



ASX Announcement

9 October 2019

Presentation by Dr Andrew Blattman to the Morgans Queensland Conference 2019

Attached is a presentation to be given today by IPH's CEO & Managing Director, Dr Andrew Blattman, to the Morgans Queensland Conference 2019.

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About IPH Limited

IPH Limited ("IPH", ASX:IPH), the holding company of AJ Park, Glasshouse Advisory, Griffith Hack, Pizeys, Practice Insight, Shelston IP, Spruson & Ferguson and Watermark, is the leading intellectual property ("IP") services group in the Asia-Pacific region offering a wide range of IP services and products. These services are provided across Australia, New Zealand, Papua New Guinea, the Pacific Islands and Asia from offices in Sydney, Brisbane, Melbourne, Canberra, Perth, Auckland, Wellington, Singapore, Kuala Lumpur, Jakarta, Beijing, Hong Kong and Bangkok. The group comprises a multidisciplinary team of approximately 1000 people, including some of the most highly regarded IP professionals in the Asia-Pacific region. The team services a diverse client base of Fortune Global 500 companies and other multinationals, public sector research organisations, foreign associates and local clients. IPH was the first IP services group to list on the Australian Securities Exchange.



IPH Limited

Morgans Queensland Conference
9-11 October 2019

Presented by:

Dr. Andrew Blattman CEO & Managing Director, IPH Limited

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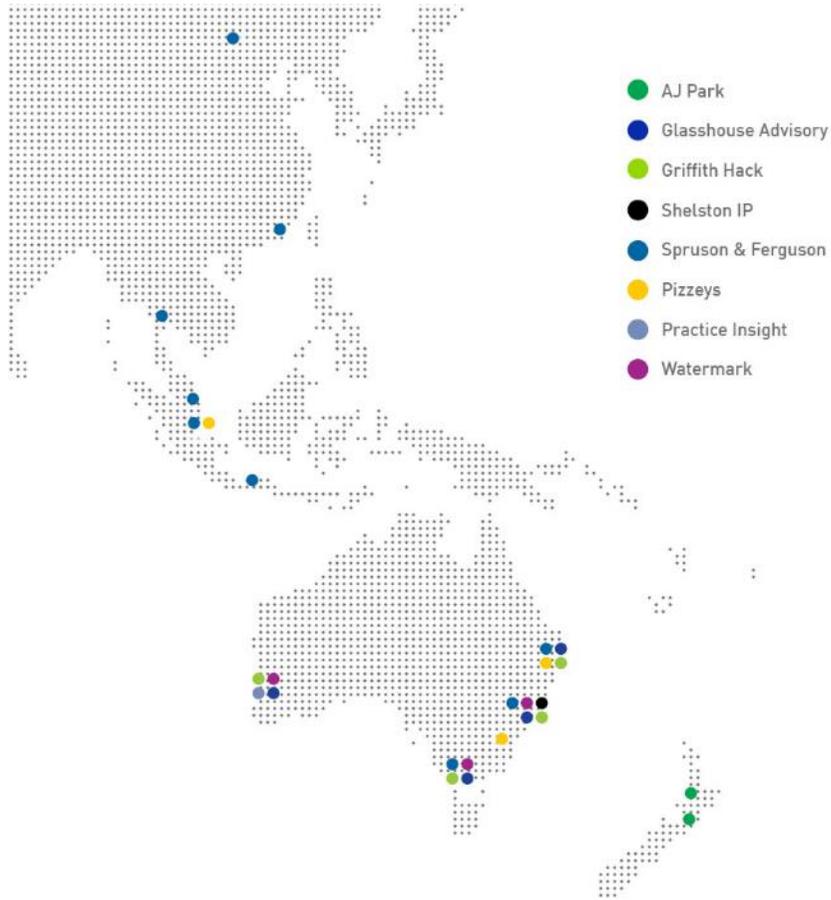
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Our expanded group

