

> FY24 Financial Results & Outlook

21 May 2024



> Agenda



1. Performance update
2. Financials
3. Strategy & FY25 Outlook
4. Q&A
5. Appendix



> Performance update

Skander Malcolm

Chief Executive Officer and Managing Director



> FY24: results in line with guidance, strong execution



\$227.5m

NOI¹
up 6.3%

Margin growth and strong interest income, offset by lower end macro drivers impacting revenue

\$20.8m

B2B new revenue
up 21.8%

Marketing pivot to B2B and onboarding investments driving strong originations

\$64.6m

Underlying EBITDA²
up 3.4%
(up 8.2% ex-Paytron)

Disciplined cost control and synergy realisation delivering operating leverage²

\$68.2m

Net available cash
up 1.2%

Continued cash generation, healthy balance sheet, supporting future growth

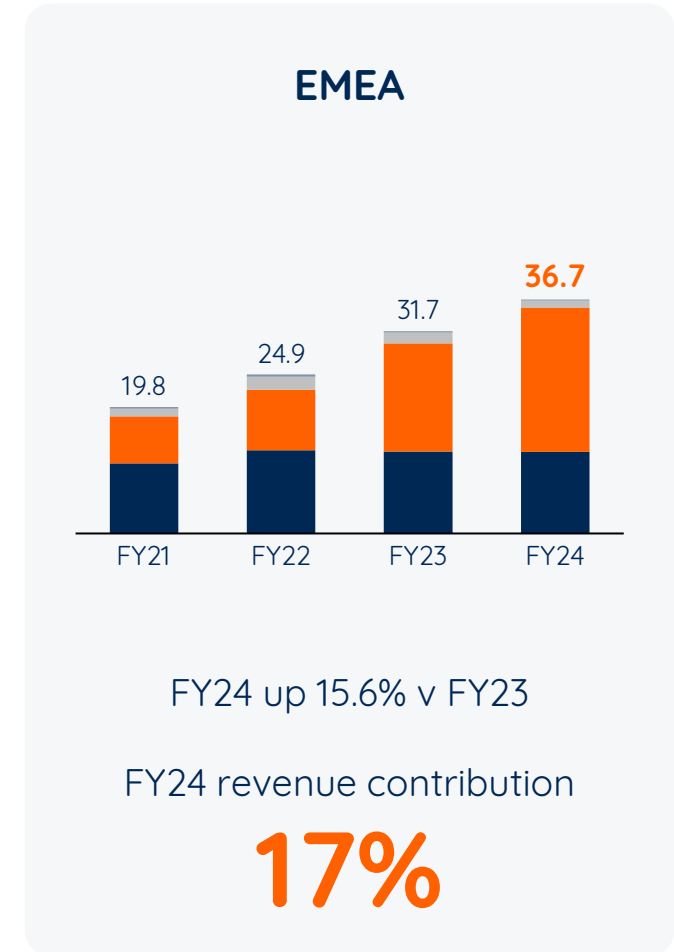
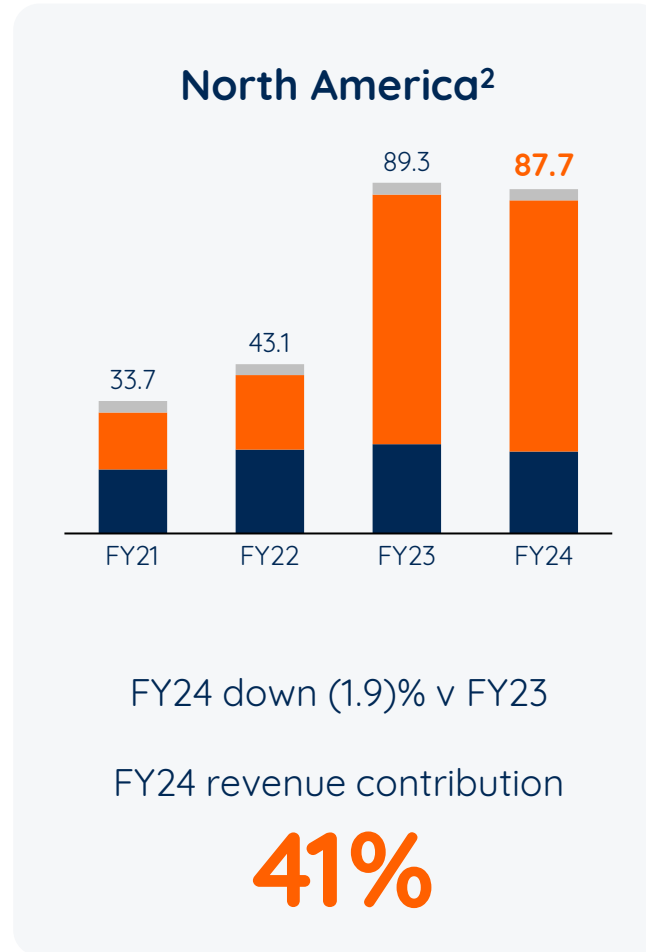
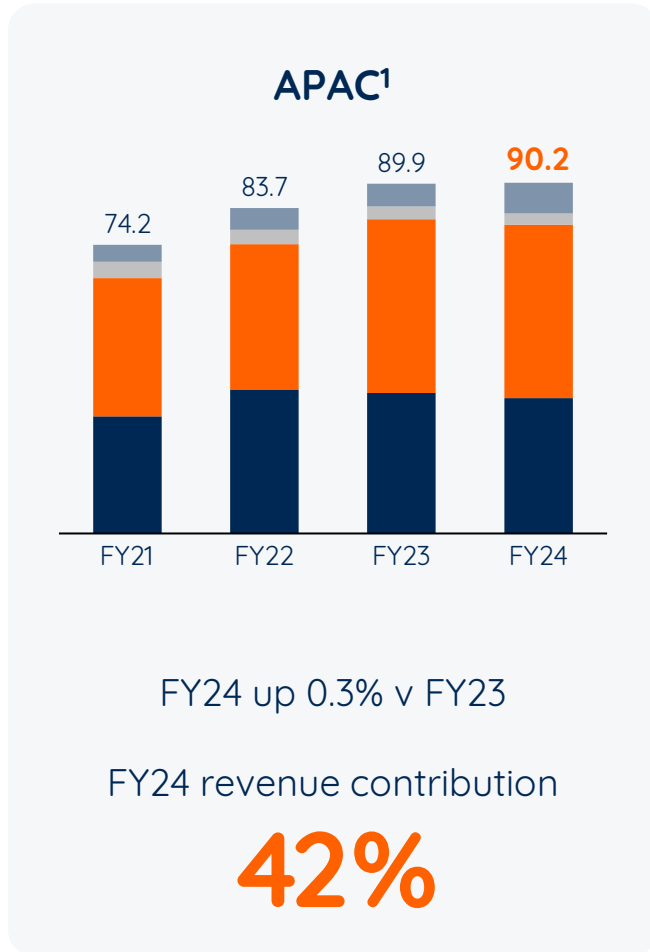
¹ NOI \$227.5m includes Paytron of \$0.6m

² EBITDA \$64.6m includes Paytron of \$(3.0)m. EBITDA excluding Paytron \$67.6m

Delivered on global growth: revenue generated from outside Australia¹ up from 50% to 65% in 3 years



