

ASX Announcement

17 April 2023

Cyber incident further update

As previously announced, on 13 March 2023 IPH Limited (**IPH**) detected that a portion of its IT environment had been subject to unauthorised access. This access was primarily limited to the document management systems of the IPH head office and two IPH member firms in Australia, Spruson & Ferguson (Australia) and Griffith Hack, and the practice management systems of these two IPH member firms.

Upon becoming aware of the incident, IPH immediately isolated these systems, removed them from its network, and implemented its Business Continuity Plan to resolve the cyber incident.

As announced on 24 March 2023, IPH subsequently established new network infrastructure following a methodical restoration process. Key system functionality has now been restored. Supported by leading external cyber security experts, IPH has also applied enhanced cyber security measures, including additional preventative and detective controls to protect the IPH network. All other IPH member firms continued to operate as normal.

Forensic update

Our forensic investigation is now substantially complete. The investigation has identified that a limited set of data was downloaded by an unauthorised third-party during the incident.

The downloaded dataset originated from the Spruson & Ferguson (Australia) business and primarily contained:

- data relating to a small number of clients of Spruson & Ferguson Lawyers; and
- some historical financial and corporate information.

Based on the investigation to date, we have no evidence to suggest that data located on any other component of IPH's IT network (including the IPH document management system and the document management and practice management systems of Griffith Hack) was downloaded by the unauthorised third-party during the course of the incident.

IPH has reviewed the downloaded dataset and has worked with Spruson & Ferguson Lawyers to directly contact affected clients.

To ensure IPH meets any privacy or data breach obligations arising from the incident, we have also undertaken a detailed review of the affected data to determine the presence of any personal information. Based on this analysis, IPH has determined to notify a small number of individuals whose personal information was in the dataset. IPH has also notified the Office of the Australian Information Commissioner of the incident. IPH has and will continue to meet all regulatory obligations in relation to the incident.

Financial update

As previously announced, while IPH enacted its Business Continuity Plan in response to the cyber incident, the affected member firms did experience some business disruption related to the incident.



For the month of March 2023, this disruption contributed to a service charge budget shortfall of c\$4.4 million (in aggregate) for the impacted businesses of Griffith Hack and Spruson & Ferguson (Australia). IPH does not believe the incident materially impacted the service charge performance of any other member firm.

While this service charge budget shortfall will result in lost revenue due to the disruption, primarily related to time based charges which may not be fully recovered, the event driven nature of the IPH revenue model means that IPH expects to recover a material proportion of this shortfall as delayed processing or invoicing of such events occurs over time. However, it is difficult to quantify that amount with certainty.

IPH has also incurred costs related to responding to and investigating the cyber incident, including costs associated with specialist external third parties as part of the management and remediation of IPH's network and IT systems and forensic investigation, and legal and other costs. IPH currently estimates \$2 to \$2.5 million (pre-tax) will be incurred as non-underlying costs in its FY23 accounts related to this incident.

These non-underlying costs do not include any allowance for costs that may arise from complaints by any affected customer or individual, or other regulatory or litigation related costs.

IPH expects to complete the investigation and response into the cyber incident within the next few weeks and will update the market if there are any material changes to the outcomes set out in this announcement.

For more information, please contact:

Martin Cole

Managing Director

Capital Markets Communications

T. +61 403 332 977

Authorised for release to ASX by: The Board of Directors

About IPH Limited

IPH is an international intellectual property services group, comprising a network of member firms working in nine IP jurisdictions and servicing more than 25 countries. The group includes leading IP firms AJ Park, Griffith Hack, Pizzey's, Smart & Biggar, Spruson & Ferguson and online IP services provider Applied Marks. IPH employs more than 1,200 people working in Australia, Canada, China, Hong Kong SAR, Indonesia, Malaysia, New Zealand, Singapore and Thailand.