Strengthened platform in Australia following successful acquisition of Xenith IP



1000+
Employees

No 1
Patent group
in Australia,
New Zealand
and Singapore

27
Offices

8
IP jurisdictions

8 BRANDS



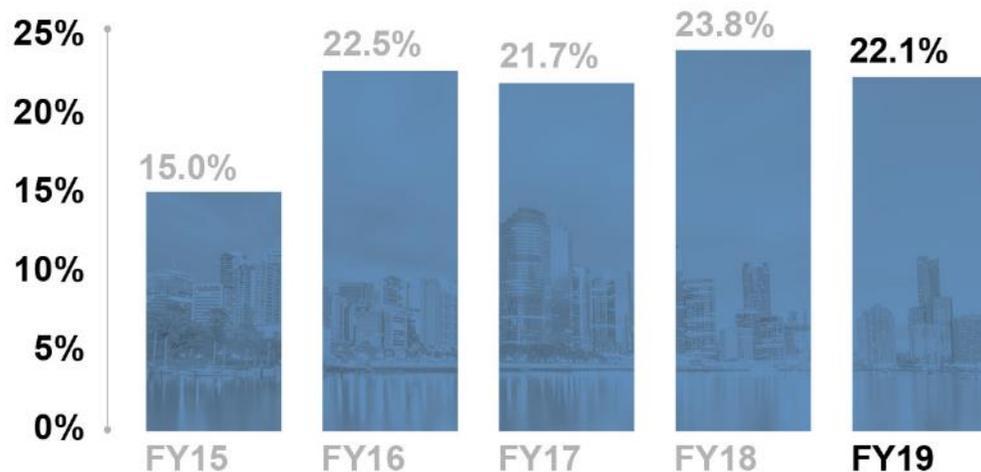
Strong platform for growth

Leading position in the Australian and Singapore patent markets



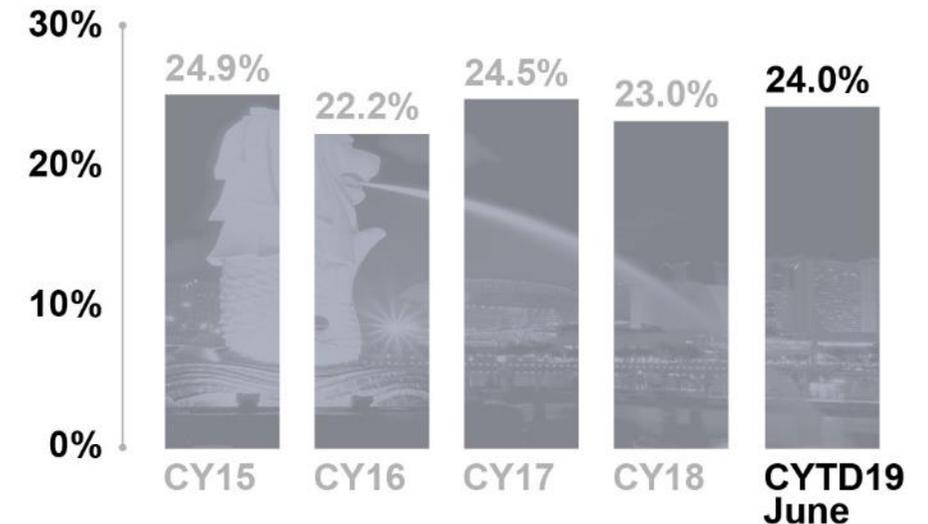
IPH Group market share – Australia

- Combined, IPH Group continues to hold the No.1 patent market position in Australia with 22.1% of patents filed in FY19¹
- Including our new group businesses in Australia, FY19 market share increases to 38.3%²



IPH Group market share - Singapore

- Combined, the IPH Group continues to hold the No.1 patent market position in Singapore with 23.0% of patents filed in CY18 and 24.0% in CYTD19 Jun³



1. IPH Management estimate based on agent recorded with IP Australia as at 1 Aug 19 (FY19), 3 Aug 18 (FY18) and 6 Jul 18 (FY15-FY17) and may not reflect any change of agent recorded since filing. IPH Group market share includes filings by the following entities: FY15 - SF & FAKC, FY16 and FY17 - SF, FAKC, Pizzeys, Cullens, FY18 and FY19 - SF, FAKC, Pizzeys, Cullens and AJ Park. Filings from acquired companies are included from 1 Jul of the acquisition year.