Revenue \$m

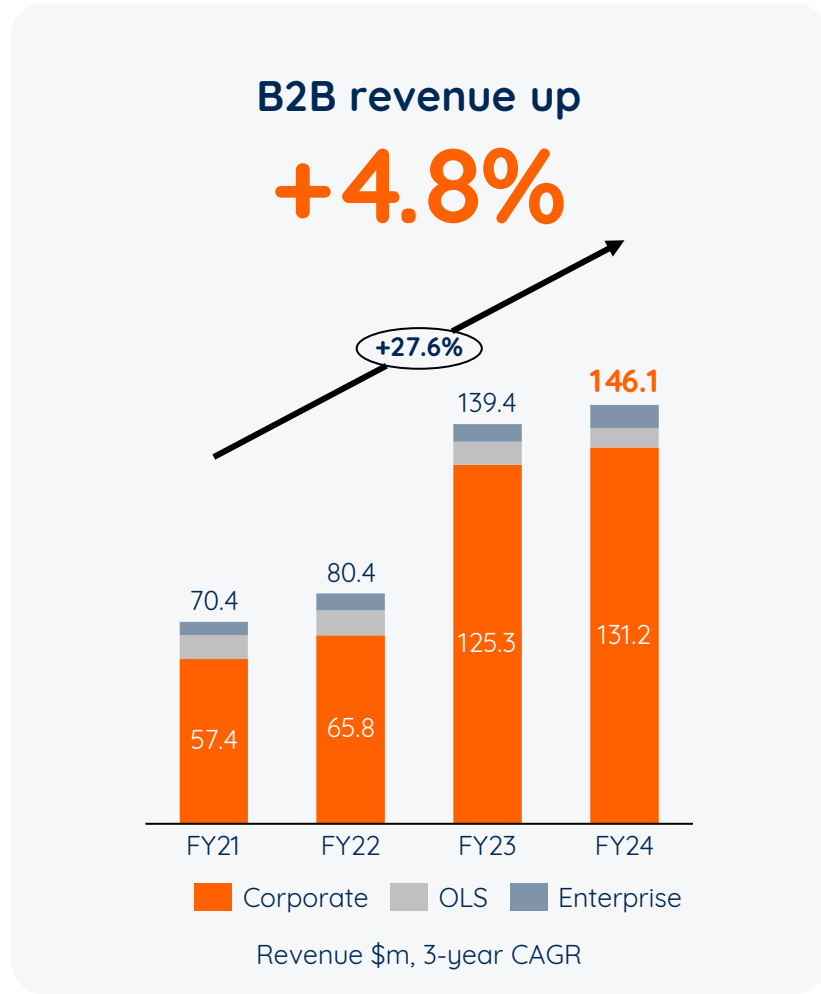


Consumer Corporate OLS Enterprise

¹ FY24 APAC revenue of \$90.2m includes \$74.6m for Australia; and excludes Paytron Fee and trading income which is allocated to APAC in the segment information in Note 2 of the Annual Report

² FY23 North America revenue includes \$0.5m Fee Revenue reclassified from Treasury Revenue

> Pivot to B2B delivered: revenue contribution¹ up from 55% to 68% in 3 years



Revenue 3-year CAGR

Corporate
31.7%

OLS²
(7.0)%

Enterprise²
21.2%

Healthy FY24 drivers

Expanding margins³
+3 bps

Transactions growing
+5.2%

Recurring revenue
86%

¹ Revenue contribution calculated as a percentage of Total Revenue
² OLS FY24 revenue \$6.8m, Enterprise FY24 revenue \$8.1m
³ Margin represents fee and trading margin which is measured at the segment level

> Corporate segment is healthy and growing



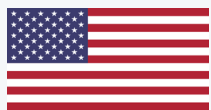
Corporate revenue +4.8%, business conditions vary by sub region

FY24 revenue growth



+1.1%

Revenue growth impacted by reduced ATVs, down 4.0%, amid low volatility and strong USD



+14.2%

Strong transaction volumes, up 19.6%, driven by resilient US economy, GDP grew 3.4% in 2023¹



(3.5)%

Margins improving, uneven ATVs; rebounded 5.5% in 3Q24 however 4Q24 down (15.5)% due to USDCAD strengthening



+18.7%

High transaction volumes, up 7.7%, and expanding margins by 9 bps, driving double-digit revenue growth

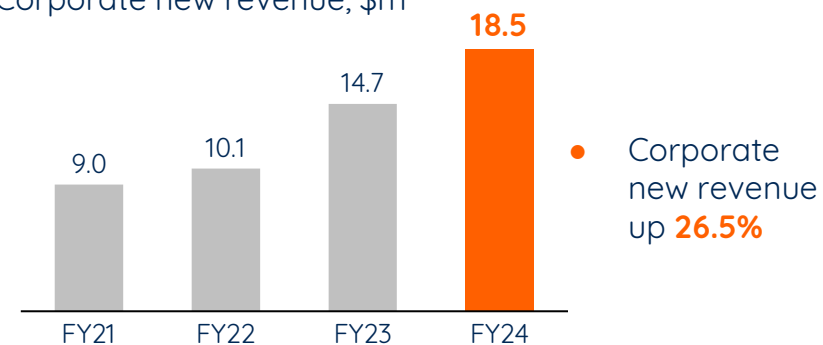


+140.6%

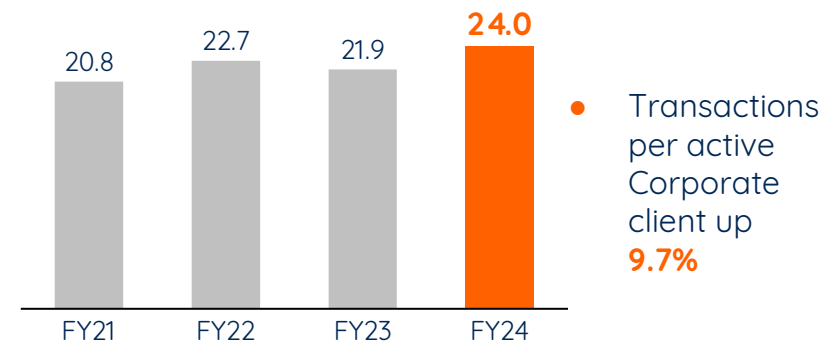
Successful year as new sales team embedded in market. Active client growth, up 16.3%

Strong portfolio fundamentals

Corporate new revenue, \$m



transactions per Corporate client (LTM)



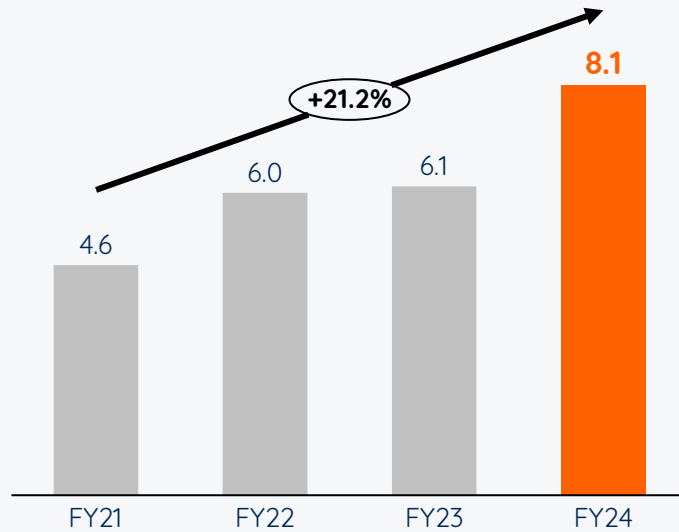
¹ Source: Trading Economics. USA GDP annualised growth 3.4% in quarter to December 2023.

> Enterprise segment returning to strong growth



Enterprise revenue up

+32.8%



Revenue \$m, 3-year CAGR

Sample clients



3

Deals signed in North America in FY24

Enterprise pipeline¹ prospects up 10, to

77

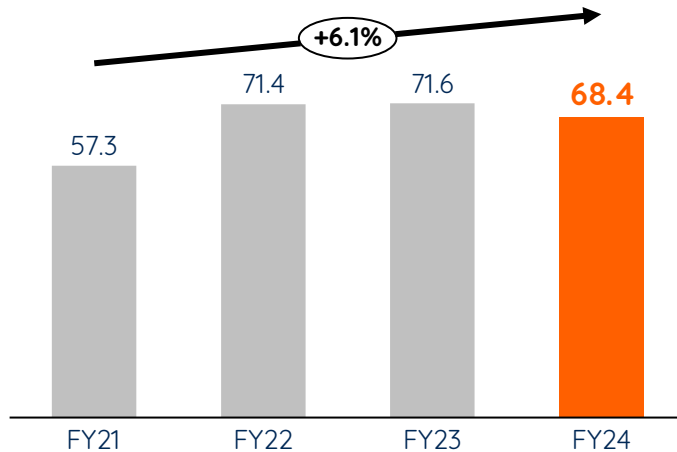
¹ Enterprise pipeline as at 31 March 2024

