

IVE Group Limited

FY20 Results Presentation

ASX : IGL
25 August 2020

ive

i

Founded in 1921, IVE is Australia's leading holistic marketing company. With an unmatched breadth and depth of offering, we guide our clients from idea to execution.

Our landscape is constantly shifting and evolving, and as marketing natives so are we. We are forever seeking new ways to navigate the marketing maze to connect our clients with customers, wherever and whenever.

Specialising in creative, data driven communications (DDC), integrated marketing, production and distribution, we bring together the capabilities, specialists and technology needed to make customer connection seamless.

By forever seeking new ways to simplify, integrate, and amplify their marketing activity, we take our clients, their businesses and their customers, further.

e



Business overview



Year in review

6

- > Financial performance dashboard
- > Sector and client spread
- > Our clients
- > Acquisition of Salmat Marketing Solutions and Reach Media NZ
- > Business and brand simplification
- > COVID-19 response and impacts

Financial results

17

- > Profit and loss
- > Capital expenditure
- > Net debt
- > Cash flow and dividend

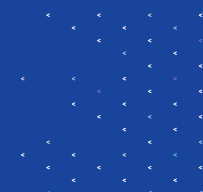
Outlook statement

23



Appendices

25



From idea to execution



We are forever seeking

i

new ways to navigate

>

e

the marketing maze

Our Integrated Service Offering

Creative Services

- > Visual
- > Motion
- > Digital
- > Personalised
- > Structural (3D)

Data-Driven Communications

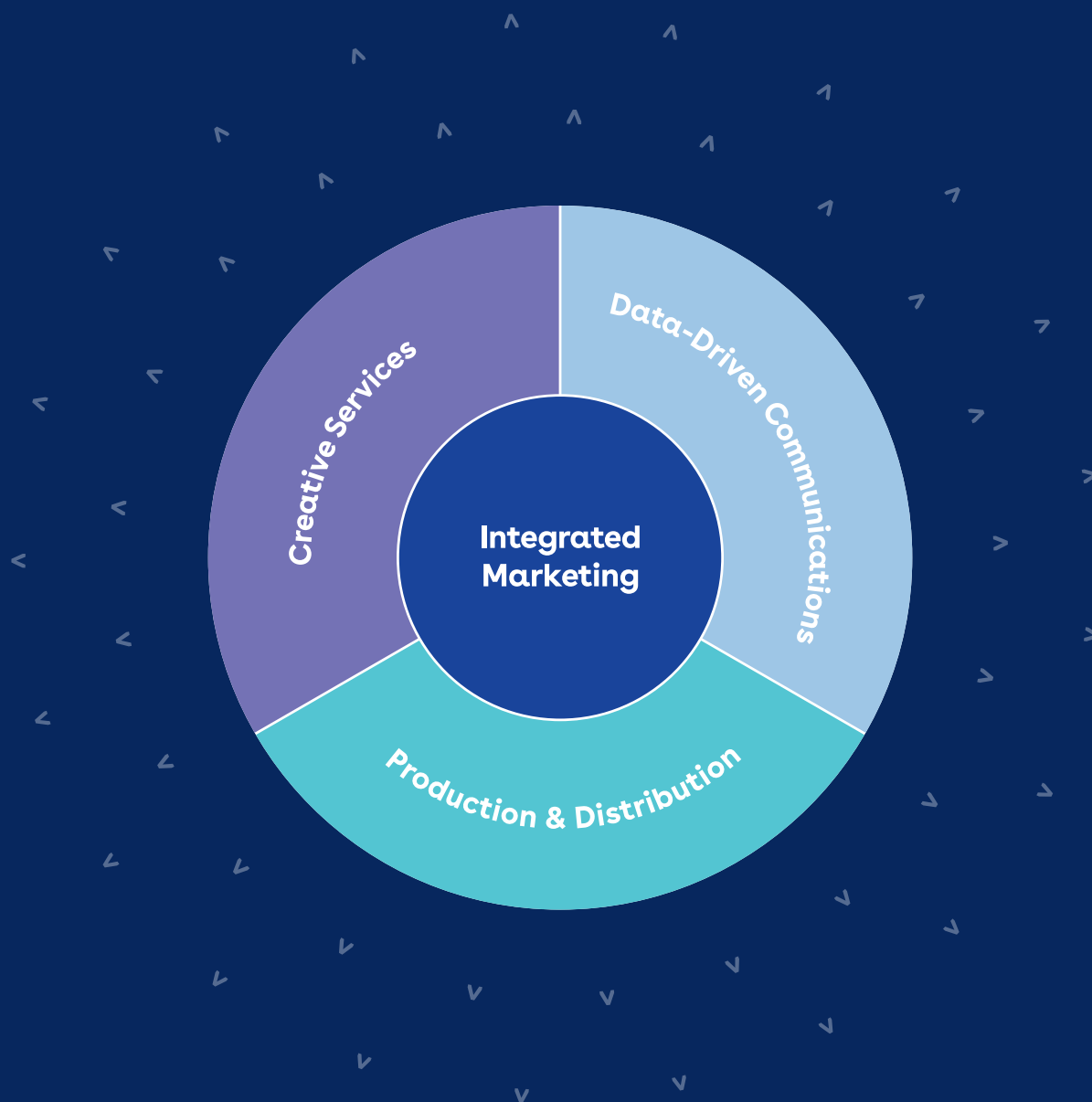
- > CX data & insights
- > Marketing technology
- > Omni-channel deployment
- > Retrieval & enrichment
- > Tele-fundraising

