



Strategy update

PEXA Group

November 2023



Important notice and disclaimer

This presentation and the information accompanying it (Presentation) has been prepared and provided solely by PEXA Group Limited (PEXA or the Company).

No offer of securities

This Presentation is not a Prospectus, product disclosure statement or offer document under Australian law or the laws of any other jurisdiction. It is not and should not be considered, and does not contain or purport to contain, an offer, invitation, solicitation or recommendation with respect to the subscription, purchase or sale of any securities in PEXA or any other entity.

The information contained in the Presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in the Presentation constitutes investment, tax, legal or other advice. You must not rely on the Presentation but make your own independent assessment and rely on your own independent taxation, legal, financial or other professional advice.

Financial data

All financial amounts contained in this Presentation are expressed in Australian dollars (unless otherwise stated). Note: numbers may not sum due to rounding.

Certain financial information included in this Presentation is 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. PEXA believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of PEXA. The non-IFRS financial information does not have standardised meanings prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should it be construed as an alternative to other financial information determined in accordance with Australian Accounting Standards. You are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or ratio included in this Presentation.

Forward Statements

No representation or warranty, expressed or implied, is made as to the accuracy, reliability, adequacy or completeness of the information and opinions contained in the Presentation.

We use words such as 'will', 'may', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', or similar words to identify Forward Statements. Forward Statements are based on assumptions and contingencies which are subject to change without notice, may involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of PEXA, and have been made based upon management's expectations and beliefs concerning future developments and their potential effect on us.

No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. Actual future results and operations could vary materially from the Forward Statements. Circumstances may change and the contents of this Presentation may become outdated as a result.

Except as required by applicable laws or regulations, PEXA does not undertake any obligation to provide any additional or updated information or revise the Forward Statements or other statements in this Presentation, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances

Past performance

Past performance and historical information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Market and industry data

This Presentation contains statistics, data and other information This Presentation contains statistics, data and other information (including forecasts and projections) relating to markets, market sizes, market shares obtained from research, surveys or studies conducted by third parties (Market Data). You should note that Market Data is inherently predictive, is subject to uncertainty and not necessarily reflective of actual market conditions.

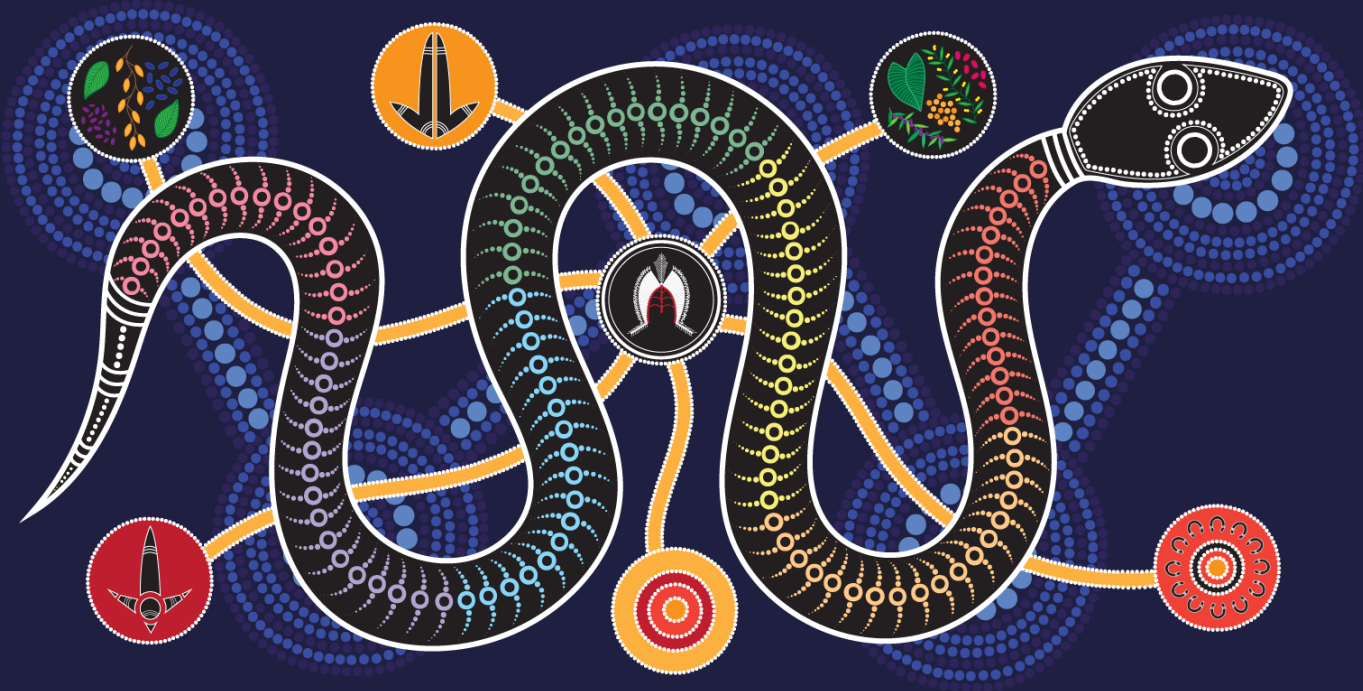
PEXA cannot assure you as to the accuracy or the reliability of the underlying assumptions used to estimate such Market Data. Forecasts and estimates involve risks and uncertainties and are subject to change based on various factors, including in data collection and the possibility that relevant data has been omitted.

Disclaimer

The information is supplied in summary form and is therefore not necessarily complete. The material contained in this Presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

To the maximum extent permitted by law, PEXA and each of its affiliates, directors, employees, officers, partners, agents and advisers and any other person involved in the preparation of the Presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, the Presentation. PEXA accepts no responsibility or obligation to inform you of any matter arising or coming to its notice, after the date of the Presentation or this document, which may affect any matter referred to in the Presentation.

This Presentation should be read in conjunction with PEXA's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.



In the spirit of reconciliation, PEXA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

We accept the invitation to walk with First Nations Peoples, to a better future for us all, and invite you to join the movement.

Today's discussion

Overview

Enhance:
Australian
Exchange

Extend:
Digital Growth

Expand:
International

Evolve:
Technology

Finance
Update

Close and Q&A

Glenn King
Group Managing
Director & CEO

Les Vance
Chief Customer &
Commercial Officer

Ivan Motley
Founder, .ID

Joe Pepper
Chief Executive
Officer, UK

Eglantine Etiemble
Chief Technology
Officer

Scott Butterworth
Chief Financial &
Growth Officer

Glenn King
Group Managing
Director & CEO



pp 4-9



pp 10 - 16



pp 17 - 25



pp 26 - 32



pp 33 - 38



pp 39 - 42



pp 43-46

Overview

Our investment proposition

Secular trend



Favourable long term property dynamics

- Supported by underlying demographic and economic outlook

Current TAM estimate¹

\$300m pa

Our position

Australia's #1 digital property exchange

- Processing ~88% of all transactions



Heightened property market volatility

- Discontinuities in supply and demand
- Significant government investment

\$500m pa ²

Market leading digital property solutions to manage risk and create value

- Leveraging PEXA's distribution and data⁴



Removal of property market frictions

- Desire to improve cycle times and address detriment and affordability

\$750m pa ³

Unique IP deployable to like international jurisdictions

- Initially focused on England & Wales, and other material, strategic markets

PEXA - Proven success in providing digitally-enabled solutions to major property market problems

¹ Based on current estimates for 2023, Australian Exchange TAM linked to CPI

² Growing to \$1.1b by 2027

³ England, Wales, Canada and New Zealand only

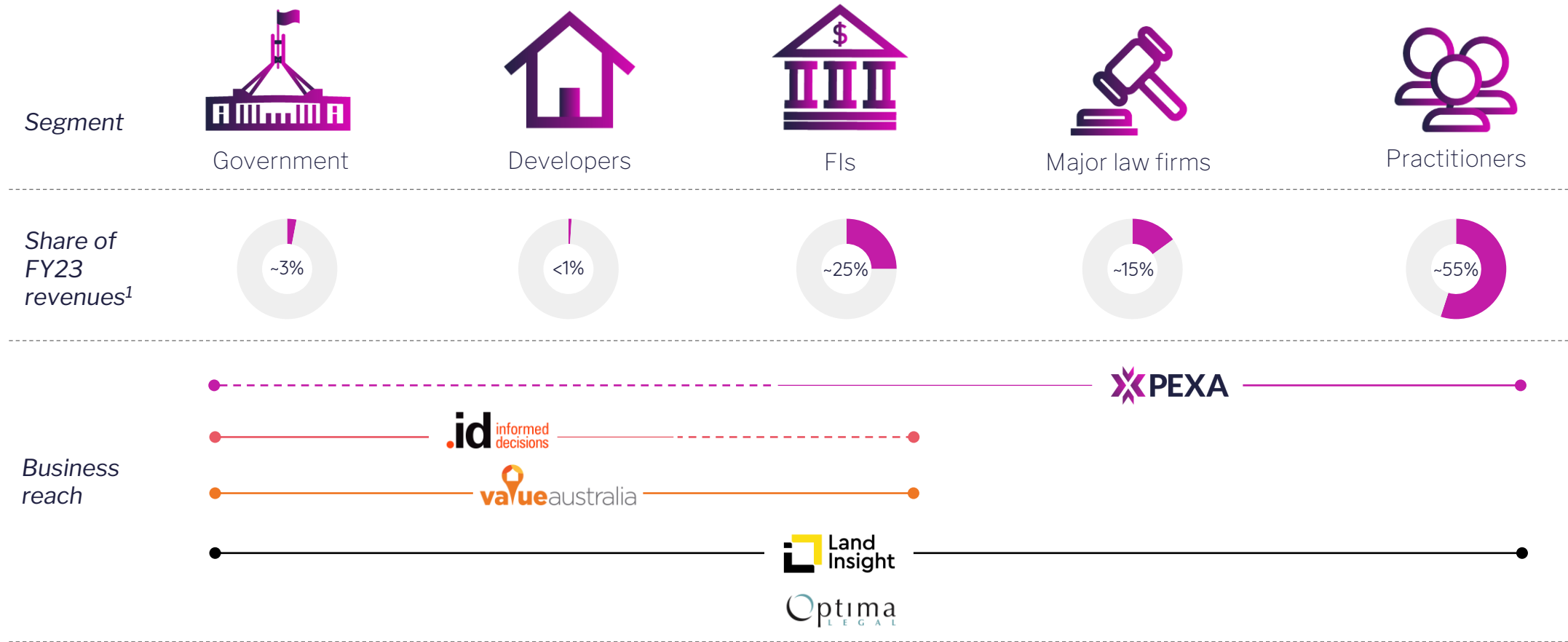
⁴ Subject to regulatory approval as required