Extended low volatility impacting Consumer revenue growth



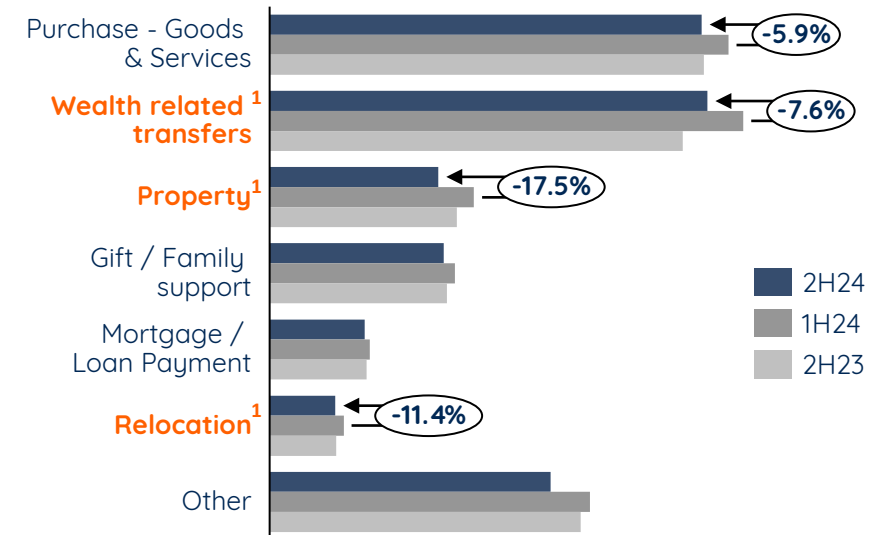
Maintaining revenue growth over the medium term, despite focus on B2B

Revenue \$m, 3-year CAGR



Top 3 use cases declined v 1H24

Revenue by use case



Consumer revenue

(4.4)%

Margins² up v FY23

3 bps

★ Trustpilot



Trust score: 4.4

ATV down (2.2)%

\$19.4k

¹ High value use cases include wealth related transfers, property and relocation transactions
² Margin represents fee and trading margin which is measured at the segment level

Financials

Selena Verth

Chief Financial Officer



> Solid result with growth in EBITDA and margins

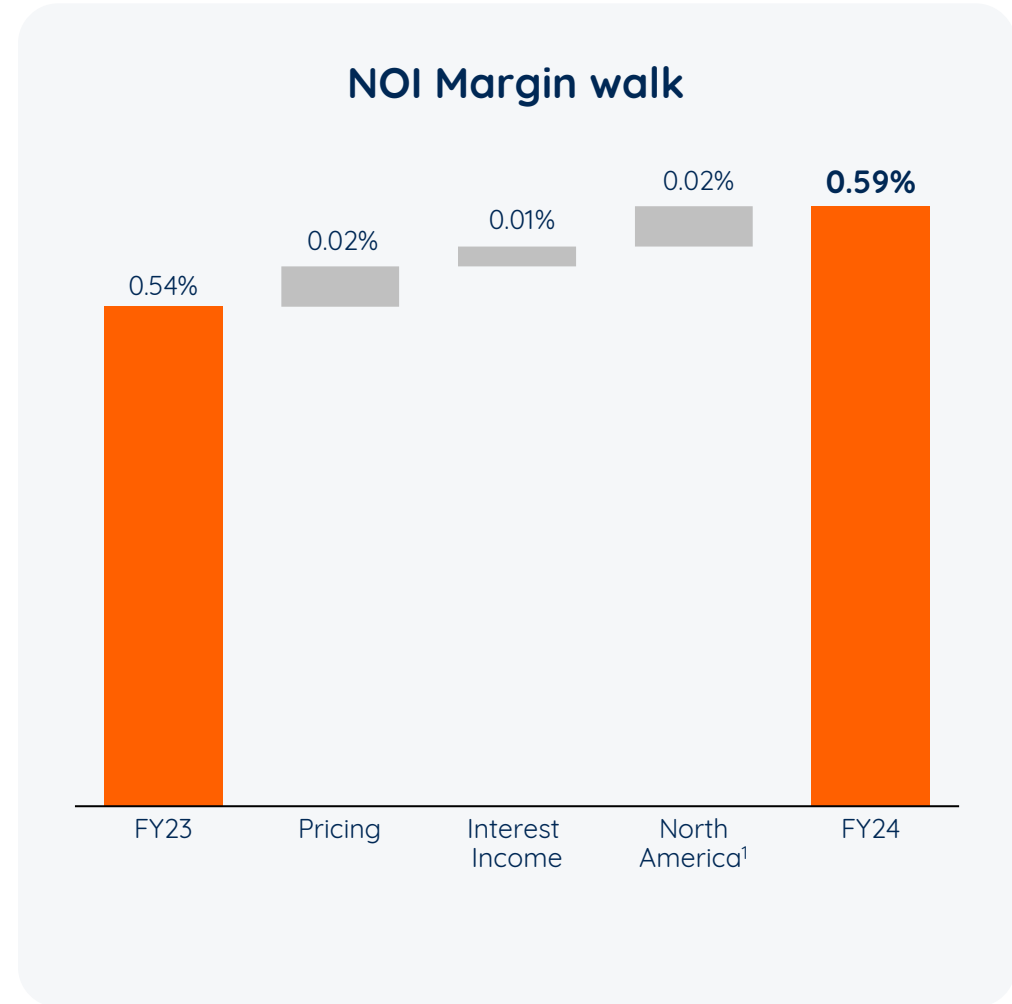
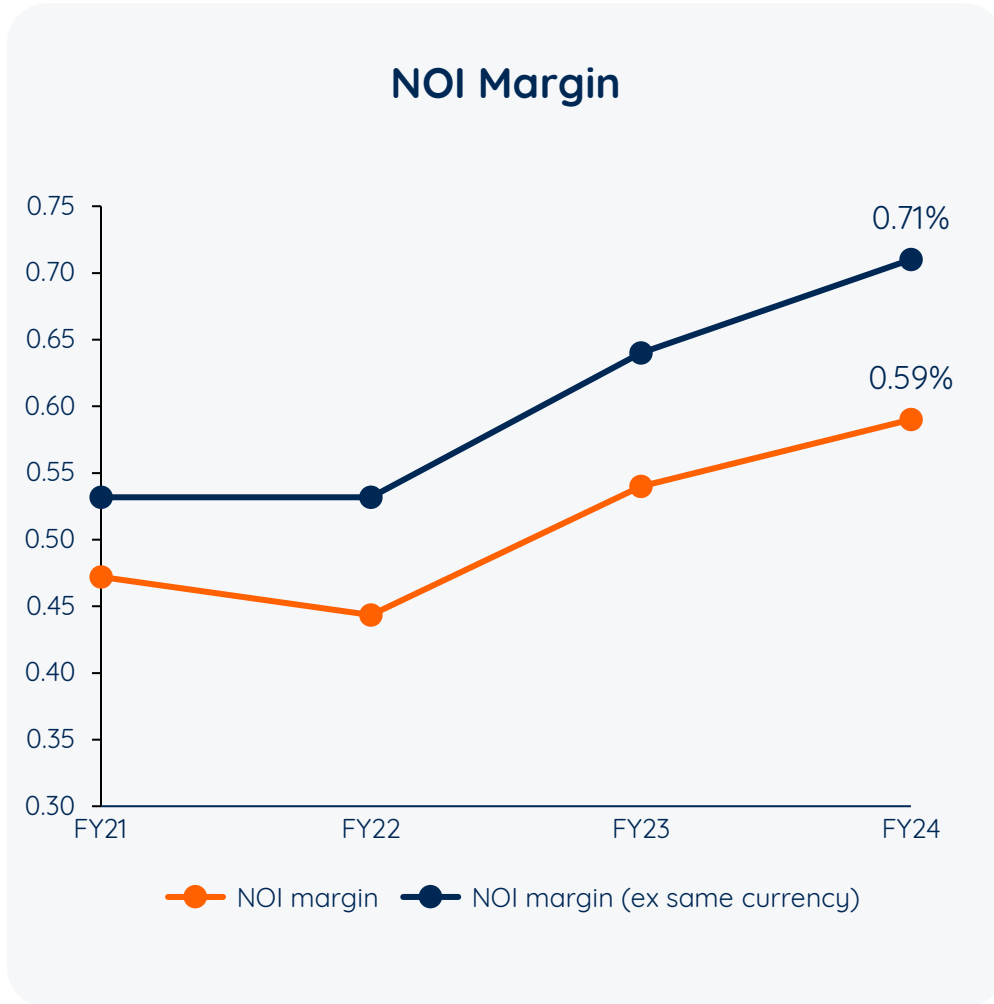