Production & Distribution

- > Print
- > Retail display
- > Premiums & merchandising
- > Integrated logistics

Integrated Marketing

- > Collateral optimisation
- > Resource management
- > Supply chain
- > Business intelligence





Year in review

Financial performance dashboard

(underlying continuing and pre AASB16)



- NPAT excluding amortisation of customer contracts
- The underlying financial results are on a non IFRS basis and are not audited or reviewed
- The underlying results are on a continuing operations basis and exclude non-operating items (refer Appendix C)
- The underlying results include net JobKeeper receipts (\$15.1M)

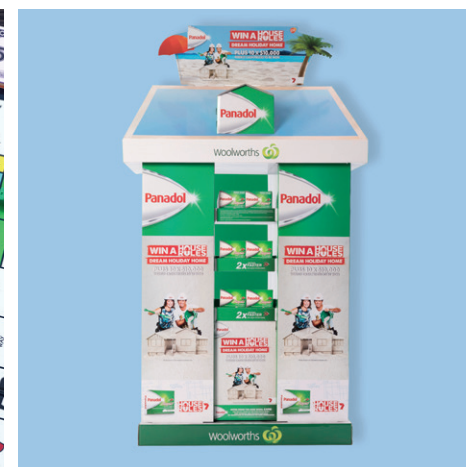
Sector and client spread

V

IVE enjoys long standing relationships with a tier 1 client base. The table below provides a snapshot of our revenue by sector for the year ended June 2020.

Revenue Sector Analysis	\$M	%
Retail: White goods, electronics, furniture, clothing	142.3	20.6
Supermarkets	86.6	12.5
Health / personal products	62.9	9.1
Food / beverage	12.0	1.7
Financial / Corporate Services	101.8	14.7
Publishing	55.1	8.0
Charity / Not for Profit	32.9	4.8
Government	30.5	4.4
Tourism / Entertainment	23.7	3.4
Health	15.8	2.3
Telecommunications	15.5	2.2
Manufacturing	10.8	1.6
Other*	102.1	14.7
Grand Total	692.0	100.0

*Other includes: Media, Associations, Education, Service, Automotive, Food, Transport, Agency, Utilities, Broker, Advertising Agency, IT, Building / Construction, Property, Legal Sectors.



Our Clients



Acquisition of Salmat Marketing Solutions, Reach Media and Lasoo

The acquisition of Salmat Marketing Solutions (now IVE Distribution), Lasoo and Reach Media New Zealand was completed on 1 January, 2020 for a purchase consideration of \$25.4 million. The acquisitions were fully debt funded and at the time of the completion we expected the acquisitions to be accretive to earnings in H2FY20.

These acquisitions completed the final phase of our strategic roadmap over recent years to further expand and strengthen our offer to retail clients. The combination of Australia's largest letterbox distribution business with IVE's broader print, data analytics and marketing services offer provides an opportunity for clients to enhance returns on their marketing spend through our highly integrated offer.

The integration and restructure plans for the business that were developed through the due diligence program were further refined and expedited as a result of the material negative impact of COVID-19 on the business.

The enhanced structure has resulted in a more streamlined, nimble and lower cost base business.



Lasoo is Australia's largest aggregated digital catalogue site. Lasoo transforms printed materials such as catalogues and brochures into an interactive shoppable experience where products can be purchased through the Lasoo site with a simple click to cart.

With all the latest offers, Lasoo provides Australian shoppers with a single platform to search for specials across a range of retailers, the detailed analytics that flow are valuable in measuring activity and further informing our clients of their customer activity.

Lasoo is the market leader in online digital catalogue aggregation attracting over 800,000 shoppers per month. More than 2 million digital catalogues are opened each month on Lasoo generating 21 million interactions. On average more than 70,000 buy now clicks are recorded through the site per month.

LASOO

Business and brand simplification

In November 2019 the Group ceased going to market under 4 divisional brands (Kalido, Blue Star, Pareto, IVEO). The evolution to one IVE brand with 4 core offerings (Creative, Data-Driven Communications, Integrated Marketing, Production & Distribution) is in recognition of our increasingly integrated offering, and will ensure we build further on the IVE brand to create a highly impactful, strong and simplified offer to the market. The brand simplification incorporated a complete refresh of all Group marketing material.

The brand simplification coincided with a number of initiatives to further streamline and strengthen the operational structure of the business:

- > Refined and enhanced organisational structure
- > The closure of our CX (Customer Experience) operations (formerly Kalido) in Asia from May 2020
- > The closure of our Queensland DDC operations, with revenue transferred into our existing NSW and Victorian operations
- > The integration of our Pareto Fundraising and Pareto Phone businesses into our DDC division



COVID-19 response and impacts

V

IVE entered this crisis in a position of strength, with the Company responding very well to the unprecedented and volatile operating environment. IVE remains well capitalised, highly liquid, and confident that we are well placed to maintain our strong market position as we emerge from this period of uncertainty and disruption.