Source: PEXA analysis and estimates

Clear purpose and strategy



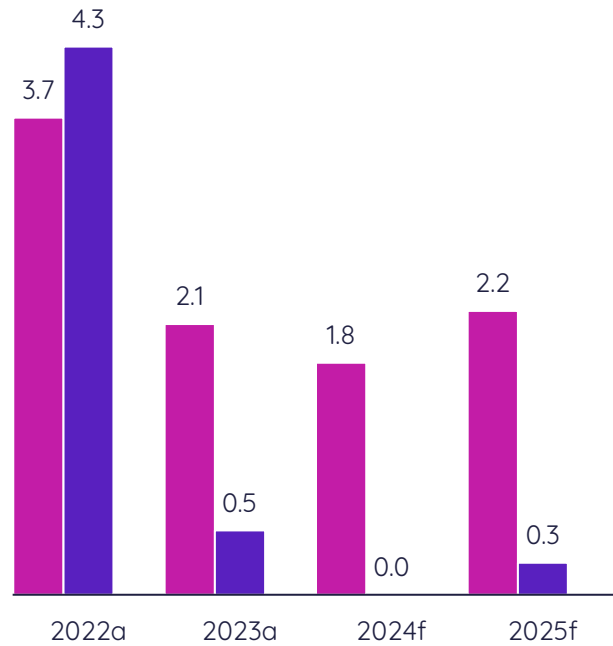
Growing customer depth and breadth



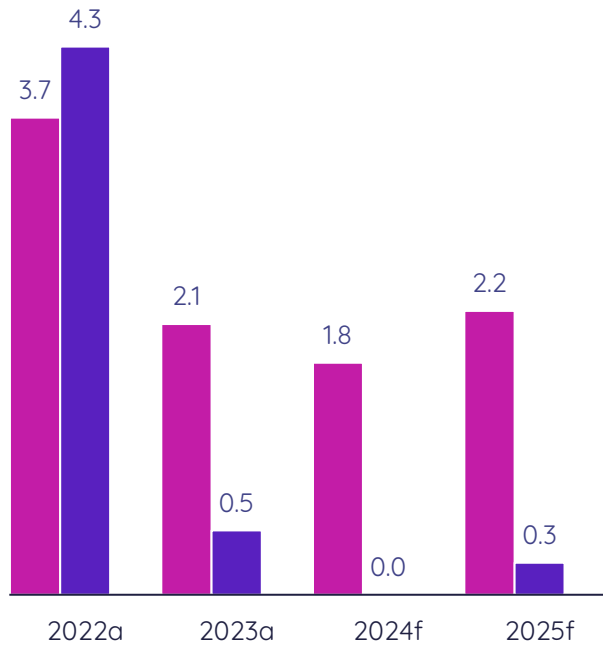
¹ Reflects Australian revenue for the year ended 30 June 2023.

Mixed economic outlook

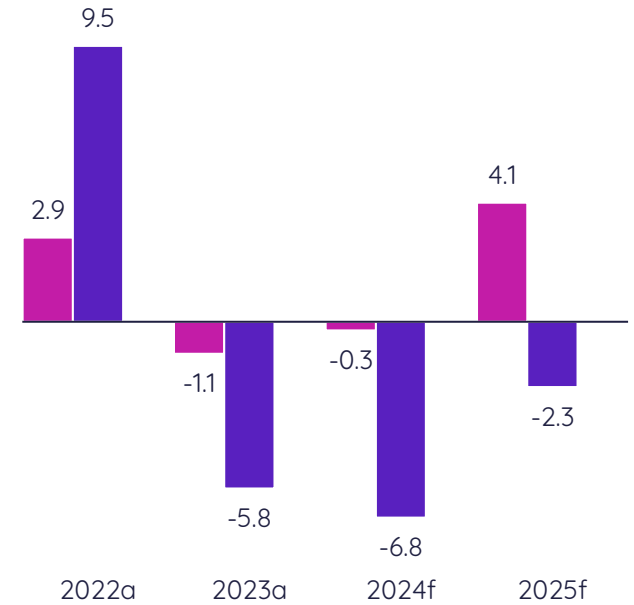
Real GDP growth (% yoy)¹



Central bank rate growth (%)²



Dwelling investment growth (% yoy)³



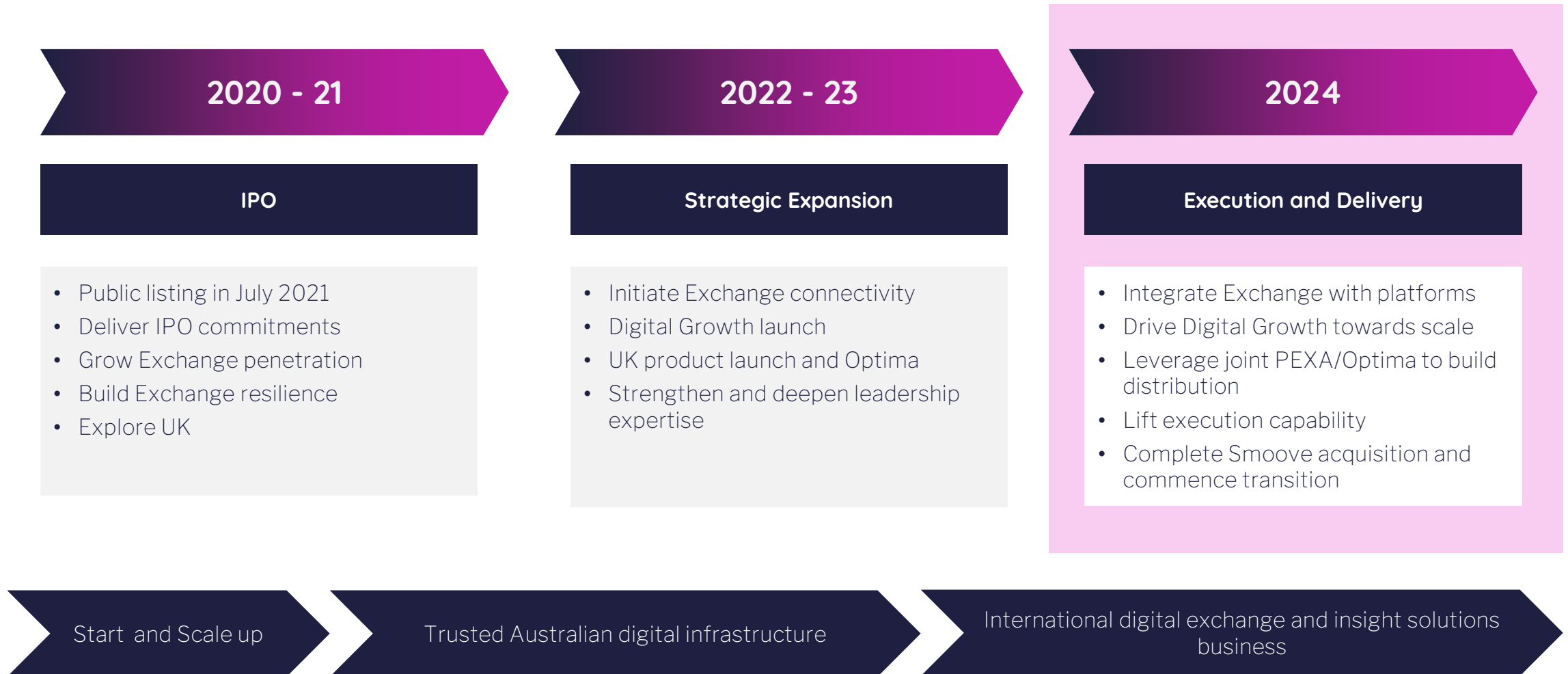
■ Australia
 ■ UK

¹ Australia - RBA, SOMP, Nov 2023. UK - BOE, MPR, Nov 2023

² Australia - CBA, Nov 23, rate as at year end. UK - BOE, MPR, Nov 2023, rate is average for year