Financial results	FY23	FY24	V%
Financial metrics (\$m)			
Fee and trading income (Revenue)	225.0	229.7	2.1%
Net operating income	214.1	227.5	6.3%
Underlying operating expenses	(151.7)	(162.9)	7.4%
Underlying EBITDA	62.4	64.6	3.4%
Underlying EBT	44.2	41.6	(5.9)%
Underlying NPAT	37.6	33.8	(10.1)%
Statutory NPAT	31.4	31.3	(0.4)%
Net Cash Held	93.8	88.0	(6.2)%
Turnover (\$bn)	39.7	38.4	(3.2)%
Financial ratios			
NOI margin	0.54%	0.59%	5 bps
Underlying EBITDA margin	29.2%	28.4%	(80) bps
Effective tax rate	16.2%	18.0%	178 bps

- Fee and trading income up 2.1%, with strong growth in EMEA, up 15.6%
- NOI up 6.3%, driven by interest income of \$8.7m and other income of \$4.4m (including escrow)
- Continued NOI margin expansion, up 5bps
- Underlying EBITDA up 3.4%, ex-Paytron up 8.2%. Slowing expense growth in 2H24 delivering a stronger EBITDA of \$32.8m, up 3.0% on 1H24
- Effective tax rate of 18.0%, due to prior year R&D benefits and non-taxable return of capital
- Statutory NPAT \$31.3m, down 0.4%, includes \$3.4m of pre-tax one-off items
- Strong cash balance, net cash held down \$5.8m, offset by a reduction in collateral, net available cash \$68.2m, up 1.2%

Note: financial results are including Paytron from 3 July 2023

> Margin growth through investment and execution



¹ North America NOI margin includes \$3.7m escrow amount generating 0.01% NOI margin increase. Remaining 0.01% NOI margin increase generated by pricing.

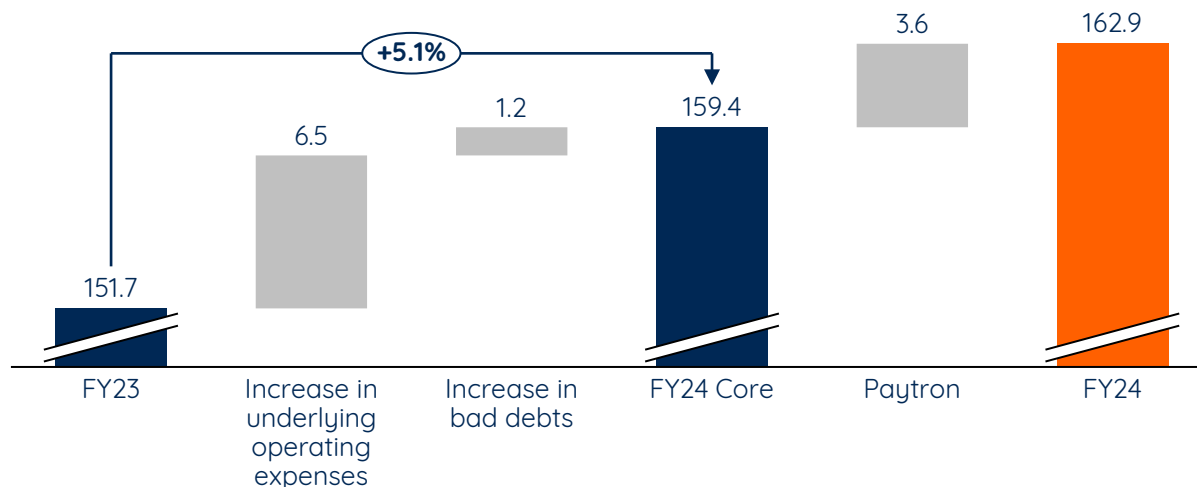
> Disciplined expense management, core expense growth 5.1%



Underlying operating expenses (\$m)	FY23	FY24	V%
Employee expenses	105.0	112.5	7.1%
Promotional expenses	16.8	18.4	9.7%
Information technology expenses	11.4	13.6	19.2%
Professional fee expenses	3.6	3.1	(13.2)%
Bad and doubtful debts	2.5	3.7	47.3%
Other expenses	12.3	11.6	(5.9)%
Underlying operating expenses	151.7	162.9	7.4%

- Group wide productivity programs delivering FTE synergies of ~20 FTE and a reduced employee expense run rate in 2H24
- Technology up \$2.2m due to:
 - Running two platforms, OFX & Firma, integration now complete
 - Investment in cyber, ISO 27001 certification achieved for our Australian business
- Promotional expenses up \$1.6m, investment in B2B marketing driving Corporate new revenue up 26.5%
- Bad and doubtful debts up \$1.2m, above expectations due to fraud in North America. Further controls implemented in 4Q
- Firma expense synergies ahead of expectations, run rate \$7m+ for FY26 and beyond

Underlying operating expense walk



> Firma integration delivered 30% EPS accretion in <2 years



Transaction completed May 2022

Firma is becoming OFX.

Learn more about how Firma is transitioning to OFX.



\$98m acquisition of North American B2B FX provider. Funded with \$100m debt facility



Integration completed March 2024

FIRMA is now part of **OFX**

Delivered scale in North America

Corporate Active Clients up **34%** v FY22 and FTE from 103 to 223

2-year integration timeline set



Integrated on time and on budget

2 client platforms to **1**
4 entities reduced, **7** offices closed, **90+** vendors exited

Target of \$5m+ synergies in FY25



Exceeded synergy target

\$7m+ driven by cost synergies

30% Underlying EPS accretion expected in year 2



Delivered EPS¹ accretion

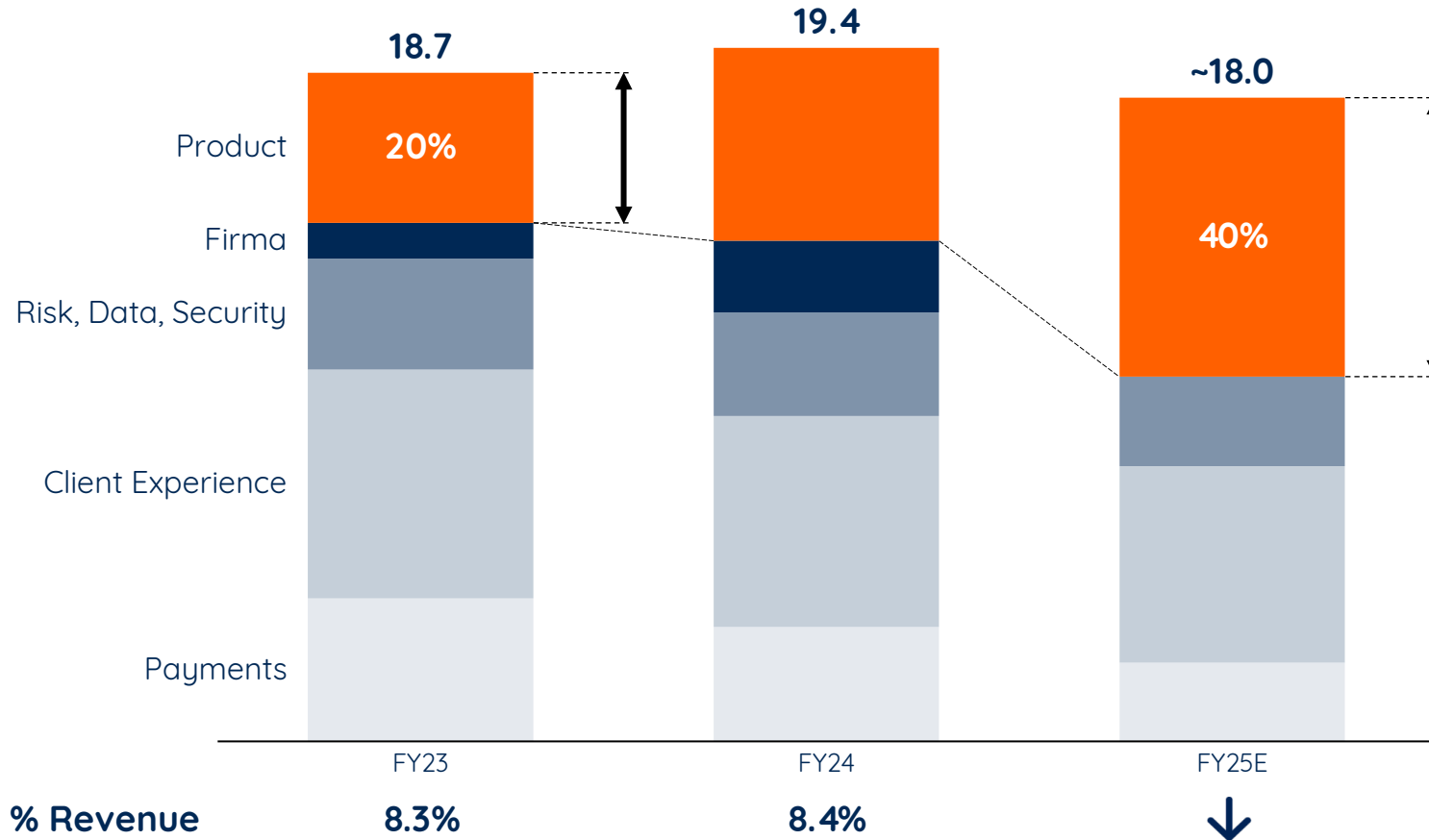
up **30%** from FY22

¹ Underlying EPS: EPS for the ongoing business. Note underlying EPS was 14.01cps in FY24 up from 10.81cps in FY22