IVE moved quickly at the outset of the pandemic to implement appropriate measures to ensure the safety and wellbeing of our valued staff.

Notwithstanding the extent and speed with which the COVID-19 crisis impacted their personal and professional lives, our entire workforce of circa 1700 staff responded amazingly by coming together and committing to do whatever was required to maintain a safe workplace and ensure we continued delivering high levels of service to our clients.

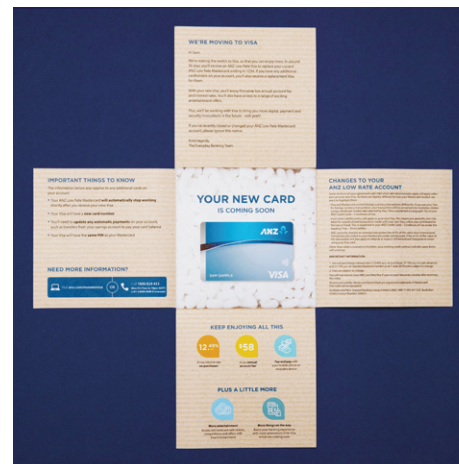
Through the period, the Company continued to maintain high levels of customer service through a hybrid of continuing operations across multiple production/ service facilities and staff working remotely.

The Company qualified for the Federal Government's JobKeeper Program based on the year on year revenue reduction measured at 30 April 2020. The 'JobKeeper Program' has fortunately enabled us to retain staff through this period of revenue volatility.

For the period April-June 2020 (Q4) inclusive, the Group received a gross amount from JobKeeper of \$16.8M, \$15.1M net of payments to employees on stand down. The JobKeeper subsidy will be received up until the end of September 2020 (Q1 FY21).

Initiatives and focus areas in response to the crisis:

- > **Health and safety of our staff**
- > **Customers and revenue**
- > **Operational**
- > **Banking and liquidity**





Health and safety of our staff

- driven by the Business Leadership Team, regular meetings were held to ensure a Pandemic Plan was established and enacted for each site, in conjunction with a review of site failover and recovery plans in the event a site needed to be shut down for cleaning. This identified key suppliers, key customers and key personnel. Risks were tracked, mitigated and managed across the entire group.
- Updates to policies such as Working from Home and the development of a COVID-19 Site Safety Procedures and Action Plan have enabled the business to continue to operate with minimum impact on our clients, whilst maintaining the health and safety of all our people.
- Additional actions taken included enabling all office staff to work remotely where possible and establishing 'tribes' within production areas with staggered shifts to minimise the number of staff onsite and reduce the impact of any possible infection within a shift. Additional cleansing of amenities, temperature checks at entry and providing staff with hand sanitiser and PPE Masks has also allowed staff to protect themselves and their families.
- IVE issued numerous client, staff and supplier communications to provide assurance that we were well prepared. IVE is an essential supplier to many of our clients whose businesses must continue to operate throughout these times.

Customers and revenue

IVE continues to benefit from its diversified value proposition and a loyal, strong and diversified customer base.

Across the 4 key retail sectors (retailing, supermarkets, health & personal products, food & beverage), IVE delivers a broad range of products and services - these include creative, catalogue production/letterbox distribution, publications, in store retail display/point of sale, data driven personalised communications and packaging.

To the extent we are able to fully measure, the direct revenue impacts of the COVID-19 crisis in FY20 have been:

- A meaningful reduction in catalogue production and letterbox distribution for a number of our retail customers
- A meaningful reduction in activity across the tourism/entertainment & publishing sectors
- Data-driven communications (DDC) has remained strong on the back of an increased desire from our clients to communicate 1 to 1 with their customers
- Solid revenues across the not for profit and health sectors
- We have experienced strong growth in sales of our personal protective equipment (PPE) range since April as we continue to meet the needs of our existing and new customers. The growth of this new revenue stream is an excellent example of management's ability to leverage existing competencies (sourcing / logistics) and client relationships to drive organic revenue growth
- A general softening of activity levels across our broader customer base

Given the residual effects of the crisis, the resurgence of the virus in late July 2020, particularly in Victoria, we would expect, given the prevailing uncertainty, that this revenue volatility will be ongoing throughout H1 FY21.



Operational

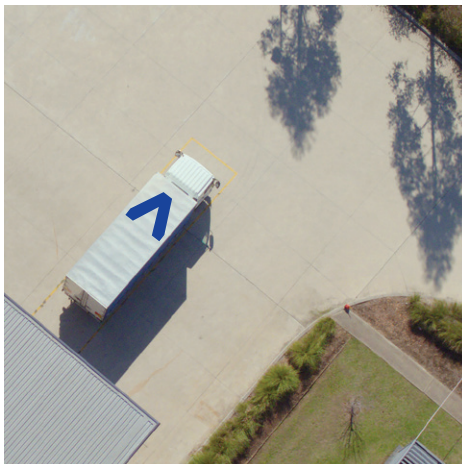
As communicated in our market update on 23 March, 2020, the Company executed a range of initiatives to mitigate the financial impacts of COVID whilst still ensuring high levels of customer service.