³ Australia - RBA, SOMP, Nov 2023. UK - BOE, MPR, Nov 2023

Focused on strategic execution and delivery in 2024



Enhance: Australian Exchange

Exchange – Australia’s leading ELNO

Critical infrastructure



12,000+

Families safely settling their homes (weekly)



3.7m+

Billing events (annually)



\$814.5bn

Value of properties settled on PEXA



100%

Uptime during business hours



Extensive integration & connection



2

ATO
Reserve Bank of Australia



6

Land Titles Offices

5

State Revenue Offices



160+

Financial institutions



10,000+

Practitioner firms

70+

Property developers



Equal access approach to API integration

Leading market position



88%

Exchange market share



88%

Transfer market share

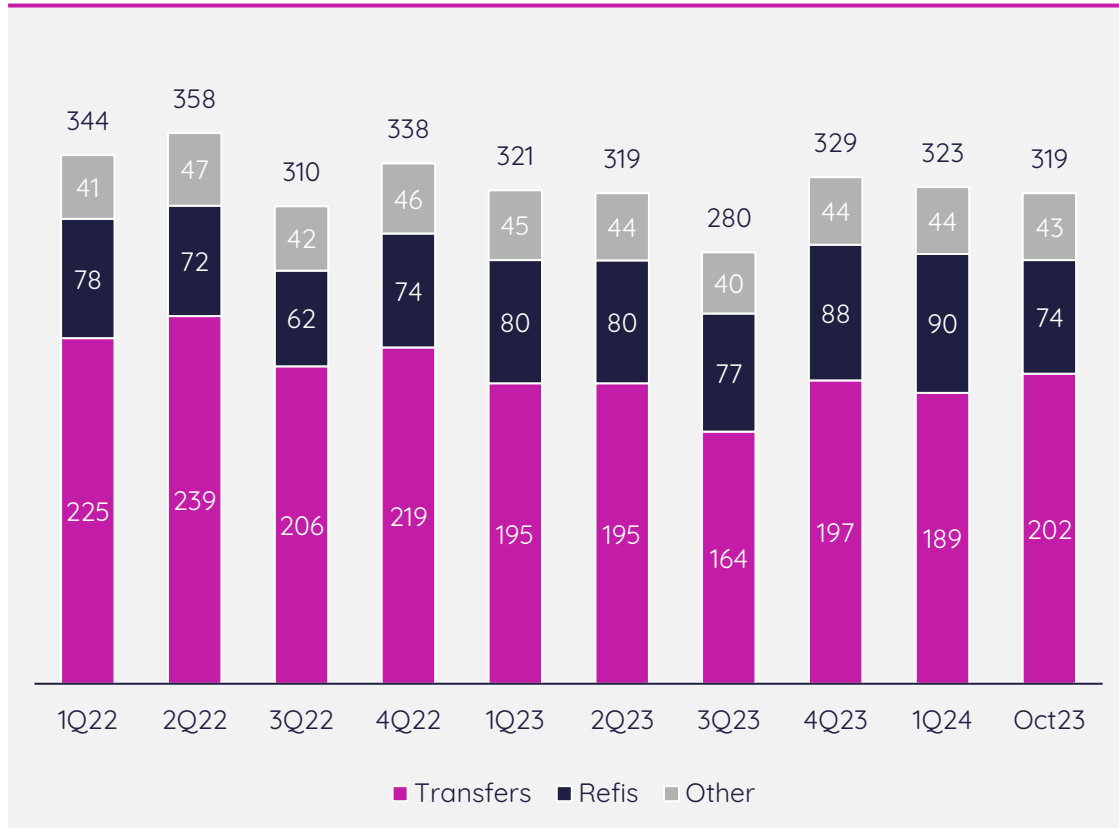


99%

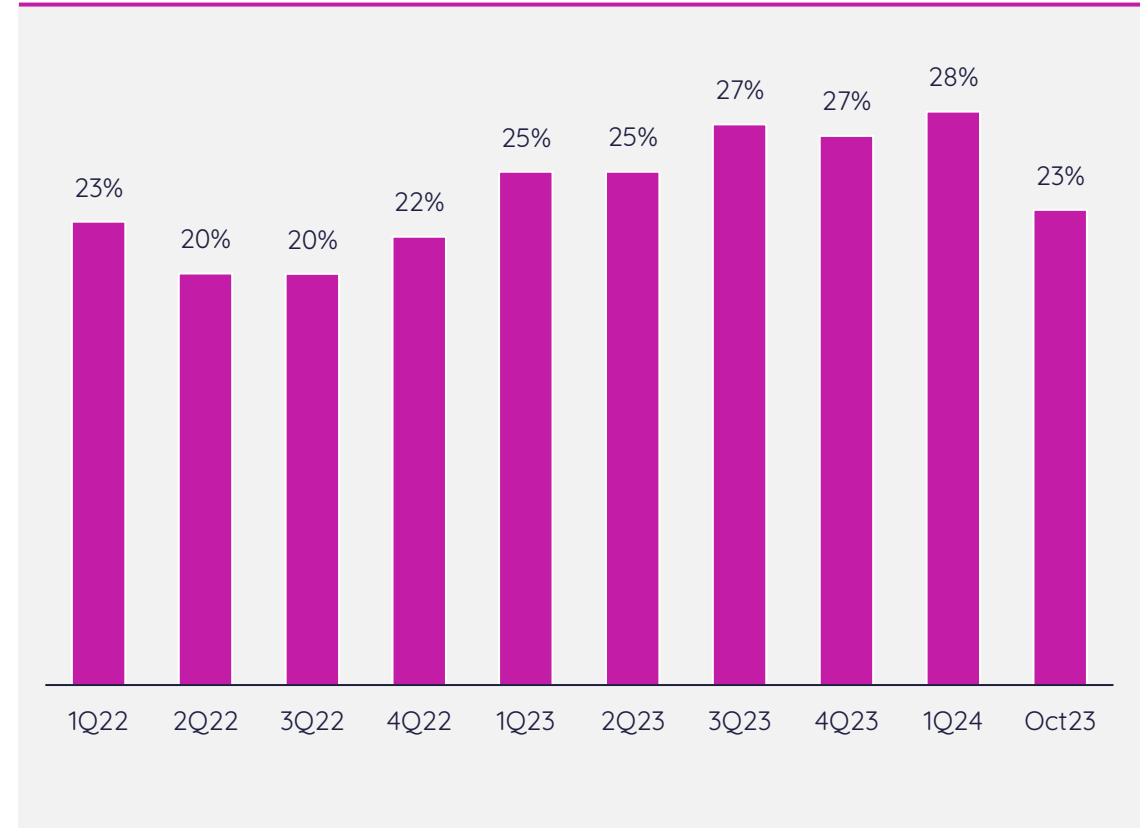
Refi market share

Volumes and mix improved from lows in 3Q23

Exchange volumes: Monthly average per fiscal quarter (#'000)

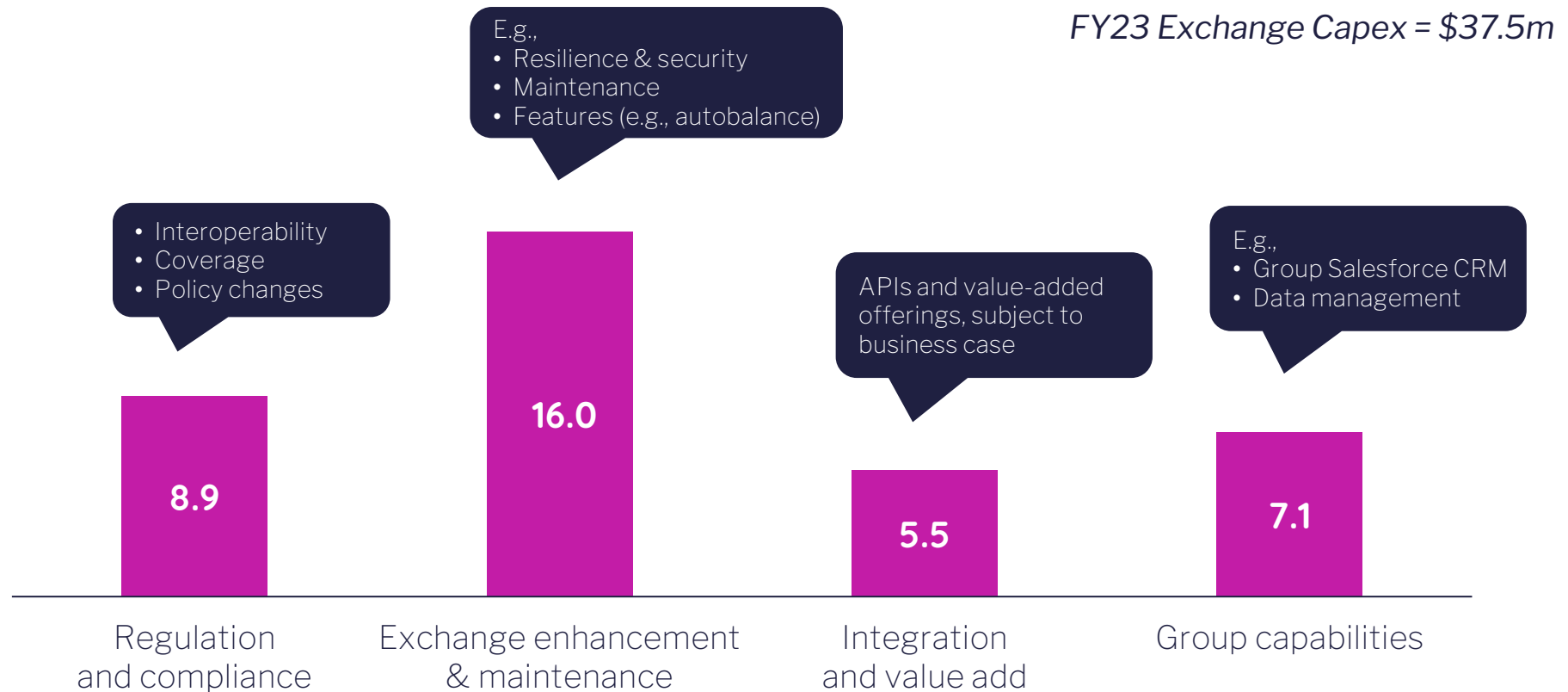


Exchange refi mix: Monthly average per fiscal quarter (% of total)