2. IPH Management estimate based on agent recorded with IP Australia as at 7 Jul 19 and may not reflect any change of agent recorded since filing. FY19 IPH Group market share includes filings by Spruson & Ferguson, AJ Park, Pizzeys, Griffith Hack, Shelston IP and Watermark. Filings from acquired companies are included from 1 Jul 18.

3. IPH Management estimates based on patent filings from agents recorded with IPOS on 1 Aug 19 (CY18-CY19), 9 Jul 18 (CY17), 10 Aug 17 (CY16) and 4 Feb 16 (CY15). Data may not reflect any change of agent recorded since filing. From CY16 onwards, IPH market share represents patent filing by SF (Asia) and Pizzeys over total number of applications filed in Singapore.

Diversified portfolio in Asia

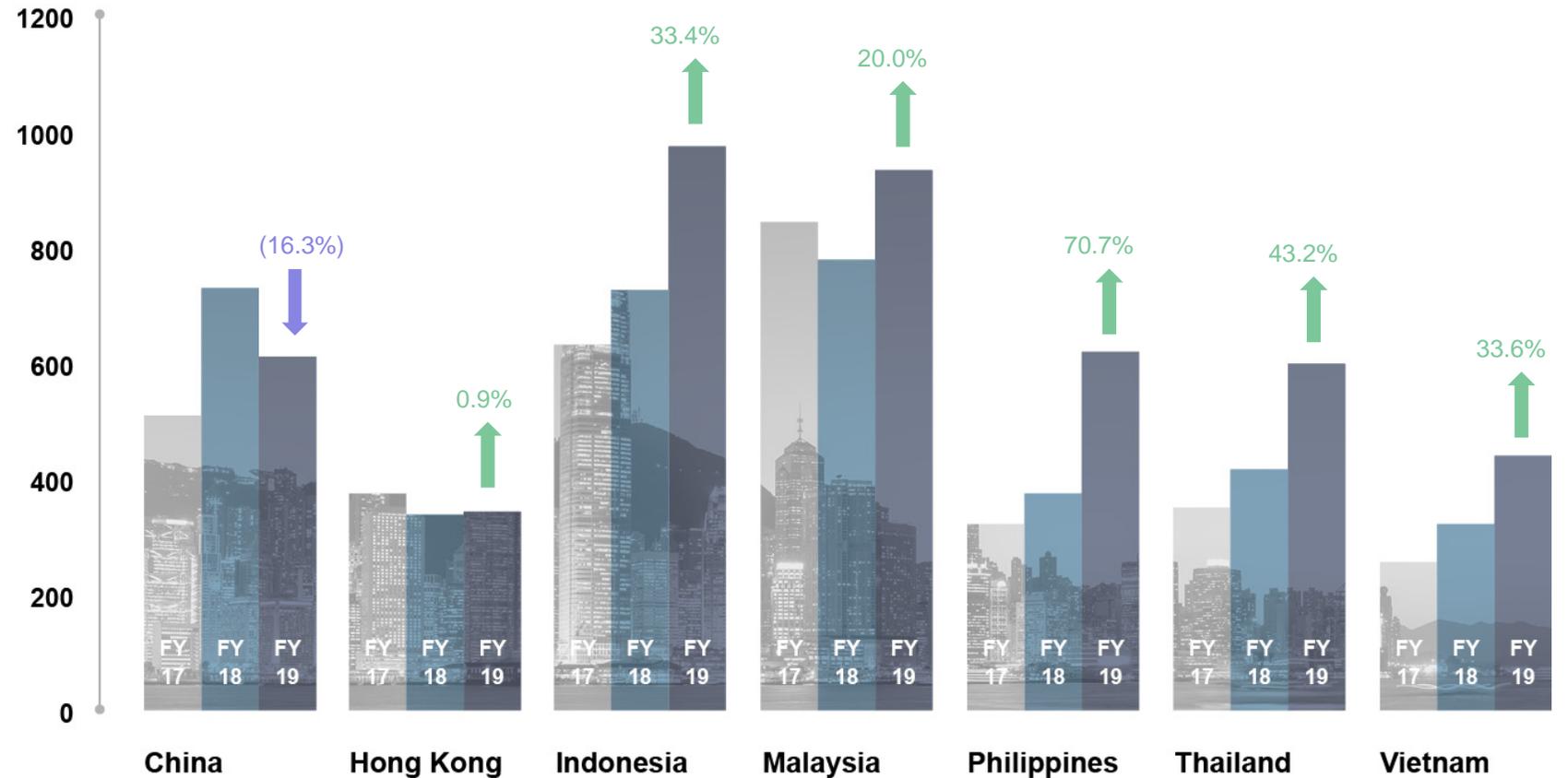
IPH Group's diversified portfolio underpins growth