Flexibility across the cost base

The flexibility of the Company's cost base has been core to mitigation.

- The Company has executed a range of actions to reduce both short term and permanent labour cost:
 - Staff stand downs as a component of the 'JobKeeper Program'
 - Significant reduction of casual and temporary labour with enhanced resource sharing across the Group
 - Reduced hours, including overtime, for a proportion of temporary and permanent staff
 - A voluntary temporary reduction in fixed remuneration in Q4 FY20:
 - 50% reduction for all board members including the Executive Chairman
 - 25% reduction for the leadership team including Chief Executive Officer and Chief Financial Officer
 - A range of fixed remuneration reductions for a meaningful number of staff across the Company
 - Permanent labour cost reductions:
 - In late 2019 the Company moved from multiple brands to one simplified IVE brand and go to market. This resulted in the bringing together of 3 existing businesses (Blue Star DIRECT, Kalido and Pareto) to form our DDC (Data Driven Communications) offering. The integration of these 3 businesses resulted in a refined and enhanced national structure with a number of permanent positions removed from the business. A number of these redundancies followed a decision to discontinue our CX (Kalido) Asia operations and close our Queensland production operations.





- The Group completed the acquisition of Salmat Marketing Solutions (now IVE Distribution) and Reach Media NZ in early January 2020. In response to the revenue impacts as a result of the COVID-19 crisis, we moved quickly to accelerate a comprehensive integration and business simplification plan that resulted in significant redundancies across the business.
- Further redundancies took place across the broader business
- We have continued to reduce permanent positions across the broader business as we progressively implement our previously communicated Group wide MIS/ERP upgrade(s).
- Utilisation of accrued annual leave and long service leave
- Reducing costs and discretionary expenditure across the Group

Supply Chain

IVE's extensive supply chain consists of:

- Both domestic and global suppliers for our raw materials (primarily paper)
- Both domestic and Asian supply chain for finished goods (primarily premiums and merchandise, personal protective equipment (PPE) and permanent retail display)

From the outset of the pandemic, our entire supply chain has remained stable and reliable and we have not experience any material negative impact through the period.

Our sourcing team based in Guangdong Province in China remained highly engaged with our accredited suppliers on the ground to ensure timelines and quality standards were maintained. We have continued to expand our global supply chain to incorporate South East Asia and the Sub Continent.

The response from our supply partners through the crisis reaffirms the strength of the relationships we have developed over many years. Some suppliers requested early payment to assist through the crisis which we agreed to.



Financial results

Profit and loss

	IFRS and Underlying				
	Pre AASB16				Post AASB16
	Actual FY2020 \$M	Actual FY2019 \$M	Variance \$M	Variance %	Actual FY2020 \$M
Revenue	691.5	723.6	-32.1	-4.4%	691.5
Gross Profit	329.6	346.6	-17.0	-4.9%	326.8
% of Revenue	47.7%	47.9%		-0.5%	47.3%
Underlying EBITDA continuing operations	76.6	82.0	-5.4	-6.6%	102.0
Underlying EBITDA continuing operations (ex JobKeeper)	61.5	82.0	-20.5	-25.0%	86.9
Underlying EBITDA margin %	11.1%	11.3%		-2.2%	14.7%
Underlying EBITDA margin % (ex JobKeeper)	8.9%	11.3%		-21.6%	12.6%
Non- Operating items	-12.7	-3.0	-9.7	326.1%	-12.7
Non- Operating item (ex JobKeeper)	2.4	-3.0	5.4	-180.3%	2.4
EBITDA	63.9	79.0	-15.1	-19.1%	89.4
Depreciation, amortisation and impairment	63.7	22.7	41.0	180.4%	85.6
EBIT	0.2	56.3	-56.1	-99.6%	3.7
Net finance costs	7.3	9.7	-2.5	-25.3%	10.7
NPBT	-7.0	46.5	-53.6	-115.1%	-7.0
Income tax expense	11.4	13.5	-2.1	-15.9%	11.4
NPAT from continuing operations	-18.4	33.0	-51.4	-155.8%	-18.4
Discontinued Operations (NPAT)	-1.8	-1.7	-0.1	3.9%	-1.8
NPAT	-20.2	31.3	-51.5	-164.6%	-20.2
NPATA continuing operations	-14.3	36.7	-51.1	-139.0%	-14.3
Underlying NPAT continuing operations	32.6	35.4	-2.8	-8.0%	32.6
Underlying NPAT continuing operations (ex JobKeeper)	22.1	35.4	-13.4	-37.7%	22.1
Underlying NPATA continuing operations	36.7	39.1	-2.5	-6.3%	36.7
Underlying NPATA continuing operations (ex JobKeeper)	26.2	39.1	-13.0	-33.2%	26.2

The underlying financial results are on a non-IFRS basis and are not audited or reviewed