Continued, judicious spend to enhance and protect Exchange

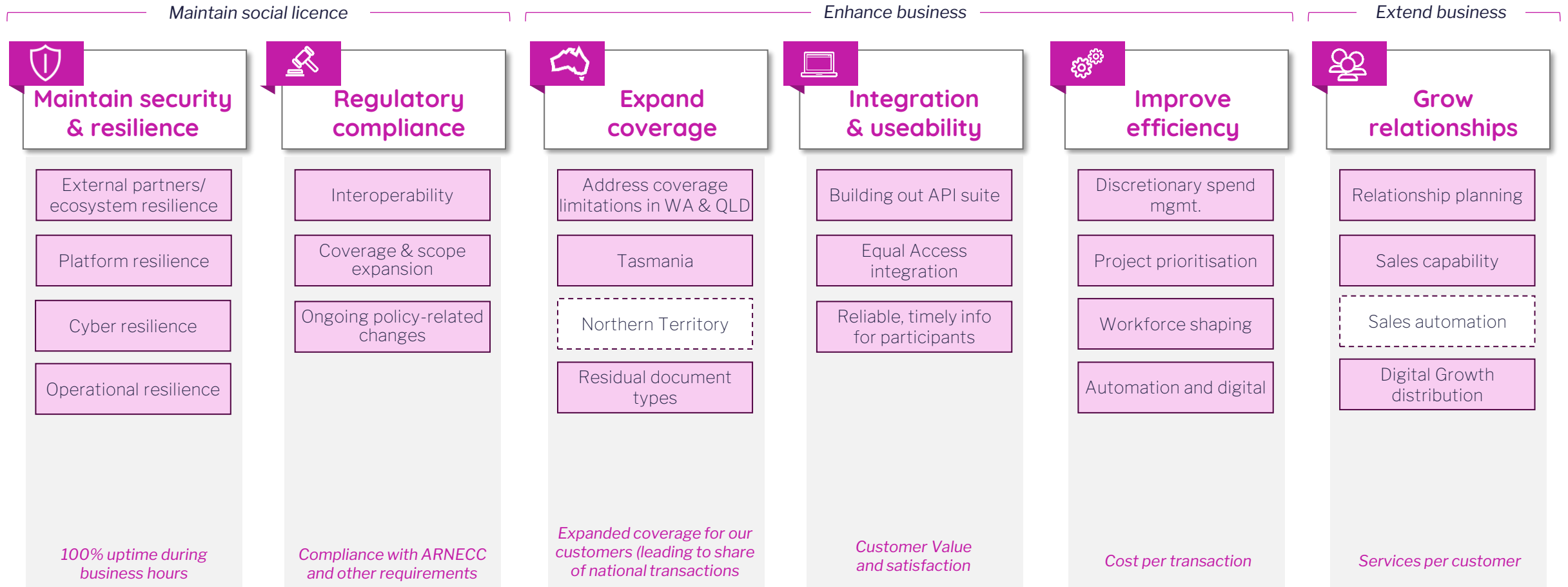
Exchange capital expenditure by category: FY23 (\$m)



Constructively engaged in complex regulatory activity

		Expected ARNECC timeline	Current activity
Interoperability	Pilot Transaction (1 simple QLD Refi per ELNO)	Sept 2023	<ul style="list-style-type: none"> Complete
	NSW & QLD Refinance amongst big four banks <hr/> Full Interoperability (Refi & Transfer)	July 2025 <hr/> Dec 2025 'Expected'	<ul style="list-style-type: none"> Design work continues Build commenced Continuing engagement on scope and design Regulators timetable is ambitious No ARNECC project plan to meet Dec 2025 timeframe
	Other State & Territories	TBA	<ul style="list-style-type: none"> No timetable announced
Coverage Expansion	Tasmania expansion	Implementation planned for FY25	
	Northern Territory expansion	Initial discussions underway (target FY26)	
	WA, QLD coverage expansion and residual document types in other jurisdictions	WA 'Hub' – Critical enabler of increased WA coverage - live in Oct 2023 Remaining document categories (e.g., Easements)	
Ongoing policy-related change	Changes required by Governments and Registrars	Examples include stamp duty, land tax changes, changes to data requirements	