IPH Group filings in other key jurisdictions in Asia¹

- Positive growth exhibited in most Asian jurisdictions, notably The Philippines (70.7%), Thailand (43.2%), Vietnam (33.6%), Indonesia (33.4%) and Malaysia (20.0%)
- Total growth in these jurisdictions in FY19 is 22.7%
- Diversification provides a degree of protection from individual market fluctuations
- Organic growth opportunities by leveraging our strong network across the region

1. IPH Management estimate based on total incoming/outgoing patent applications filed by IPH Group entities in key jurisdictions in Asia.



Opportunity in China

China remains a significant opportunity and focus for the IPH group



China IP landscape

- In the first half of 2019, the number of foreign invention patent applications in China reached 78,000, up 8.6%¹
- The number of foreign trade mark applications in China was 127,000, up 15.4%¹

1. CNIPA News / Official Information "China's Achievements in IPR Protection Acknowledged Worldwide", published on CNIPA website 31/07/19.



IPH is well positioned to seize these opportunities

- Spruson & Ferguson successfully established an exclusive arrangement with an independent Chinese patent agency (Beijing Pat SF Intellectual Property Agency Co Ltd) for conduct of regulated patent services
- Pat SF undertakes regulated patent work in China exclusively for Spruson & Ferguson clients and enables a more streamlined offering for clients with Spruson & Ferguson quality, service, reliability and communication standards
- Spruson & Ferguson continues to act directly in China for trade mark prosecution services

FY19 financial performance

Overview of our expanded group



AUD	IPH GROUP FY19 Actuals \$'m	Xenith GROUP FY19 Actuals \$'m	IPH & Xenith FY19 Aggregated \$'m
Total underlying revenue	256.6	125.5	382.1
Agent Fees	(74.6)	(37.5)	(112.1)
Compensation	(66.4)	(51.2)	(117.6)
Overheads	(25.9)	(17.1)	(43)
Underlying EBITDA	89.7	19.7	109.4
Underlying EBITDA Margin	35%	16%	29%

IPH financial highlights FY19

Revenue
\$259.5m 15% ↑

Underlying EBITDA¹
\$89.7m 21% ↑

Underlying NPAT²
\$62.9m 21% ↑

FY Dividend
25 cents per share (13c final) 11% ↑

Underlying Diluted EPS
31.7 cents per share 20% ↑

Xenith financial highlights FY19

Revenue³
\$125.5m (1%) ↓

Underlying EBITDA³
\$19.7m 15%⁴ ↑

Underlying NPAT³
\$11.2m 15%⁴ ↑

1. Underlying EBITDA includes the interim dividend received from investment in XIP and excludes gain on disposal of the Practice Insight businesses, costs incurred in pursuit of acquisitions, revaluations of deferred settlements & earn outs, new business establishment costs and accounting charges for share based payments.
2. Underlying NPAT excludes amortisation expense on intangible assets arising from acquisitions and the profit on sale of the Practice Insight businesses.
3. Based on unaudited 2019 financial results prepared by Xenith IP Limited. Underlying NPAT excludes amortisation on acquired intangibles.
4. The prior year figures for Xenith are after application of a transition adjustment from implementation of AASB9.

Questions