The underlying results are on a continuing operations basis and exclude non-operating items (refer Appendix C)

Profit and loss (continued)

Revenue decrease of (\$32.1M) (4.4% decrease on PCP)

- > FY20 H2 revenue includes \$50.0M revenue from Salmat/Reach acquisitions
- > Softer revenue for retail clients in Q1-Q3 with Q4 heavily impacted by COVID-19 reduction
- > No material client losses throughout the year
- > Contract extensions for a large number of existing clients
- > Continued new business wins

Gross profit margin of 47.7% (47.9% in PCP) remains stable

- > Normalising for Salmat/Reach acquisitions, gross profit margin is 48.6%, an increase on pcg reflecting:
 - benefits of a reduction in paper pricing over last year
 - continued leverage of our supply chain

Production and administration expenses

- > Production and administration labour decrease of \$24.8M to PCP (\$171.5M to PCP \$196.3M)
 - Reduced labour cost base in response to business simplification and revenue reduction as a result of COVID-19
 - Reflects \$15.1M benefit of JobKeeper (net of amounts paid to staff on stand down)
 - Partly offset by increase in H2 of \$10.1M due to Salmat/Reach labour. This is net of permanent headcount reduction due to execution of integration/restructure plans post acquisition in January 2020.
- > Production and administration expense increase of \$7.3M to PCP (\$76.7M to PCP \$69.4M) driven by
 - Increase due to Salmat/Reach acquisition \$6.4M
 - Bad and doubtful debts
 - There have been no bad debts to date as a direct result of COVID-19
 - As a result of COVID-19, we considered it prudent to increase the provision at year end for doubtful debts
 - \$0.7M bad debt for Harris Scarfe has been fully provided for

EBITDA

- > \$76.6M EBITDA
- > EBITDA margin 11.1%
- > EBITDA margin impact partly due to increased cost base for Salmat/Reach acquisitions impacting H2, and reduced revenue in Q4 as a direct result of COVID-19. This was partly offset by net JobKeeper receipts.
- > The Group excluding JobKeeper was EBITDA positive throughout Q4

NPAT

- > \$32.6M
- > Depreciation ex Salmat/Reach \$17.2M consistent with FY19
- > Amortisation increase of \$0.4M due to Salmat/Reach customer contracts in H2
- > Benefited from reduced finance costs of \$1.7M to pcg as a result of
 - increased liquidity
 - a full year of new finance facility with improved pricing
- > Non-operating items excluded from underlying earnings
 - \$8.7M restructure costs (predominantly redundancies and business relocations)
 - \$3.6M acquisition costs (predominantly Salmat and Reach Media acquisitions)
 - Following annual impairment testing of the Group's CGUs, a Goodwill impairment of \$40m has been recognised in relation to the Production & Distribution CGU. More specifically, the impairment relates to Large Format Web Offset (formally Franklin Web) and Distribution (formally Salmat Marketing Solutions/Reach Media NZ). A full explanation is contained in Note 15 of the financial statements.

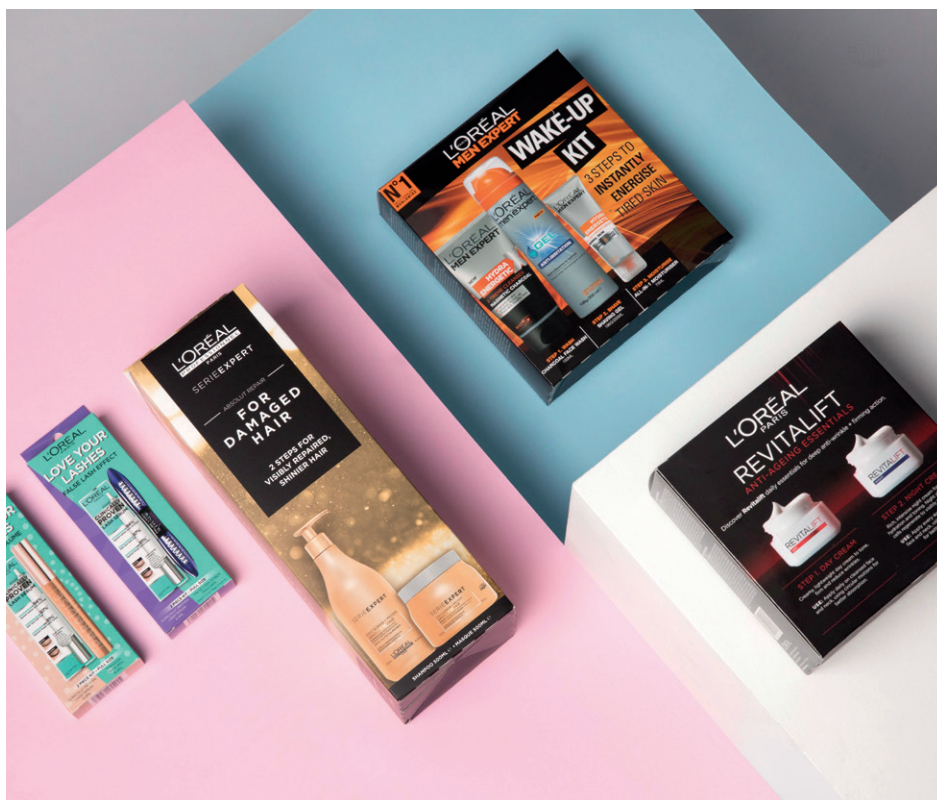
Capital expenditure

	\$M
Group wide targeted investment and maintenance	8.7
Group wide MIS upgrades	3.6
	12.3

The Company's operational footprint is in excellent shape as a result of its substantial investment program over the last 5 years.