Functionally rich platform supporting our customers

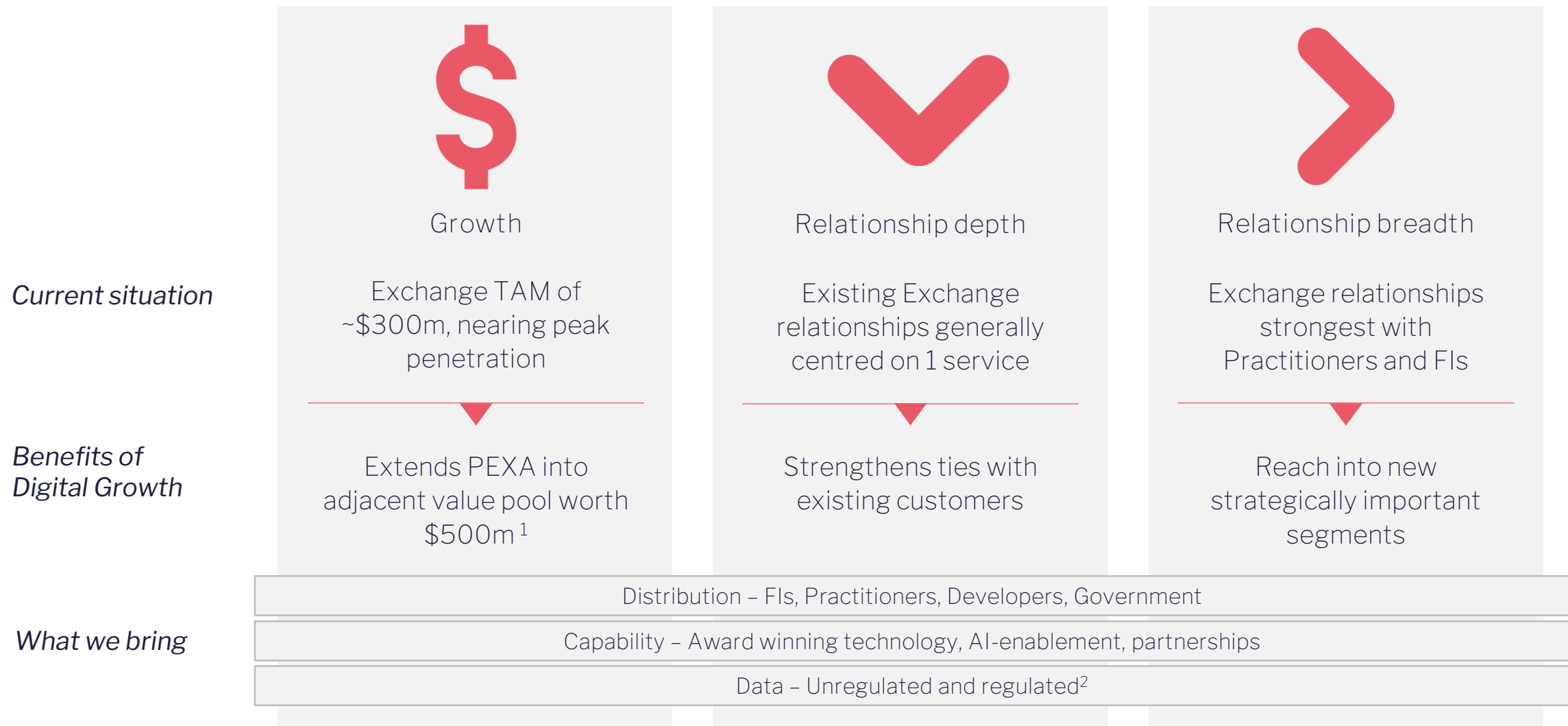


Underway
 To start

Enhance: Australian Exchange

Extend: Digital Growth





Digital Growth strengthens PEXA



¹ As of 2022/3. Growing to \$1.1b in 2027

² Subject to regulatory approval

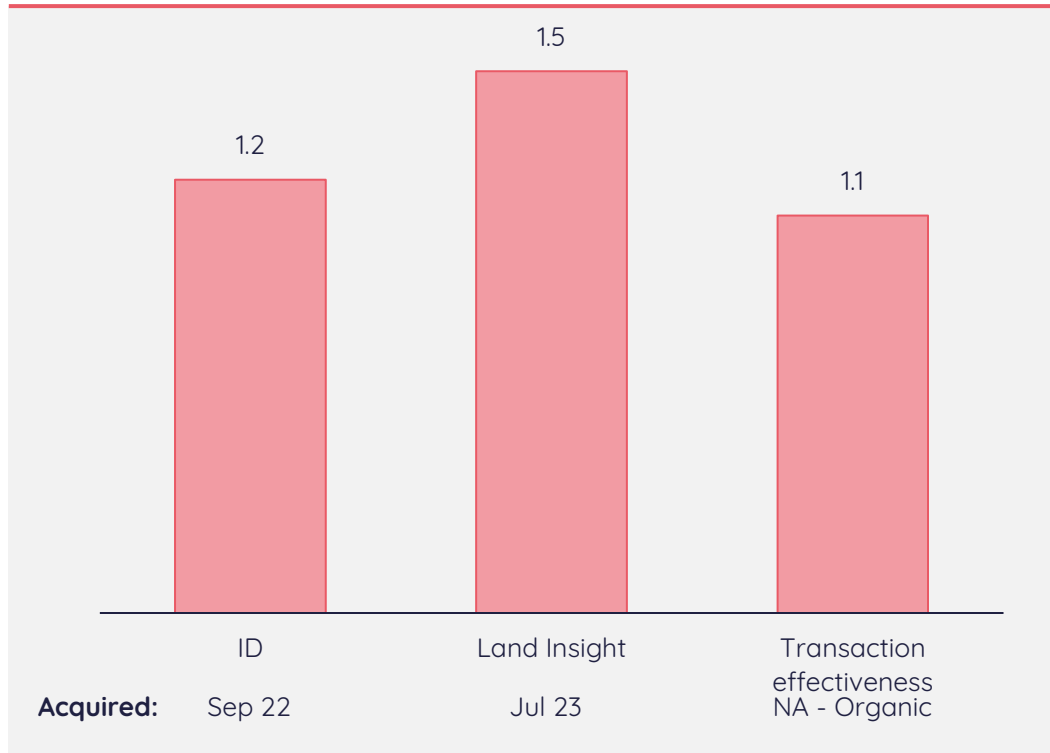
Business provides leading solutions to key market issues

Use case	Demand for land	Use and value of land	Environmental and climate	Transaction effectiveness
TAM (\$m, 2027)	140	250	65	85
Customer problem	Where to invest	Optimising investment value	Reduce threats to value	Improve cost, churn, speed, service
Our solution				
Position	Leading provider of local area demographics and forecasts	Multi-award winning, AI-based generation 2.0 AVM	Leading provider of site level climate and hazards reporting	Unique PEXA data ¹ , service add-ons, and tools

¹ Subject to approval where required

Digital Growth business gaining momentum

Revenue uplift: 1Q24 vs 1Q23 (x)¹



Overview of business milestones

Dec 2022	Current ²	
9	21	Products in market and in pipeline
72m	910m	Property Bureau records
\$10m	\$22m	Advertising equivalent value of research ³
x	✓	Paid POC for Value Australia ⁴

¹ ID uplift based on ARR of new business 1Q24 versus prior 21mth average. Land Insight and Transaction effectiveness based on total revenue

² Current based on 1Q23 except as noted

³ Based on FY23 actual and annualization of 1Q24

⁴ Value Australia paid POC based on 2Q24. POC = Proof of concept

Extend: **.id** informed decisions

.id stands for informed decisions. We are a company of demographers, spatial analysts, urban planners, economists, forecasters, social researchers, census data and IT experts. We understand how cities, towns and regions are growing and changing and our mission is to use our knowledge to inform excellent location decision making.



Make informed decisions

We convert data into knowledge to help you make informed decisions.



Knowledge of place

We understand how cities, towns, suburbs and regions are changing



Online tools & consulting

We organise complex data in intuitive web applications for diverse users.



Data-led storytelling

We tell evidence-based stories.



Informed decisions

We help clients make informed decisions about when and where to provide services and invest in infrastructure.

National forecast insights forecast.id



✓ Population



✓ Housing and development



✓ Custom age groups



2028 2029 2030 2031 2032

✓ Every year to 2046



✓ Analyse a known location



✓ Make a location decision

National liveability insights views.id



Understand Values

What the local community believes makes somewhere a good place to live



Measure Experiences

What's going well (and not so well) in and across residents' local areas



Calculate Liveability

One number between 0 & 100 to monitor collective quality of life



Community Needs

Attributes related to advancing quality of life to inform Council planning and advocacy

Market View 2.0

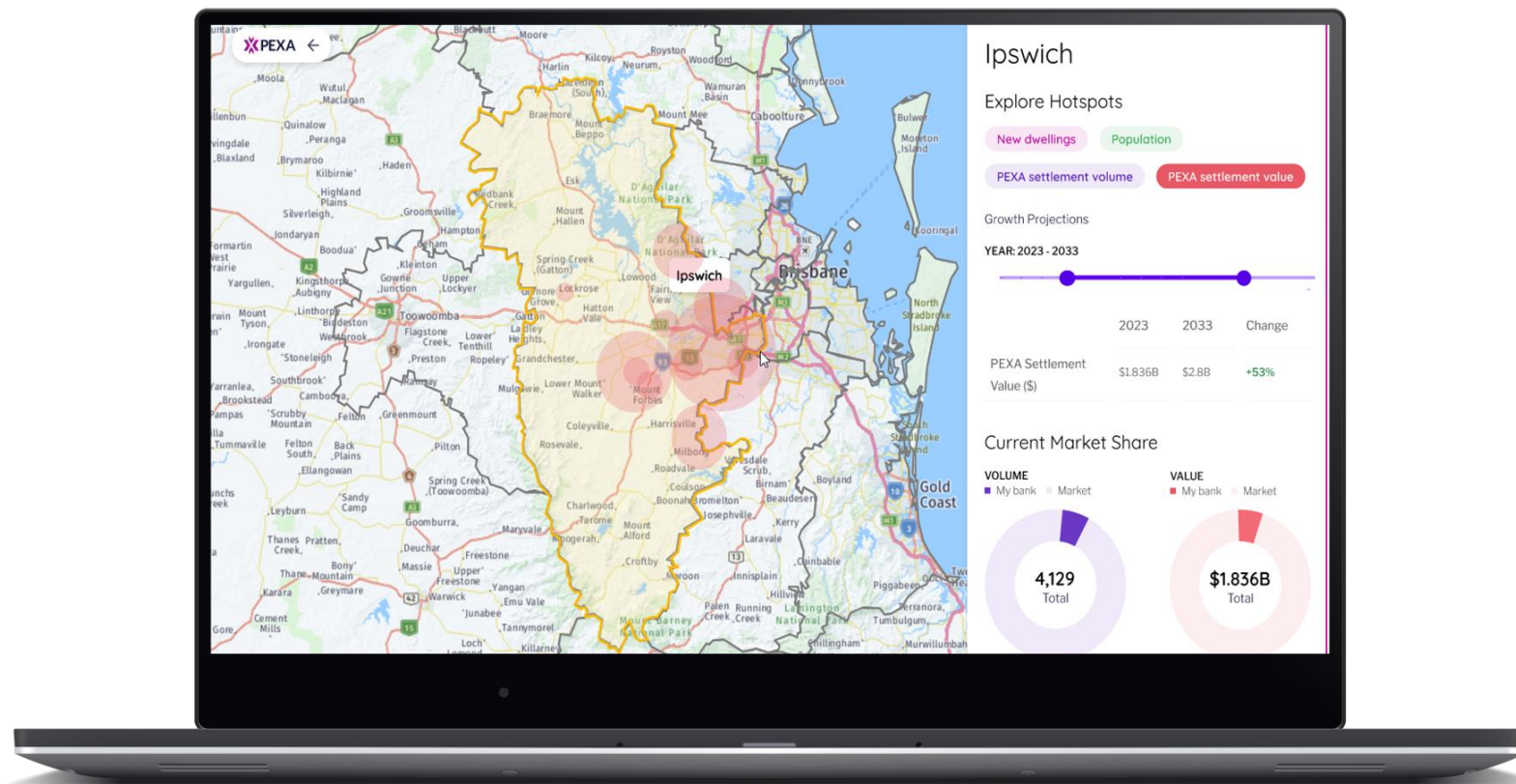
Links data from ID and across the PEXA Group

Support the planning, development and funding of new properties in the growth corridors of Australia