> Intangible investment delivered scalability and security, now shifting to product activation



Intangible investments¹ \$m



2x

Increase in Product investment
since FY23 to generate revenue streams beyond FX

¹ Costs incurred in acquiring and developing software are capitalised where they meet certain criteria for capitalisation and amortised on a straight-line basis over the estimated useful life of three to five years. Costs incurred on research related costs or software maintenance are expensed as incurred.

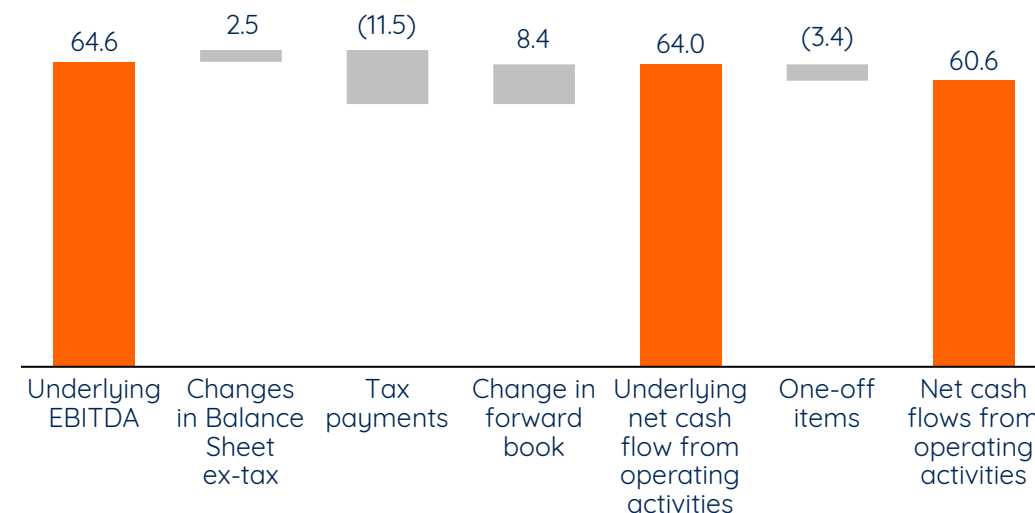
Healthy cash generation and a strong balance sheet



Balance Sheet (\$m)	31 Mar 23	31 Mar 24
Cash held for own use	68.2	68.1
Cash held for settlement of client liabilities	368.7	287.3
Deposits due from financial institutions	25.6	19.9
Derivative financial assets	52.7	20.8
Other assets	14.9	21.2
Equity accounted investees	5.2	5.3
Property, plant and equipment	2.1	3.5
Intangible assets	103.1	119.1
Right-of-use assets	12.7	11.5
Deferred and prepaid tax assets	8.2	12.7
Total assets	661.4	569.5
Client liabilities	375.7	300.2
Derivative financial liabilities	34.1	10.6
Lease liabilities	14.0	14.2
Loans and borrowings	65.2	42.2
Other liabilities	28.4	32.6
Total liabilities	517.3	399.9
Total equity	144.1	169.6

- Net cash held \$88.0m, net available cash \$68.2m
- \$64.6m underlying EBITDA delivering \$60.6m net cash flow from operating activities
- \$24.0m debt repayment, net debt \$(11.8)m. On track to repay the debt facility by the end of FY26
- Completed \$14.3m share buyback, 8.6m shares purchased

FY24 Net cash flows from operating activities (\$m)



Note: financial results are including Paytron from 3 July 2023

> Cash provides flexible capital allocation for growth



Principles

- Drive sustainable growth
- Provide return to shareholders in most efficient form



\$60.6m

Cash from operating activities

	FY24	FY25E
Debt and balance sheet leverage	\$24.0m repayment \$44.0m loan balance	On track to repay by end of FY26 Further leverage available for future use
Platform / new product capabilities	\$19.4m investment focused on Firma migration, client experience, scalability and security	~\$18.0m investment focused on product activation of non-FX revenue and client experience
Inorganic growth / M&A	Purchase of Paytron delivering product and platform enhancements	Searching for value-accretive M&A
On-market share buy-back	8.6m shares (3.52%) purchased for \$14.3m	Renew program for 12 months, up to 10% of shares

> Strategy & FY25 Outlook

Skander Malcolm

Chief Executive Officer and Managing Director



> OFX 2.0: Grow B2B faster, with more products delivering expanded returns



Scale origination in developed markets

USD\$350bn cross-border payments TAM²

+ non-FX more than 2x cross-border



Target Corporate and Enterprise, service High Value Consumer

\$1-10m+ revenue - Corporate ICP¹



Offer the right products and services to target ICP¹

Payments, FX, Currency Risk, Wallets, Cards, AR/AP & Expense Management



Deliver an extraordinary digital platform with a human partnership

90%+ digital interactions + 24/7 human service



Grow revenue beyond FX faster

Faster NOI growth and EBITDA margin expansion

¹ Ideal Client Profile (ICP)

² Total Addressable Market (TAM)

> Target B2B clients need more than just low-cost payments



For payments, target ICPs¹ are looking for:

- > Competitive pricing
- +
- > Ease of use (digital first)

and OFX differentiates through

Human service when they need help

Reduce my costs through FX risk management

However, workflow and tasks around payments incur more pain and cost than the payment itself ...



... OFX can now solve these pain points and reduce more cost ...



- FX
-
- Global wallets
-
- Cards
-
- AR/AP Global payment solutions & integrations
-
- Global expense management
-
- Risk management

¹ Ideal Client Profile (ICP)