- > H1 FY20 capital expenditure was \$6.3M excluding MIS/ERP upgrade(s)
- > In line with previous communication, FY20 full year capital expenditure was \$8.7M excluding MIS/ERP upgrade(s) of \$3.6M
- > FY21 capital expenditure expected to be \$10M including MIS/ERP upgrade(s)
- > As communicated in March 2020, the previously foreshadowed capital expenditure of \$25-30M on catalogue collation automation is currently on hold





Net debt

	FY2020 Actual \$M	FY2019 Actual \$M
Loans & borrowings – short term	6.9	6.3
Loans & borrowings – long term	181.8	168.9
Loans & borrowings* – Sub Total	188.7	175.2
Cash	-51.6	-31.5
Net Debt	137.1	143.7

* Loans & borrowings are gross of facility establishment costs

* Excludes right of use liabilities impacts from adopting AASB16

- > Net debt to underlying EBITDA of \$76.6M and leverage of 1.79x
- > Net debt reduced from 23 March 2020 market update by \$36.9M to \$137.1M at 30 June 2020
- > As at 30 June 2020 working capital facility of \$30.0M is fully undrawn
- > As at 31 July 2020 cash at bank \$56.7M (with working capital facility remaining fully undrawn)
- > To be prudent, the Company moved quickly at the outset of the pandemic to obtain leverage covenant waivers for 30 June, 2020 and 31 December, 2020. Based on positive trading and the close management of working capital the Company was covenant compliant at 30 June, 2020.
- > IVE's senior debt facility matures in April 2023

Cash flow and dividend

	Underlying FY2020 \$M	IFRS FY2020 \$M
EBITDA	76.6	63.9
Movement in NWC/non cash items in EBITDA	7.3	7.9
Free Cash Flow	83.9	71.8
Capital expenditure (net)	-9.5	-9.5
Payments for acquisitions & deferred consideration	-25.5	-25.5
Net cash flow before financing and taxation	48.9	36.7
Tax paid	-12.5	-8.9
Proceeds from bank loans (net)	14.9	14.9
Payment of finance lease liabilities	-3.9	-3.9
New bank facility transaction costs	-0.2	-0.2
Dividends paid	-11.4	-11.4
Interest paid	-5.9	-5.9
Discontinued operations	0.0	-1.2
Net cash flow	29.8	20.1
Free cash conversion to EBITDA	110%	112%

Underlying cash flow is presented on a continuing operations basis pre AASB16 including JobKeeper

During the period the Group managed its working capital closely resulting in free cash flow conversion of 110% to EBITDA on an underlying basis.

On 3 March, 2020 IVE announced the cancelation of the H1 FY20 interim dividend (8.6 cents per share – \$12.7m in total). The Board has decided that it is appropriate to suspend the final dividend for FY20 given the continuing uncertainty around the economic impact of COVID-19, and to continue strengthening our balance sheet.

The Board intends to resume dividend payments consistent with the existing dividend policy commencing with the H1 FY21 interim dividend.