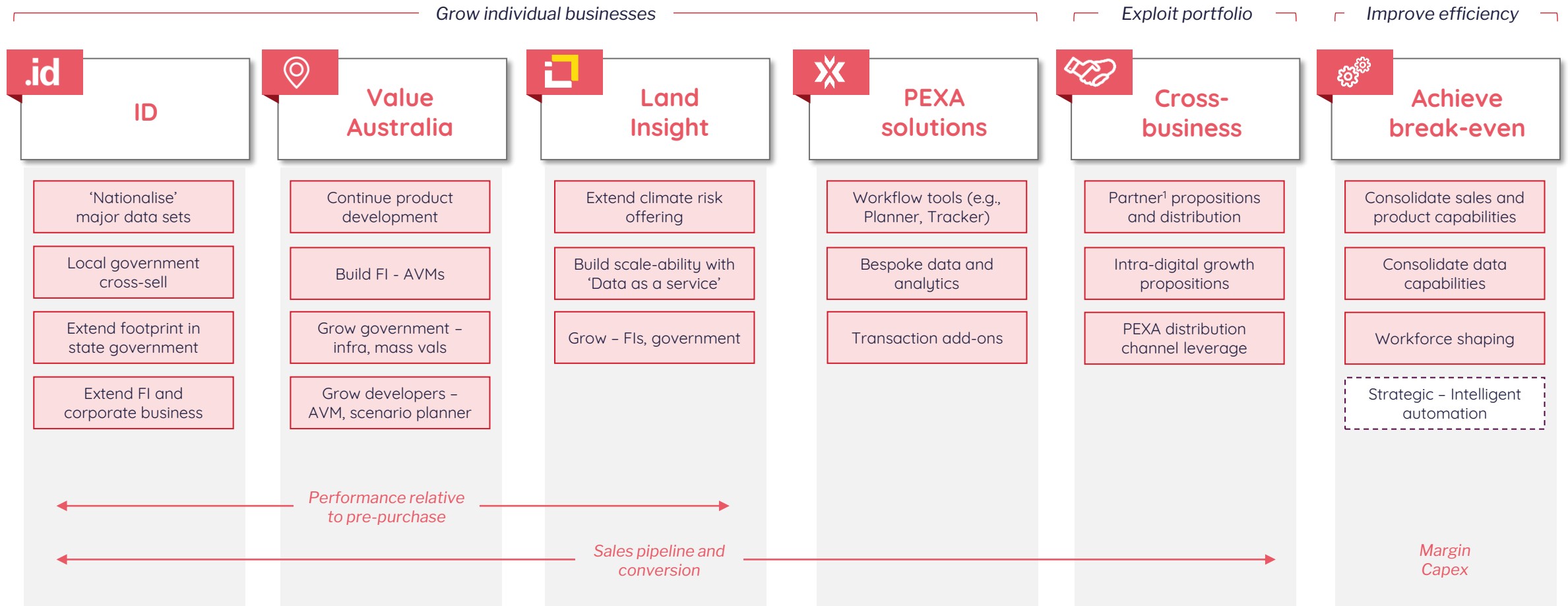
Assist in the planning of marketing activities and services placement, such as branches or the direction and support of brokers

Highlight land risks including flood, fire, and pollution to better inform strategic decision-making

Proof of concept currently being trialled across Financial Institutions and Brokers



Digital Growth priorities







Underway
 To start

¹ Archistar, Elula, Landchecker

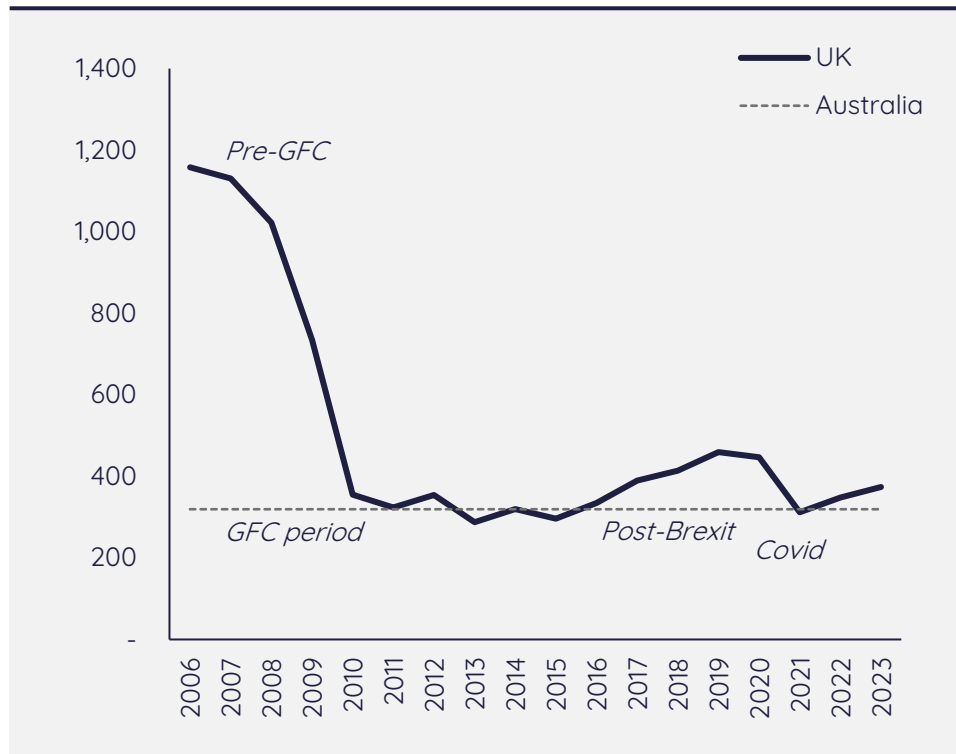
Expand: International

UK property processes perform poorly

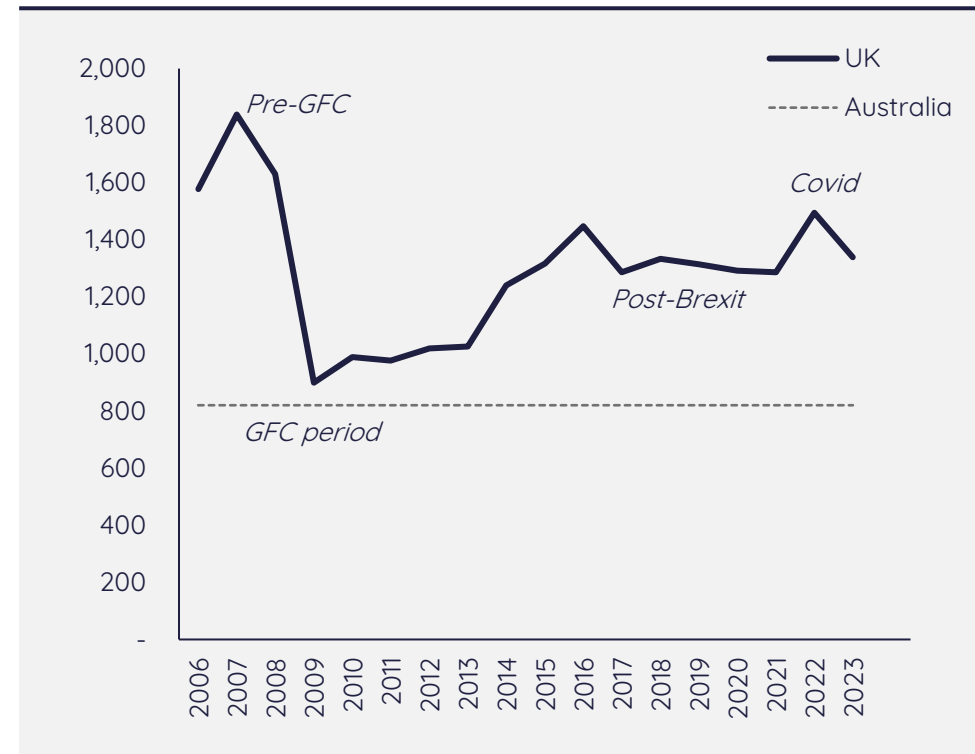
Jurisdiction	Transaction fall through rate	Transaction completion time
 UK ¹	31%	12-24 weeks
 Canada	Very rare	~12 weeks
 US	4%	~9 weeks
 Australia	Rare	8-12 weeks

UK property transaction market is sizeable

Re-mortgage transactions (#'000 pa)¹



UK sale and purchase transactions (#'000 pa)¹



Note: numbers based on actual transactions

¹Based on Apr-Mar year. Australia Remo data is average of FY17-FY23. Australian transfer data based on average of FY20-FY22

Source: HMLR; UK Finance

PEXA creates benefits for all UK stakeholders



Consumers

Today

81% of purchasers and 43% of remortgages suffer detriment
Unexpected costs > £1k for 63% of purchasers

Benefits with PEXA

Faster, cheaper, more transparent remo and S&P experiences



Lenders

Poor customer experiences, excess capital, funding, operating costs and regulatory exposure

Mortgage portfolio ROE uplift of 6-22bp, depending on lender size
Potential Consumer Duty benefit



Conveyancers

Inefficient, slow processes impact economics and poor consumer journeys

Annual cost saves of 2-12%, depending on size
Offset by loss of trust account interest



Regulators and government

Significant fragmentation inhibiting well-functioning housing market

Improved velocity and transparency, lower cost

UK proposition underway and developing

PEXA Pay



- Seventh BOE net settlement payment scheme
- The only payment scheme dedicated to property transactions in the UK
- 12 banks tested on this payment system

Product roadmap



- Remo proposition launched in Sep '22
- Further Remo functionality on track for Dec '23
- Sale and Purchase Release 1.0 delivery Dec '24

Partners



- Integrations with BOE and HMLR
- BOE Synchronisation Operator workshops



Lenders

- HRBS and Shawbrook on-boarded (over £13m of Remo's transacted)
- Good progress being made with Virgin Money, Metro Bank and Nottingham BS to explore implementation of PEXA



