

## ASX Release

30 August 2022

### FY22 Result – Revenue Growth

**Bravura Solutions Limited (ASX:BVS) (Bravura)** has today announced its full-year results for the period ended 30 June 2022.

#### FY22 results – Revenue growth

- Revenue up 10% to A\$266.7m (A\$243.0m in FY21)
- EBITDA<sup>1</sup> down 8% to A\$45.3m (A\$49.3m in FY21)
- NPAT down 20% to A\$25.7m (A\$32.3m in FY21)
- EBITDA margin<sup>1</sup> decreased to 17% (20% in FY21)
- FY22 EPS down 14% to 12.1cps
- Unfranked FY22 final dividend declared of 3.2cps, bringing the dividend payout ratio to 67% of FY22 adjusted NPAT

#### Strategy update

- Bravura has several strengths and assets that provide the foundation for its future strategy.
  - Strong suite of products that cover the breadth of the wealth value chain, including Sonata Alta's recently developed BPaaS
  - Global customer footprint with significant opportunity for expansion
  - Long term contracts with a high level of visible recurring revenue
  - Significant proportion of Bravura's R&D is funded in concert with its clients
- Bravura has commenced a strategic review focused on: accelerating the existing Cloud implementation; increasing penetration in the existing customer base; identifying significant scale opportunities against customer needs of cost reduction and regulatory requirements; reviewing inflight initiatives and reviewing our cost base.
- Bravura's strategy continues to focus on long term contracts with a greater component of recurring revenue. This enables clients to spread their investment over a longer period.
- Bravura will also continue to take its ESG responsibilities seriously particularly in the areas of: Inclusion, Carbon reduction and ISO accreditation.

#### Strong financial position

- Strong financial position with cash of A\$48.7m as at 30 June 2022.
- Bravura paid Contingent Consideration for Delta Financial Systems (Delta) of A\$6.8m in August 2021.
- Operating cash flow (excluding taxes paid) was A\$47.2m in FY22, reflecting operating cashflow to EBITDA cash conversion of 104% (105% in FY21). This is in line with the long-term trend.
- Bravura continues to evaluate a pipeline of additional acquisitive and organic growth opportunities.

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<sup>1</sup> Bravura has consistently included occupancy costs as accounted for under IFRS16 in the calculation of EBITDA.

A\$m	FY22	FY21	\$ chg	% chg
Wealth Management <sup>1</sup>	169.5	160.1	9.4	6%
Funds Administration	97.1	82.9	14.2	17%
<b>Total revenue</b>	<b>266.7</b>	<b>243.0</b>	<b>23.6</b>	<b>10%</b>
Wealth Management <sup>1</sup>	39.3	50.5	(11.2)	(22%)
Funds Administration	44.8	35.3	9.5	27%
Corporate	(38.8)	(36.5)	(2.3)	(6%)
<b>EBITDA <sup>2</sup></b>	<b>45.3</b>	<b>49.3</b>	<b>(4.0)</b>	<b>(8%)</b>
D&A	13.4	12.1	1.3	11%
Non-recurring items <sup>3</sup>	(4.2)	(2.2)	(2.0)	91%
<b>EBIT</b>	<b>36.1</b>	<b>39.4</b>	<b>(3.3)</b>	<b>(8%)</b>
Net interest and FX expense <sup>2</sup>	2.1	0.4	1.7	471%
<b>Profit before tax</b>	<b>34.0</b>	<b>39.0</b>	<b>(5.0)</b>	<b>(12%)</b>
Tax expense	4.1	4.5	(0.4)	(10%)
<b>NPAT</b>	<b>29.9</b>	<b>34.6</b>	<b>(4.7)</b>	<b>(14%)</b>
<b>Adjusted NPAT <sup>3</sup></b>	<b>25.7</b>	<b>32.3</b>	<b>(6.6)</b>	<b>(20%)</b>
<b>EPS (A\$ cps)</b>	<b>12.1</b>	<b>14.0</b>	<b>(1.9)</b>	<b>(14%)</b>

- Wealth Management revenue grew 6% whilst EBITDA reduced by 22%. EBITDA margin decreased to 23% (31% in FY21). \$2.3m of the revenue growth was attributable to a full period of Delta.
- Funds Administration revenue grew 17% and EBITDA grew 27%. EBITDA margin increased to 46% (43% in FY21). Included in the Funds Administration revenue was the licence associated with a major contract renewal.
- Corporate costs increased 6% driven by an increase in travel, post the opening of international borders and various licencing costs.
- Depreciation and amortisation increased by \$1.3m compared to pcp, arising from the amortisation of intangibles from recent acquisitions
- EBITDA was down 8% to \$45.3m (\$49.3m in FY21), with an EBITDA margin of 17% (20% in FY21).
- EPS down 14% to 12.1c, FY22 final dividend declared of 3.5cps.

Commenting on the group performance, Ms Roy, Chief Executive Officer said:

“It is pleasing to see a return to revenue growth of 10% year on year and execution of our strategic initiatives, including Sonata Alta implementation with Aware and solid progress on our cloud transition.”

### Outlook

- There are a number of high-quality deals in the pipeline, with high confidence we will close and execute on these opportunities
- The specialist labour market we operate in will remain challenging
- In Australia there is continued market consolidation providing further opportunities for the business and while recovery in the EMEA wealth industry remains subdued, there are business opportunities in the existing customer base
- The trend in capitalised R&D spend from 2H FY22 will continue in FY23
- We will provide further detail on the outlook of the business post the completion of our strategy review

### Teleconference details

A teleconference and webcast briefing for analysts and investors will be held at 9:00am Australian Eastern Daylight Time (AEDT). Participants **must** pre-register for the teleconference and can do so here:

<https://s1.c-conf.com/diamondpass/10023645-dj3ms12.html>

Once registered, participants will receive a calendar invite with dial-in numbers, a passcode and unique PIN which is to be quoted when dialling into the call.

Webcast link: <https://webcast.openbriefing.com/8962/>

The webcast is accessible 15 minutes before the briefing starts.

Once registered, participants will receive a calendar invite with dial-in numbers, a passcode and a unique PIN which is to be quoted when dialling into the call.

– ENDS –

**Authorised for release by the Board of Directors, Bravura Solutions Limited**

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### About Bravura Solutions Limited

Bravura Solutions Limited is a leading provider of software solutions for the wealth management, life insurance, and funds administration industries. Our solutions are underpinned by functionally rich technology that enables modernisation, consolidation, and simplification. Our software solutions enable our clients to increase speed to market, provide a seamless digital experience and address ongoing changes in financial services regulation. Backed by over 30 years of experience, our on-premise, managed, hosted and cloud solutions are used by many of the world's leading financial institutions, who entrust trillions of dollars in assets to our systems. We support our clients with a team of more than 1,400 people in 17 offices across Australia, New Zealand, United Kingdom, Europe, Africa, and Asia.

To learn more, visit [www.bravurasolutions.com](http://www.bravurasolutions.com).