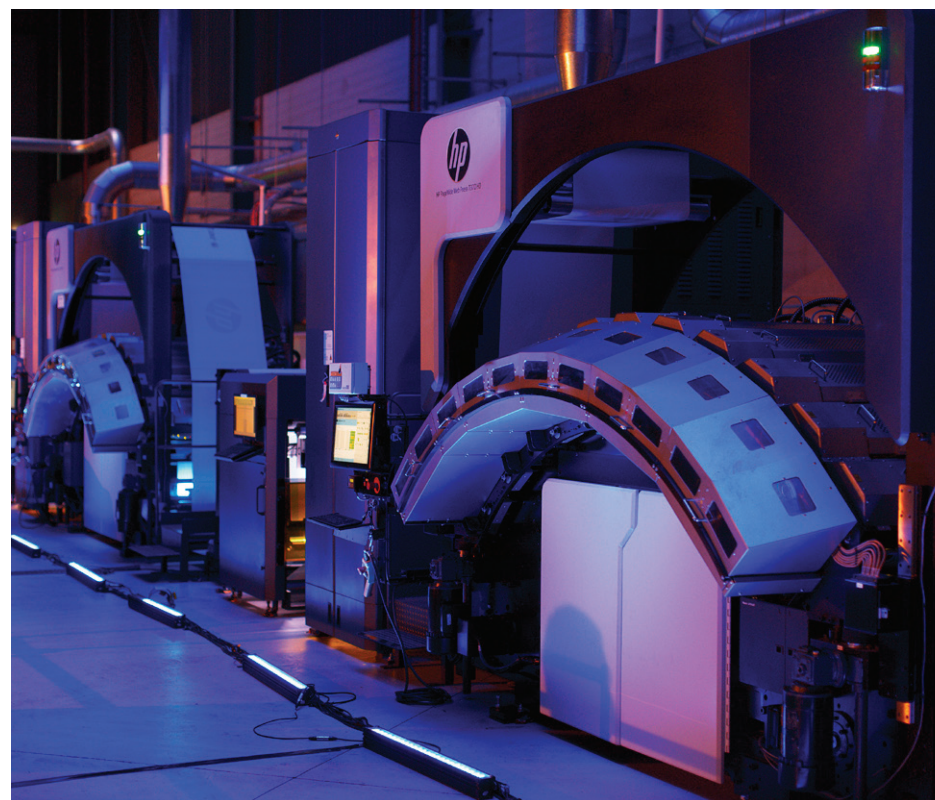


Outlook

FY21 Guidance

- > Full year FY21 underlying EBITDA expected to be consistent with FY20*.
- > Margins expected to remain stable over FY21.
- > Forecast net debt at 30 June 2021 of approximately \$110M.
- > Capital expenditure for FY21 of \$10M, including MIS/ERP upgrades.
- > The Company does not expect to qualify for JobKeeper after 30 September 2020.
- > The Board intends to resume dividend payments consistent with the existing dividend policy commencing with the H1 FY21 interim dividend.

*The Company's guidance assumes economic conditions over the period are consistent with the RBA's latest Baseline Economic Scenario as published in its August 2020 Statement of Monetary Policy.





Appendices

Appendix A

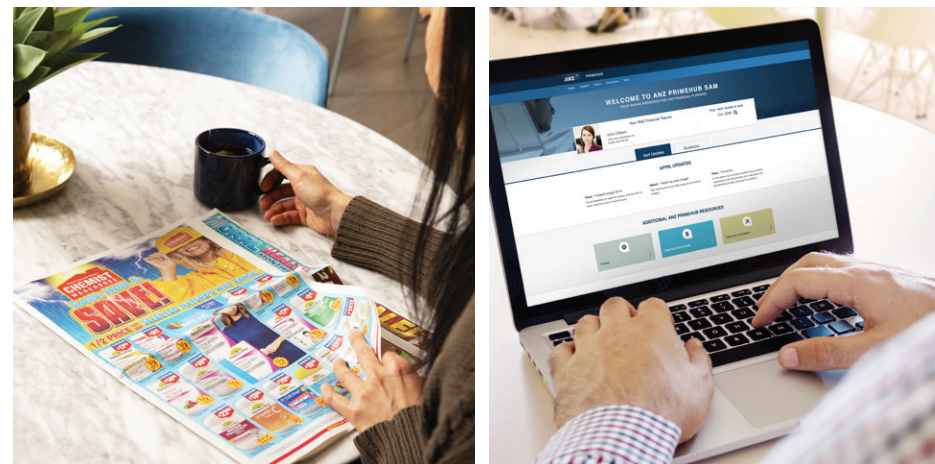
> Non-IFRS financial information

In this Results Presentation, certain non-IFRS financial information has also been included to allow investors to understand the underlying performance of IVE.

The Directors believe that the results before adoption of AASB16, restructuring and acquisitions costs, and Pro Forma comparisons, better reflect the underlying operating performance and is consistent with full year guidance, which differs from the Statutory presentation.

The non-IFRS Pro Forma financial information for the half year ended 31 December 2019 and the pre AASB16 information have not been audited or reviewed.

Financial information in this results presentation is expressed in millions and has been rounded to one decimal place. This differs from the interim financial report where numbers are expressed in thousands. As a result, some minor rounding discrepancies occur.



Appendix B

> IVE Group Limited Balance Sheet

	Post AASB16 Actual Jun-20 \$M	AASB16 Impact Actual Jun-20 \$M	Pre AASB16 Actual Jun-20 \$M	Pre AASB16 Actual Jun-19 \$M
Current Assets				
Cash and cash equivalents	51.6		51.6	31.5
Trade receivables, prepayments and others	110.3	0.3	110.0	120.6
Inventories	56.3		56.3	66.0
Total Current Assets	218.2	0.3	217.9	218.1
Non Current Assets				
Deferred tax assets	15.3	4.8	10.5	13.5
Property, plant and equipment	109.8	-18.4	128.2	135.3
Property, plant and equipment (ROUA)	115.5	115.5	0.0	
Intangible assets and goodwill	142.4		142.4	163.6
Other (lease receivable)	0.0		0.0	
Total Non Current Assets	383.0	101.9	281.1	312.4
Total Assets	601.2	102.2	499.0	530.5
Current Liabilities				
Trade payables and provisions	107.8	-7.0	114.8	128.5
Loans and borrowings	3.1	-3.7	6.8	6.2
Lease liability (ROUA)	34.3	34.3	0.0	0.0
Current tax payable	3.3	0.1	3.2	2.9
Total Current Liabilities	148.5	23.7	124.8	137.6
Non Current Liabilities				
Trade payables and provisions	10.2	-9.4	19.6	19.8
Loans and borrowings	169.9	-10.6	180.5	167.3
Lease liability (ROUA)	108.1	108.1	0.0	
Total Non Current Liabilities	288.2	88.1	200.1	187.1
Total Liabilities	436.7	111.8	324.9	324.7
Net Assets	164.5	-9.6	174.1	205.8
Equity				
Share Capital	156.5		156.5	156.5
Other reserves	-0.6		-0.6	-0.5
Retained Earnings	8.6	-9.6	18.2	49.8
Total Equity	164.5	-9.6	174.1	205.8