Optima Legal

- Remortgage market remains subdued
- All existing banks back and transacting with Optima
- Lloyds contract – increased volumes from Dec '23
- PEXA integration on track

Smoove



- Scheme approved by shareholders
- Expectation remains that transaction will close in 2Q23










Practitioners

- Muve and Pure Law on-boarded and transacting
- Dutton Gregory, PLS and The partnership signed

Smooove builds Remo and S&P business

Smooove product overview

Product							
Description	Agent customer portal	Conveyancing panel	Customer onboarding and communications portal	'White label' panel management	'Practice in a box' for conveyancers	Conveyancer	Practitioner compliance tools
Value chain stage	Transaction initiation	← Conveyancing →			→ Business management		
Target segments	Customer Conveyancer Estate Agent	Customer Conveyancer Introducer / Broker	Customer Conveyancer	Conveyancer Lender	Customer Conveyancer Introducer / Broker	Customer Conveyancer Estate Agent	Conveyancer Estate Agent
Business dimensions	Over 30 branches ⁽⁴⁾	Over 75 active panel firms ¹	~85% digital move penetration ⁽⁵⁾	~2,100 conveyancing firms via lender panels	12 CCLs ² as at May-23	na	na
Business stage	Rollout	Established	Scaling	Established	Rollout	Established	Established
Revenue model	Completion fee Search fee	← Platform fees Component fees ³ →			Conveyancing fee less payment to conveyancer	Conveyancing fees	Service fee Subscriptions

Source: Smooove FY23 annual report, Capital Markets Day (Nov-22) presentation, 1HFY23 presentation (Nov-22); FY23 trading update report

¹ Active relationships with 1,450 individual conveyancers

² Consultant conveyancing lawyers

³ Fees for search, ID check, etc.;

⁴ Across 18 estate agency firms

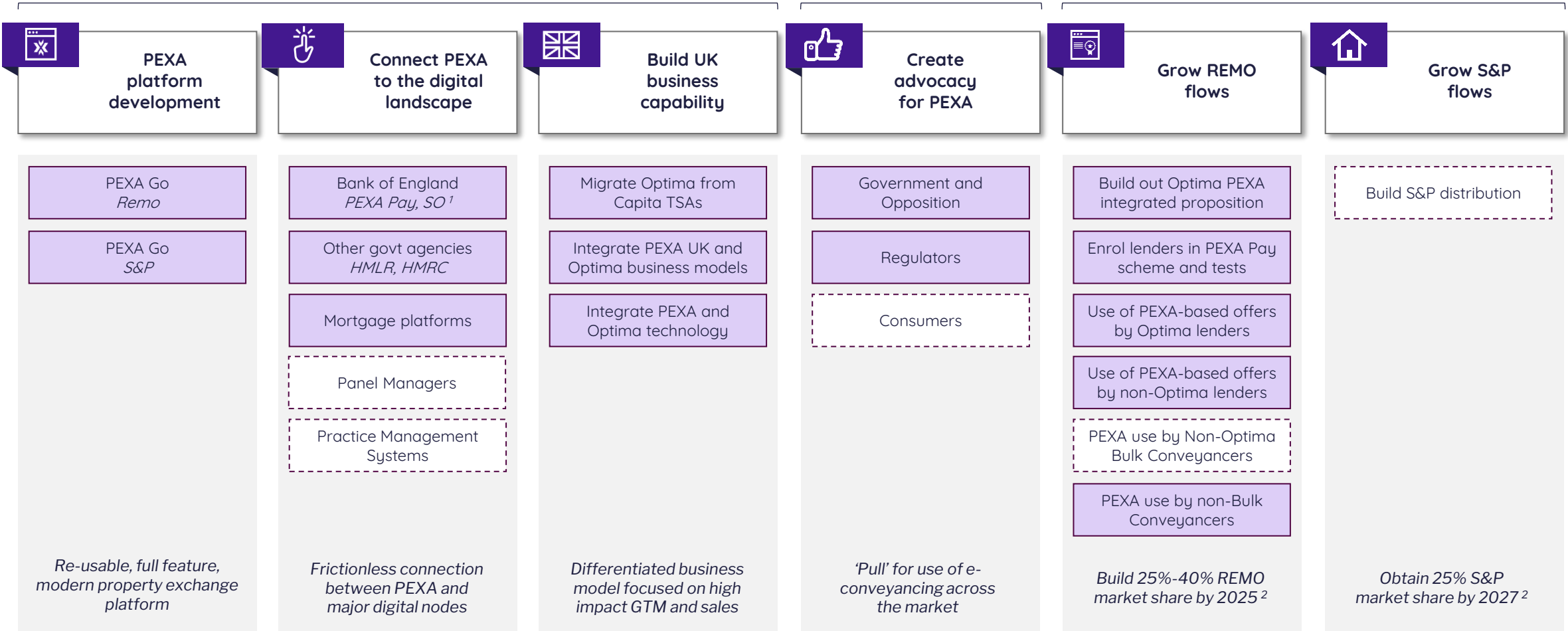
⁵ See FY23 results

UK priorities

Create infrastructure

Generate demand

Monetise



 Underway
  To start

¹ Synchronous Operator
² See Investor Day Presentation, 13 May 2022

Evolve: Technology

Focus on three key priority areas



Cyber and platform resilience remains our key priority



Modernising and connecting our platforms



Continuously evolving our operations enabling efficient growth

Cyber and platform resilience remains our key priority



Cyber & Platform resilience principles

- Lowest risk appetite level on Cyber Security and Platform resilience
- Rigorous challenge and review to improve processes
 - Includes audits, expert advisory group, Group-wide training and workshops with Financial institutions
- Leverage best in class partners
 - Includes Mandiant, AWS, Splunk, OKTA, Trend Micro, Palo Alto, Recorded Future
- We consider the whole process and network resilience across the ecosystem



Initiatives & outcomes

Cyber:

- Security Operations Uplift
- Advisory Committee Uplift
- Tools and training to practitioners

Platform:

- Resilience Framework v1.0
- Observability Capability Uplift
- Resilience audits and review



0

Cyber incident in Exchange so far

0

Severity 1 incident since 2022

6K/
month



55K/
month

Blocked intrusion attempts increase in 18 months - system scaling to greater threat surface and cyber activities

100%

100% compliance to mandated availability requirement (>99.8%)

3% to
5%

Phishing test results well below global average 29%

0

Major Resilience audit findings

Modernising and connecting our platforms



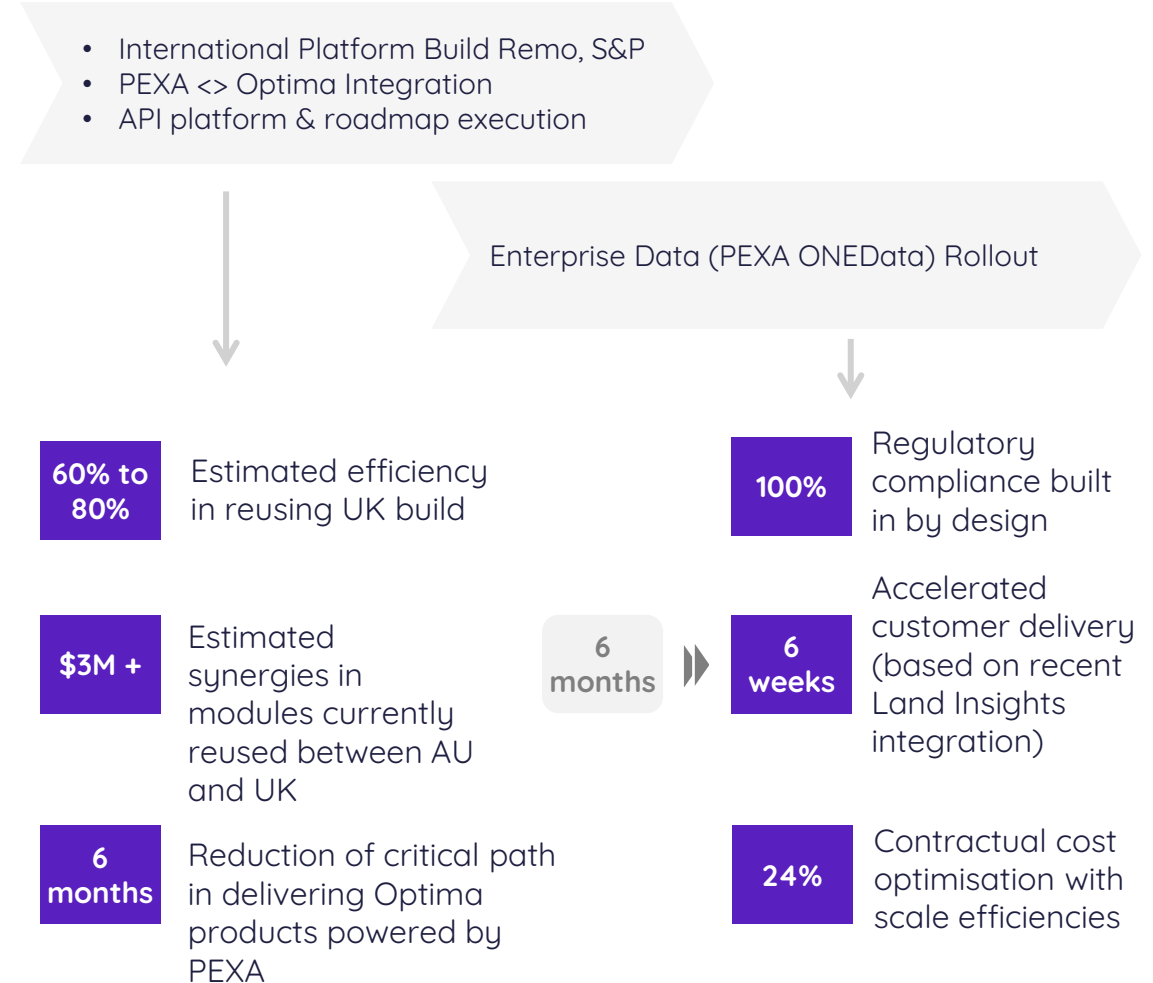
Platform & Enterprise data principles

- Adopting Group view of assets – building a portfolio of interconnected systems across operating regions and products
- Build modular components with APIs to foster reuse, speed and flexibility
- Harness the power of enterprise data through governance, modern scalable architecture and ease of integration