> Our new Corporate platform live in Australia in 1Q25




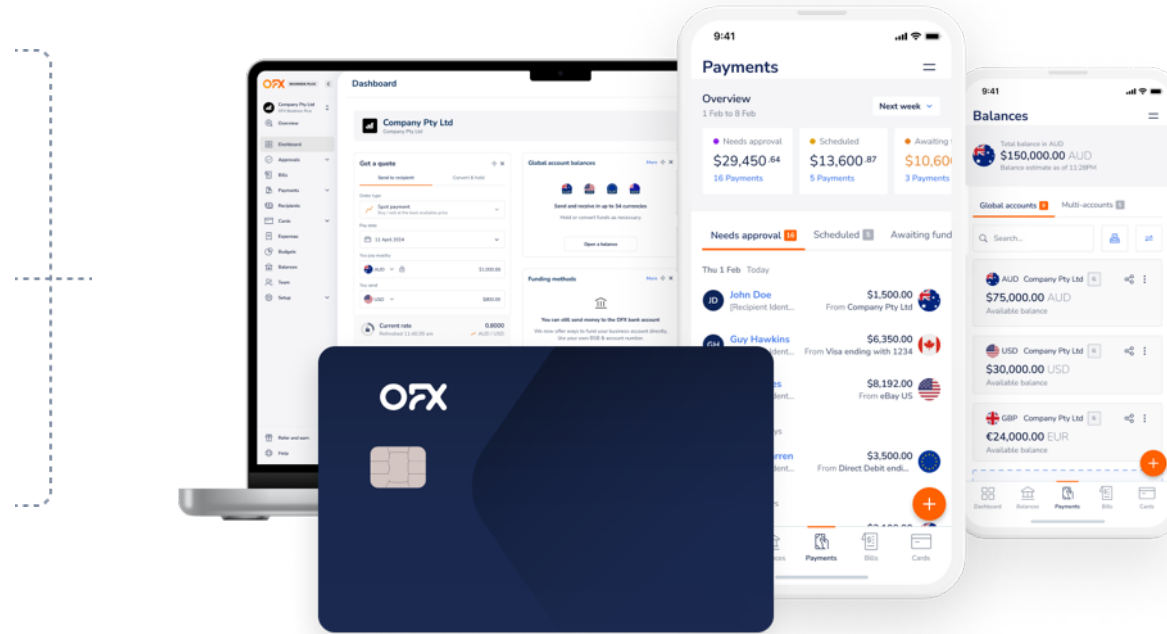
Expanded product set



 FX focus with global wallets

 Multi currency Corporate card

 AR/AP Global payment and workflow solutions



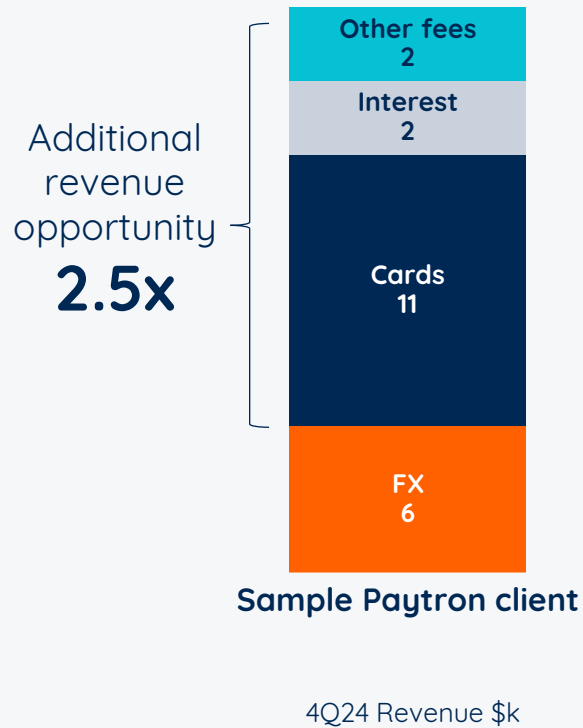
 Global expense management

 Accounting software integrations

> The OFX 2.0 revenue opportunity beyond FX is significant

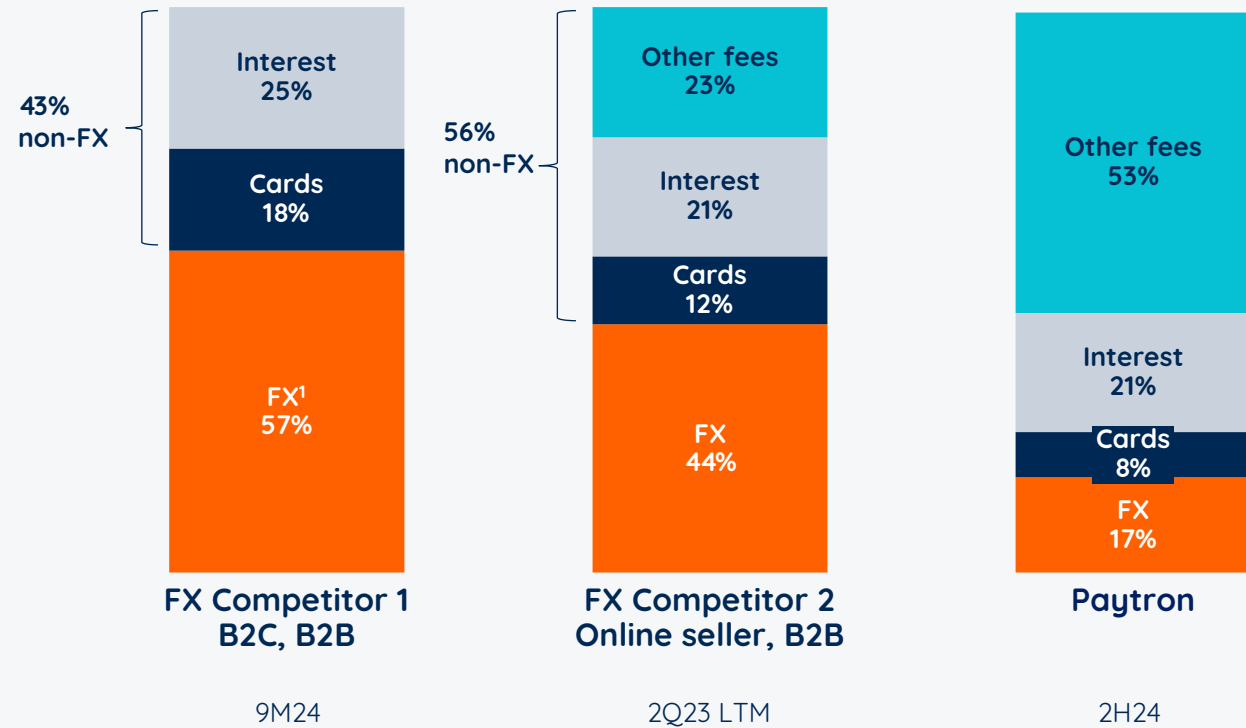


An OFX client that moved to Paytron now using expanded product offering...



... FX competitors have evolved to generate ~50% of revenue from non-FX

Indicative revenue percentage by product



¹ This may include other fees and revenue streams that are derived from the customer's pay-in method. These are reported separately in FX Competitor 2 and Paytron.

Medium term
(1-3 years)

10%+

NOI annual growth



28-30%

Underlying EBITDA margin

Long term
(3+ years)

15%+

NOI annual growth



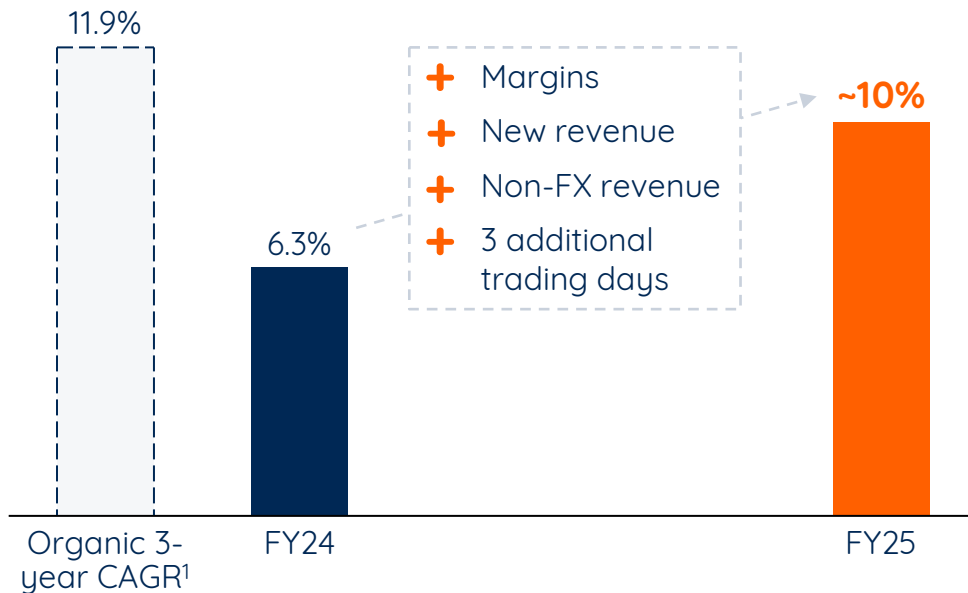
~30%

Underlying EBITDA margin

> FY25 Assumptions



FY25 NOI growth rate drivers



+ Good start in April, Q1 in line with higher expectations

¹ This is an estimate of the organic 3-year CAGR which excludes Firma and Paytron NOI

FY25 Key Drivers

- FY24 Corporate new revenue driving FY25 revenue growth
- FY24 pricing actions driving improved margins in FY25
- Canadian Corporate ATVs build as Corporate confidence returns
- Consumer revenue single-digit growth
- Improving AUDUSD and CADUSD

Potential Headwinds and Tailwinds



Subdued return of Corporate confidence,
↓ ATVs

Risk environment deteriorating, ↑ losses



Higher than expected margin expansion,
↑ revenue

Volatility driving Consumer, ↑ revenue

An orange chevron icon pointing to the right.

