per share, 20% franked at the corporate tax rate, up 11.8% on the HY25 interim dividend. The record date for the interim dividend is 27 February 2026 with a scheduled payment date of 24 March 2026.

The IPH Dividend Reinvestment Plan will operate in respect of the interim dividend with valid election notices to be received by 5:00 pm on 2 March 2026.

FY26 priorities

Dr Blattman said "IPH remained focused on optimising its network of member firms targeting organic growth supported by cost and operational efficiencies.

"Our focus in Canada remains on leveraging our integrated platform to deliver revenue and earnings growth. We continue to expect improvements to the CIPO workflow backlog across 2026 however the timing remains uncertain.

"In Asia, we aim to capitalise on our market-leading network and unique client proposition to build on the recent increase in filings to deliver revenue and earnings growth. That includes business development activities targeting international corporate clients and also case transfers which provide future revenue events.

"Given the ongoing decline of US PCTs into the Australia/NZ market, our business development initiatives continue to target primary IP markets outside of the US, including Western Europe, Japan, South Korea and Chinese incoming filings. We are also targeting second tier associate firms for filings into this region.

"At a group level, we remain focused on cost discipline and leveraging the scale of the IPH network to further embed AI into core operations to streamline workflow, reduce costs and enhance client service.

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

3. (Net debt/Underlying EBITDA calculated in accordance with the Company's facilities agreement).

On-market share buy-back program

IPH also announces today it is opening an on-market buy-back program within the 10/12 limit. The buy-back will commence on 9 March 2026 and remain in place for 12 months (unless concluded earlier or extended by IPH).

The Board of IPH believe the buy-back program provides flexibility as part of IPH's capital management program.

The buy-back program will not impact the Company's existing dividend policy.

An Appendix 3C providing further details of the program will be released to the ASX today. As at the date of this announcement, the maximum number of shares that can be bought back within the 10/12 limit is 12,234,748 and this maximum number is reflected in the accompanying Appendix 3C.

For more information, please contact:

Martin Cole

Capital Markets Communications

T. +61 403 332 977

Authorised for release to ASX by:

The Board of Directors

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 25 IP jurisdictions. The group includes leading IP firms AJ Park, Applied Marks, Griffith Hack, Pizzeys, ROBIC, Smart & Biggar and Spruson & Ferguson. IPH employs more than 1,700 employees working in Australia, Canada, China, Hong Kong SAR, Indonesia, Malaysia, New Zealand, The Philippines, Singapore and Thailand.