Initiatives & outcomes

- International Platform Build Remo, S&P
- PEXA <> Optima Integration
- API platform & roadmap execution



Continuously evolving our operations enabling efficient growth

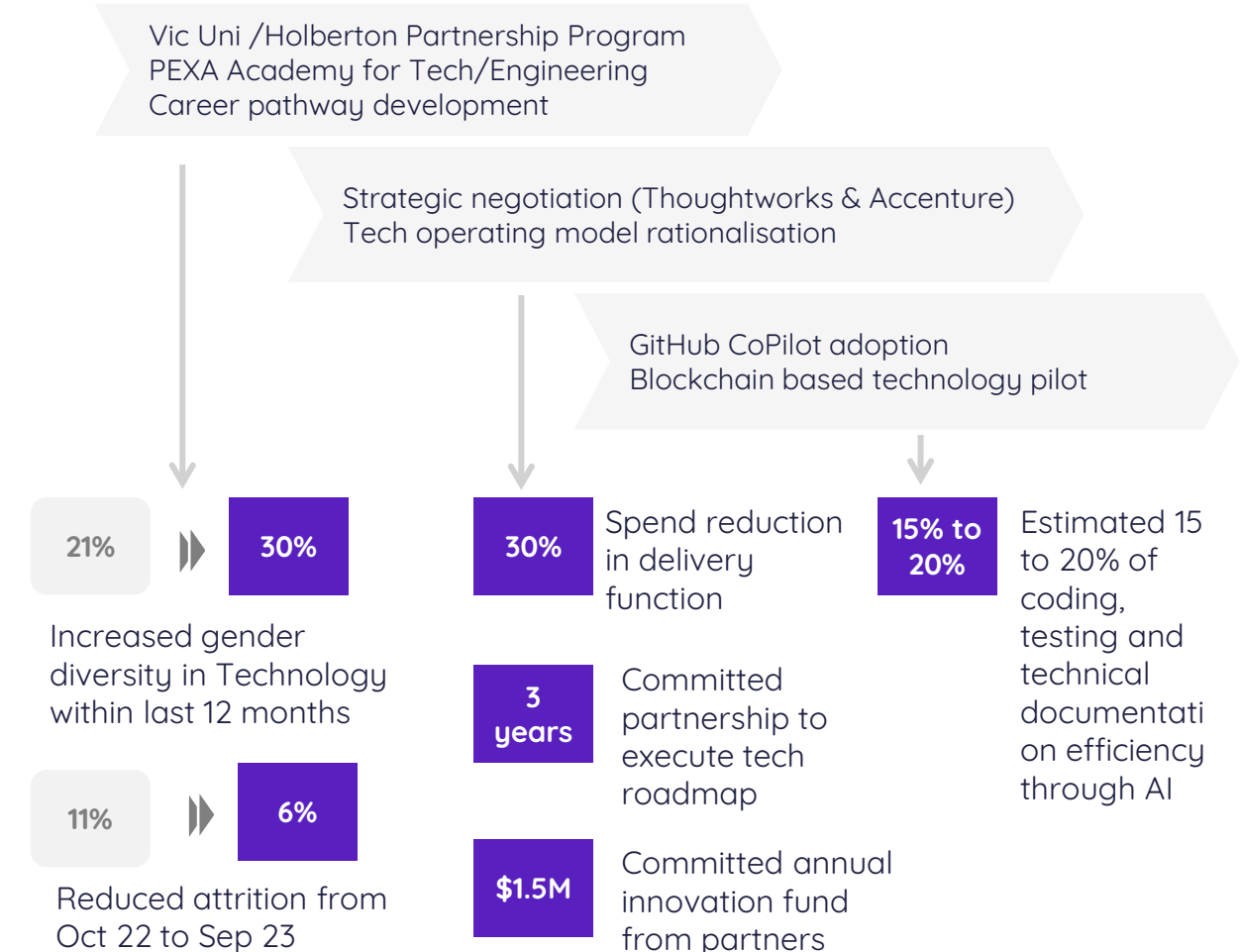
Operations principles

- Plan our workforce strategically
 - Building key competencies in-house and managing IP
 - Outsource for scale
 - Focus on employee learning to build up strong EVP and diverse talent

- Manage our key partners portfolio
 - Infusing right capability
 - Supplier spend management
 - Ability to scale up and down

- Adopt emerging technology through PEXA Tech Radar such as AI

Initiatives & outcomes



In conclusion



Cyber and platform resilience remains our key priority

100%

100% Uptime from Platform and Cyber resilience perspective



Modernising and connecting our platforms

60% to 80%

Estimated efficiency in reusing reuse UK build



Continuously evolving our operations enabling efficient growth

30%

Spend reduction in delivering Technology Roadmap

Finance update

Update on Productivity Enhancement Program

Operating model and labour costs

- Harness Group-wide scale and scope
- Capacity management and workforce planning
- Optimisation of overheads
- Intelligent automation

Non-labour costs

- Extract benefits of Group purchasing scale across major spend categories such as spend on technology, professional fees, etc

Continuous improvement

- Everyday efficiency activities
- Harness power of PEXArians
- Productivity and ways of working



About 25 Australian based FTE will have exited the business by the end of December 2023

We are also in consultation with around 80 UK-based FTE to exit the business by the end of 1H24

Subject to the results of the UK-based consultation process, the proposed departures are equivalent to about 12% of PEXA's global workforce

These actions are expected to provide cash (opex and capex) benefits of

- circa \$4-5m in 2H24
- circa \$8-10m annualised

FY24 guidance (ex-Smoove) maintained

		FY23 outcome	FY24 guidance
PEXA Exchange	Exchange margin ¹	54%	50-55%
Growth businesses	Operating cashflow ²	-\$73m	-\$70-\$80m
	Digital Growth break-even ³	n/a	June 2024
Group	Group margin ¹	35%	Above 35%

Guidance excludes impact of Smoove acquisition – update to be provided at 1H24 results

¹ Operating EBITDA / Business revenue

² Operating EBITDA – Capex for International and Digital Growth. Excludes material acquisitions and associated transaction and integration costs

³ Based on month in which Operating EBITDA becomes break-even

Specified and other items update

Specified items	2H23 actual	1H24 outlook	Comment
Smooove acquisition	na	c\$5m	As previously flagged
Optima integration	\$5.1m	c\$2.5-3m	Migration from Capita TSAs
Redundancy and restructuring costs	\$1.1m	c\$4m	Cost of PEP in 1H24
Other items ¹	\$4.9m	c\$4m	Reduced spend on M&A
Total	\$11.1m	c\$15.5-16m	
Interest			
Interest expense (includes impact of Smooove-related debt)	c\$8m	c\$10m	Reference rates and Smooove
Interest income	c\$5m	c\$7m	Source account earnings
Amortisation			
Acquired amortisation	c\$28m	c\$28m	Changes made in 2019
Other Depreciation & Amortisation	c\$12m	c\$13m	Includes impact of acquisitions

¹ Deferred consideration, other M&A related expenses, share of losses from associates, other one-off expenditures, FX impacts

Conclusion

Deep leadership expertise

ELT colleagues



Alice Morrison

Chief Risk &
Governance Officer

Private legal practice,
manufacturing



Sabina Sopov

Chief People
& Corporate Relations Officer

Financial services

Selected senior leaders



Lailani Burra

CEO, .ID

IBM, Not-for-profit



Rod Currie

GM, Group Architecture

Technology – FS, telecoms,
manufacturing



Krystle Kocik

Chief Product Officer, UK

Financial services,
consulting, PEXA AU



Rukshana Sashankan

GM, Practitioners

Private legal practice,
conveyancing



Simon Smith

Group Advocate

Public service, consulting



David Willett

CISO

IT security, incl Verizon



Liz Warrell

Deputy CFO

Financial services,
payments



Simon Wright

COO, UK

Financial services

Key messages



Well-positioned business model benefiting from secular trends in property markets

- #1 ELNO in Australia
- Portfolio of leading property information assets in Australia
- Unique solution to major causes of detriment in UK property sector



Clear, consistent, and purpose-driven strategy to create value



Focused on execution

- Exchange: resilience, integration and useability, relationship depth and efficiency
- Digital Growth: moving to achieving scale in capital efficient manner
- International: building momentum in the UK
- Supported by scalable, robust technology platforms



Solid progress on productivity program



Guidance re-confirmed

Q&A

