



25 November 2024

ASX Market Announcements Office
Australian Securities Exchange

2024 Annual General Meeting

Integrated Research Limited (ASX: IRI) will address shareholders at its Annual General Meeting, to be held on 25 November 2024 at 10:00am at the Museum of Sydney and streamed live via webcast. The Chair's Address is included within this release, to be followed by the Annual General Meeting presentation.

By authority of the Board

Will Witherow
Company Secretary
Integrated Research Limited
ABN 76 003 588 449

Chairman's Address - 2024 Integrated Research Ltd

Annual General Meeting

Dear Shareholders,

On behalf of the Board, thank you for your steadfast support of Integrated Research Ltd (IR). This past year marked a pivotal period for our company, defined by a significant turnaround and the beginning of a fresh, promising phase. It is with great pride that we share the key highlights and our vision for the future.

Financial Performance Summary

Our financial performance in FY24 has been impressive, reflecting robust execution across our business. Total Contract Value (TCV) signed reached \$83.9 million, marking a 22% increase over the previous period. Group revenue rose by 19% to \$83.3 million, thanks to a strong renewals book, new business growth in the Americas, disciplined sales strategies, and solid demand for our Infrastructure and Transact solutions.

We successfully reduced total expenses by 44% to \$58.0 million, primarily due to the optimization of operations and the absence of the previous year's impairment charges. This prudent financial management led to a significant improvement in net profit after tax, which reached \$27.1 million from a prior-year loss. Our cash reserves have also strengthened, increasing by 72% to \$31.9 million as of June 30, 2024, reflecting our enhanced operational efficiency and disciplined cash collections.

Product and Regional Performance

Our Transact and Infrastructure products experienced growth, with Infrastructure revenue surging by 71% and Transact up by 52%, driven by strong renewals and multi-year license deals. Conversely, Collaborate revenue declined by 11% due to the ongoing shift towards cloud and hybrid solutions. However, Collaborate's net revenue retention improved to 86%, indicating our success in retaining and attracting larger customers.

Regionally, the Americas delivered an outstanding performance with revenue growing by 39% to US\$39.1 million, spurred by substantial contract renewals and new business. In contrast, Asia Pacific's revenue declined by 8%, and Europe saw a 28% drop, reflecting mixed results across product lines.

Growth Strategy

With our improved financial position, we are well-placed to capitalize on opportunities and address challenges. Our product-led growth strategy focuses on retaining and expanding our existing product lines while developing new products. We are investing in enhancements to our Infrastructure, Transact, and Collaborate solutions, and exploring new revenue streams through IR Labs and potential M&A activities.

Capital Management

Our strengthened financial position allows us flexibility in capital deployment. We have developed a comprehensive capital management framework to guide our investments in customer retention, product innovation, organic growth, targeted M&A opportunities, and sustainable shareholder returns.

The Board has declared a final dividend of \$0.02 per share, fully franked, demonstrating our commitment to rewarding shareholders, while maintaining a solid balance sheet to support future growth opportunities.

CEO Transition

The Board recently appointed Ian Lowe as our new CEO and Managing Director, effective from October 1, 2024. Ian's extensive experience in leading high-growth, product-led technology businesses will be invaluable as we develop new revenue streams. We are confident that his leadership will drive IR's next phase of growth.

We extend our deepest gratitude to John Ruthven for his significant contributions over the past five years, particularly in achieving the FY24 financial results and positioning the company for future success.

Board Changes

Organizational changes have been key to enabling our strategy. There have been significant changes to the Board over the past 12 months, aligning us better with the execution of our product-led strategic initiatives. My appreciation goes to James Scott and Cathy Aston, for your support and guidance during a difficult period for the company. In their place, the company has appointed Mark Brayan, Michael Hitz and more recently Kate Greenhill as non-executive directors. Kate has been acting as a casual director with her appointment to be ratified by shareholders at today's AGM. I have asked Kate to introduce herself to you later in the meeting.

The Board is now reduced from five to four non-executive directors, which, given our size and priorities for the coming year, is a more appropriate board composition.

Acknowledgments

On behalf of the Board, I would like to extend our sincere appreciation to all team members at IR who have worked diligently in challenging business conditions. I would also like to recognize the contribution of the Executive Leadership Team, who have successfully steered the business through a challenging year.

A special thanks to our customers for their continued support. We remain committed to providing you with the best customer experience by listening to and acting on your feedback, ensuring innovation remains a key focus area for us at IR, and helping you better navigate the complexity in your business-critical systems.

I would like to acknowledge the extensive support of my fellow directors, Mark Brayan, Michael Hitz & Kate Greenhill. Their commitment and dedication to IR is constant and inspiring.

Most importantly, to our shareholders, thank you for your unwavering support over the years. The business is now well positioned to execute on our strategy, and I believe we have the right talent, leadership, and capabilities to build on our FY24 successes well into the future.

Looking Ahead

While our new initiatives will take time to bear fruit, our solid, cash generating blue-chip customer base, strong financial position and strategic focus give us confidence in the company's future. While we do not provide guidance so early in the new year, we do anticipate a shift in revenue composition compared to the prior year, with less TCV due for renewal in FY25 versus FY24, but targeting both a stronger new business and upsell contribution from larger enterprises.

We are committed to delivering positive outcomes for our shareholders, customers, and employees. Thank you for your ongoing support.

Regards,

Peter Lloyd, Chairman, Integrated Research Ltd