Q&A



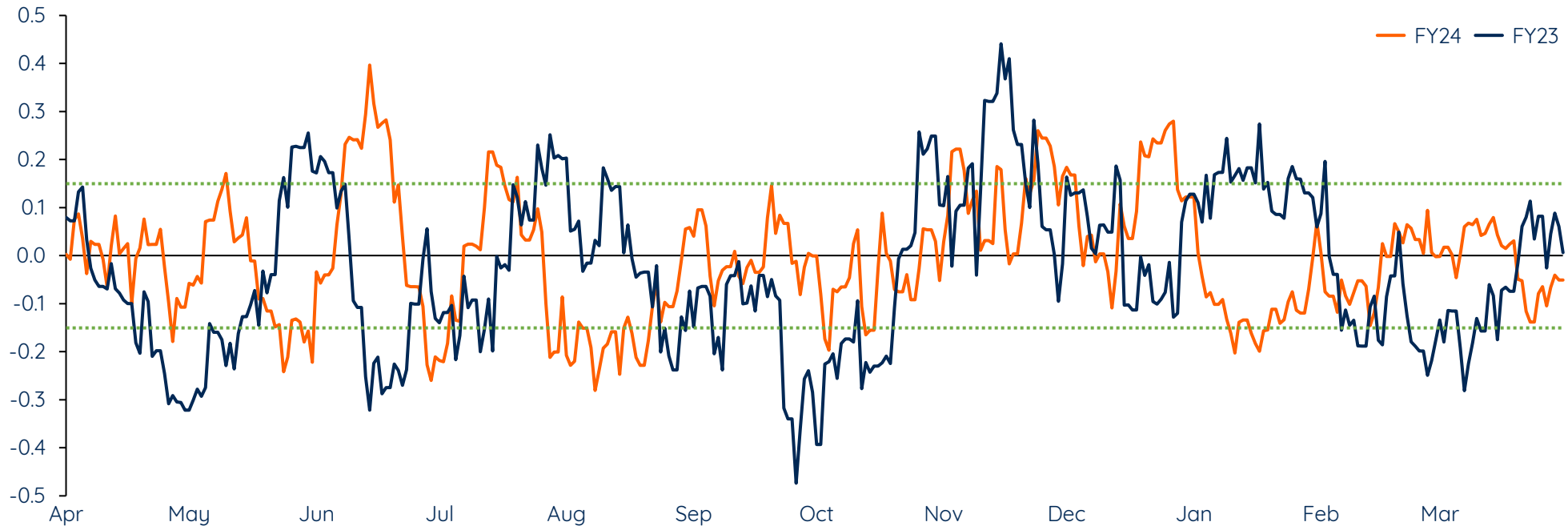
A stylized orange chevron icon pointing to the right.

Appendix

> FX Volatility



14 day moving average of daily % movement in spot price (AUD/USD) ¹



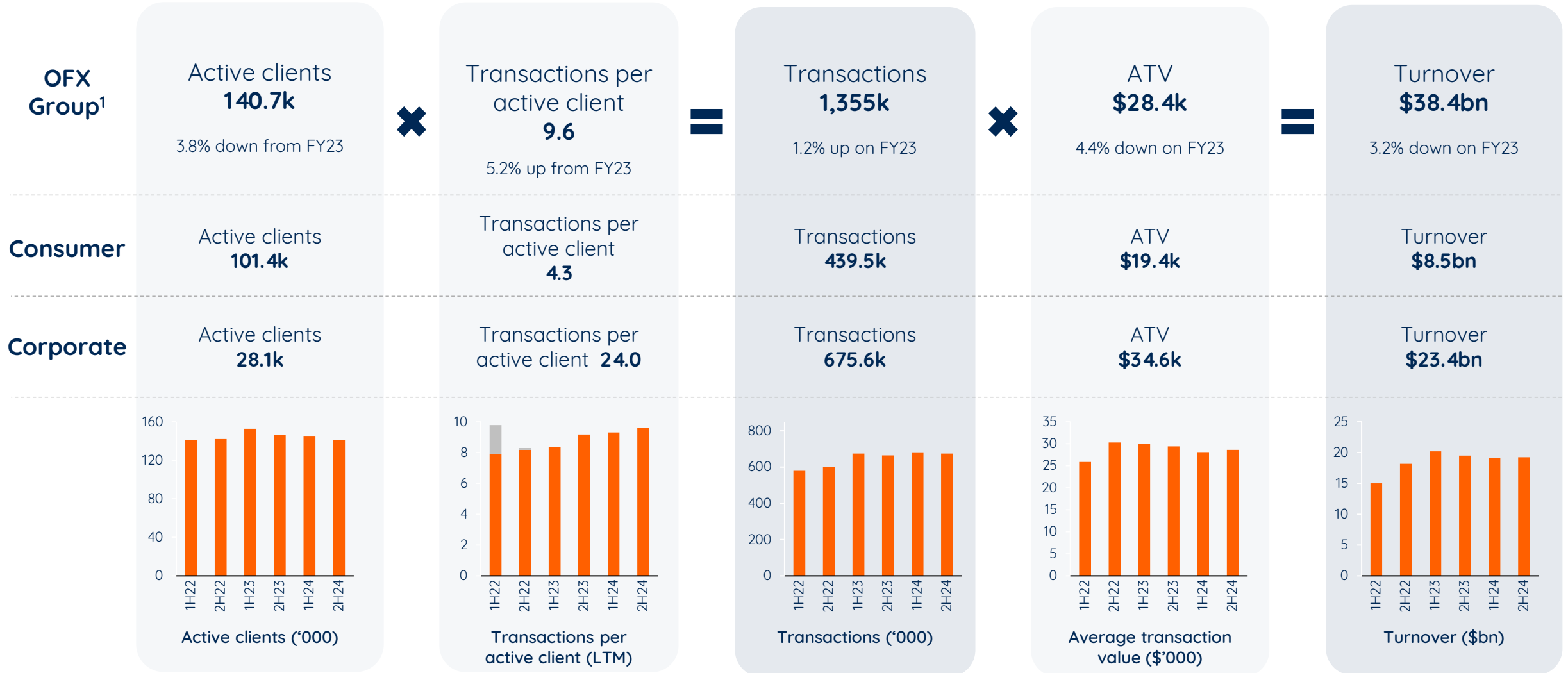
	FY20	FY21	FY22	FY23	FY24	1H21	2H21	1H22	2H22	1H23	2H23	1H24	2H24
Days of Volatility ²	56	113	76	158	90	69	44	25	51	77	81	52	38

Source: OFX analysis

¹ AUD/USD is a major trading corridor within the portfolio

² Volatility +/- 15 bps

Loyal clients increasing transaction activity



■ Significant volumes in offshore share purchases not repeated in FY23 & FY24

Note: above metrics are excluding Paytron

¹ OLS and Enterprise segments are included in the total OFX Group however the individual segments are not listed here