> IFRS to underlying NPAT reconciliation

	Pre AASB16 FY2020 \$M	Post AASB16 FY2020 \$M
IFRS NPAT (loss) continuing operations	-18.4	-18.4
Restructure costs	8.7	8.7
Acquisition costs	3.6	3.6
Prior period other	0.4	0.4
Sub Total Non Operating items	12.7	12.7
Tax effect of adjustments	-1.7	-1.7
Goodwill impairment	40.0	40.0
Underlying NPAT continuing operations	32.6	32.6

> Reconciliation Production and Admin costs

	FY2020 \$M	FY2019 \$M
Production expense (IFRS)	156.4	176.6
Administrative expense (IFRS)	114.8	111.8
Less depreciation and amortisation (IFRS)	-45.6	-22.7
Add back lease cost (AASB16 EBITDA)	22.5	-
Total (pre AASB 16, depreciation and amortisation)	248.1	265.7
Total Personnel expense	171.5	196.3
Admin and Selling Expense (ex Labour & depreciation)	76.6	69.4

Appendix C

> Disclaimer

No recommendation, offer, invitation or advice

This presentation contains general information about the activities of IVE Group Limited (IVE) which is current as at 30 June 2020. It is in summary form and does not purport to be complete. It presents financial information on both a statutory basis (prepared in accordance with Australian accounting standards which comply with International Financial Reporting Standards (IFRS) as well as information provided on a non-IFRS basis. This presentation is not a recommendation or advice in relation to IVE or any product or service offered by IVE's subsidiaries.

This presentation is not intended to be relied upon as advice to investors or potential investors, and does not contain all information relevant or necessary for an investment decision. It should be read in conjunction with IVE's other periodic and continuous disclosure announcements filed with the Australian Securities Exchange, and in particular the year to 30 June 2020. These are also available at www.ivegroup.com.au. Investors and potential investors should make their own independent assessment of the information in this presentation and obtain their own independent advice from a qualified adviser having regard to their objectives, financial situation and needs before taking any action.

Disclaimer

No representation or warranty, express or implied, is made as to the accuracy, adequacy or reliability of any statements, estimates or opinions or other information contained in this presentation. To the maximum extent permitted by law, IVE, its subsidiaries and their respective directors, officers, employees and agents disclaim all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through use of or reliance on anything contained in or omitted from this presentation. No recommendation is made as to how investors should make an investment decision. Investors must rely on their own examination of IVE, including the merits and risks involved.

Investors and potential investors should consult with their own professional advisors in connection with any investment decision in relation to IVE securities.

Forward looking statements

The information in this presentation is for general information only. To the extent that certain statements contained in this presentation may constitute "forward-looking statements" or statements about "future matters", the information reflects IVE's intent, belief or expectations at the date of this presentation. Subject to any continuing obligations under applicable law or any relevant listing rules of the Australian Securities Exchange, IVE disclaims any obligation or undertaking to

disseminate any updates or revisions to this information over time. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause IVE's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements.

Investment risk

Any investment in IVE securities is subject to investment and other known and unknown risks, some of which are beyond the control of IVE. Any forward-looking statements, opinions and estimates in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. For example, the factors that are likely to affect the results of IVE include, but are not limited to, general economic conditions in Australia, exchange rates, competition in the markets in which IVE operates or may operate and the inherent regulatory risks in the businesses of IVE. Neither IVE, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-

looking statements in this presentation will actually occur. In addition, please note that past performance is no guarantee or indication of future performance.

Jurisdiction

This presentation does not constitute an offer to issue or sell, or solicitation of an offer to buy, any securities or other financial products in any jurisdiction. The distribution of this presentation outside Australia may be restricted by law. Any recipient of this presentation outside Australia must seek advice on and observe any such restrictions. This presentation may not be reproduced or published, in whole or in part, for any purpose without the prior written permission of IVE.

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Any such securities have not been, and will not be, registered under the U.S. Securities Act of 1933 (Securities Act), or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, persons in the United States, except in a transaction exempt from, or not subject to, registration under the Securities Act and applicable US state securities laws.

IVE Group Limited

ABN 62 606 252 644

Level 3, 35 Clarence Street
Sydney NSW 2000

Geoff Selig

Executive Chairman

Matt Aitken

Chief Executive Officer

Darren Dunkley

Chief Financial Officer

ivegroup.com.au

Authorised by the IVE Board

Contact:

Richard Nelson
Investor Relations
richard.nelson@ivegroup.com.au
+61 2 8064 5425

ive