> Consistent Recurring Revenue despite growth in New Revenue

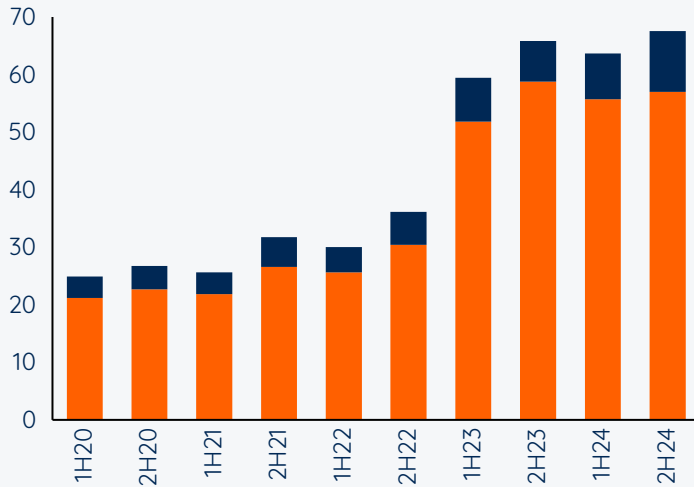
Revenue from Existing Clients

83%

decrease from 84% in FY23

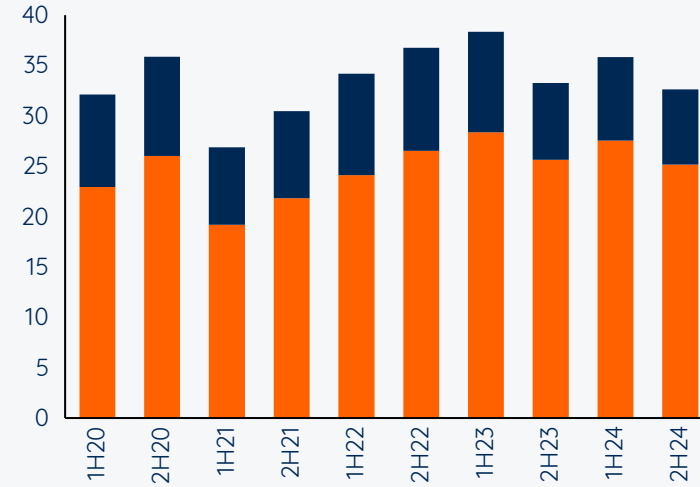


■ New clients within the last 12 months ■ Existing clients



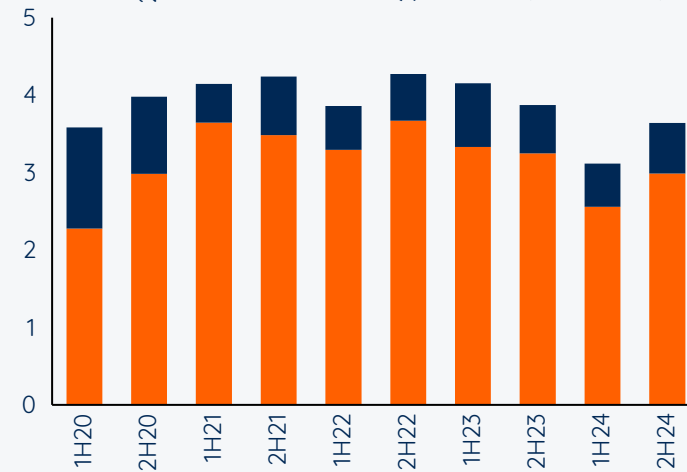
86%

Corporate Revenue \$m



77%

High Value Consumer Revenue \$m



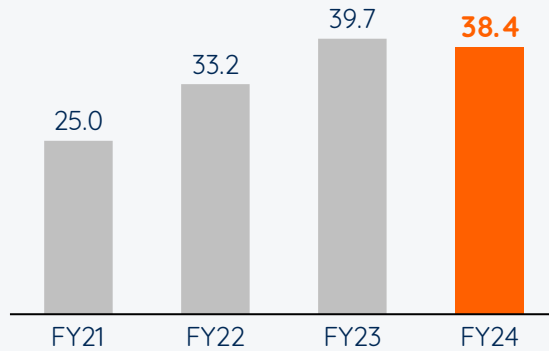
82%

Online Seller Revenue \$m

> Continued NOI and EBITDA growth



Turnover (\$bn)^{1,2}



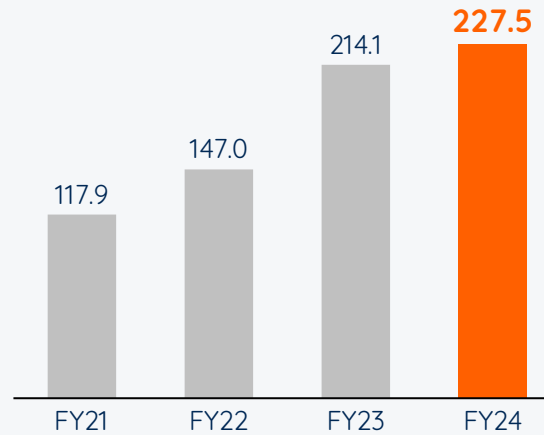
FY24 down (3.2)% v FY23

\$38.4bn

Ex Same currency (3.7)%

2H24 up 0.4% v 1H24

Net Operating Income (\$m)³

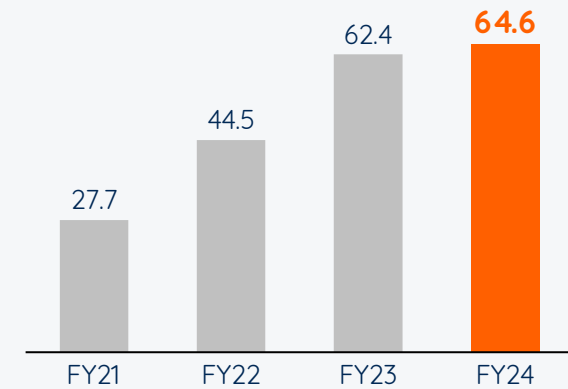


FY24 up 6.3% v FY23

\$227.5m

2H24 down (2.4)% v 1H24

Underlying EBITDA (\$m)³



FY24 up 3.4% v FY23

\$64.6m

2H24 up 3.0% v 1H24

¹ FY24 turnover is not including Paytron

² FY23 turnover restated from \$39.1m

³ FY24 NOI and EBITDA includes Paytron of \$0.6m and \$(3.0)m respectively

> Definitions



- **Active Client:** Number of clients that entered into a Transaction with OFX during the immediately preceding 12-month period
- **ATV:** Average transaction value
- **B2B:** Corporate, Online Sellers (OLS) and Enterprise segments
- **Corporate:** As of 1H21, Corporate excludes OLS; OLS is reported separately
- **Enterprise:** previously referred to as International Payment Solutions in the segment reporting
- **Existing Clients:** (previously defined as Returning clients) are active clients who first transacted > 12 months ago
- **ICP:** Ideal Client Profile
- **LTM:** Last twelve months
- **Net Available Cash:** Net cash held less Collateral and Bank Guarantees
- **Net Cash Held:** Cash held for own use + Deposits due from financial institutions
- **Net Debt:** The aggregate amount of financial debt outstanding of the Group (Loan and borrowing + Lease liabilities) less Net Available Cash
- **New Revenue:** Revenue from clients that complete their first deal within the previous 12-months
- **NOI:** Net Operating Income
- **NOI margin:** Net Operating Income / Turnover
- **OLS:** Online Sellers, Corporate clients who sell online via marketplaces or digital platforms
- **Recurring Revenue:** Revenue generated from Existing Clients
- **Revenue:** represents “Fee and trading income” in the statutory accounts excluding Treasury Revenue
- **Transactions:** Number of transfers or exchange of funds pursuant to instructions or in line with a request
- **Underlying EPS:** EPS for the ongoing business. For Firma and Paytron, this excludes transaction costs, integration costs, fair value revaluation of any contingent consideration and non-cash tax effected amortisation of acquisition of intangibles

> Restatements



FY23 and 1H24 restatements are a result of adjustments made to Firma data upon automation, migration and alignment to OFX systems

FY23 Restatements	Turnover (\$bn)			Transactions (#k)			ATV (\$k)		
	Original	Restated	V	Original	Restated	V	Original	Restated	V
Total	39.1	39.7	0.6	1,341.8	1,339.0	(2.8)	29.1	29.7	0.6
- Consumer	9.2	9.2	-	468.3	468.6	0.3	19.7	19.8	0.1
- Corporate	23.2	23.8	0.6	636.7	633.6	(3.1)	36.5	37.5	1.0
- APAC	19.4	19.4	-	631.6	630.4	(1.2)	30.7	30.8	0.1
- North America	13.6	14.1	0.5	441.8	441.3	(0.5)	30.7	31.9	1.2
- EMEA	6.1	6.2	0.1	268.4	267.2	(1.2)	22.9	23.2	0.3

1H24 Restatements	Turnover (\$bn)			Transactions (#k)			ATV (\$k)		
	Original	Restated	V	Original	Restated	V	Original	Restated	V
Total	19.2	19.2	-	703.3	681.0	(22.3)	27.3	28.1	0.8
- Consumer	4.5	4.5	-	225.4	224.6	(0.8)	20.0	20.1	0.1
- Corporate	11.5	11.5	-	354.7	333.2	(21.5)	32.4	34.5	2.1
- APAC	9.3	9.3	-	315.6	312.6	(3.0)	29.3	29.6	0.3
- North America	6.9	6.9	-	248.3	230.8	(17.5)	27.9	30.0	2.1
- EMEA	3.0	3.0	-	139.4	137.6	(1.8)	21.4	21.7	0.3



Thank you

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