ASX ANNOUNCEMENT

tyro

TYRO 2024 ANNUAL GENERAL MEETING AND REAFFIRMATION OF FY25 GUIDANCE

Sydney, 13 November 2024 – Tyro Payments Limited (**Tyro**) today provided the following documents relating to the 2024 Annual General Meeting, for immediate release to the market.

1. Chair's address to shareholders.
2. CEO and Managing Director's address to shareholders.
3. 2024 Annual General Meeting presentation.

Tyro CEO and Managing Director Jon Davey said: *"We look forward to meeting with our shareholders at the 2024 Annual General Meeting today. We are pleased with the financial performance of the business in FY24, which saw us grow gross profit by 9.1% to $210.8m and increase our EBITDA margin from 21.9% to 26.4% year-on-year. In our FY24 results presentation, we introduced guidance for FY25. We are reaffirming this guidance today, and we continue to expect gross profit for FY25 to be between $218m and $226m, and for our EBITDA margin to increase to c.28%."*

Virtual attendance at the Annual General Meeting
These addresses to shareholders will be webcast live at: meetings.linkgroup.com/TYRO24 from 14:00 (AEDT) today and will be uploaded to the Tyro Investor Centre at: https://investors.tyro.com/investor-centre/

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Pursuant to Listing Rule 15.5, Tyro confirms this document has been authorised for release by its Board of Directors.

About Tyro
In 2003, Tyro set out to make payments the easiest part of doing business. Today, we're still into business big time, powering more than 71,000 merchants across Australia with in-store, online and on-the-go payment solutions. Working with more than 700 partners, we create seamless payment experiences for hospitality, retail, services and health providers, with integrated banking and lending solutions designed to help unlock the potential of every business.

Forward-Looking Statements: *Tyro's financial expectations and guidance included in this announcement are subject to there being no material deterioration in market or macroeconomic conditions, and are based on a number of key assumptions which may not prove to be correct, or which may change over time, including no material changes to current business plan and no material change in the regulatory environment. During the ordinary course of business, the Group is exposed to credit risk, operational risk, market risk, macroeconomic risk and liquidity risk. For details on the management of these risks, please refer to the Annual Report including the Operating & Financial Review and the Financial Report for the year ended 30 June 2024. Certain statements contained in this announcement are forward-looking statements or statements about future matters, including* *indications and expectations of, and guidance and outlook on, the future earnings, financial position and/or performance of Tyro. These statements are based on information available as at the date of this announcement and involve known and unknown risks and uncertainties and other factors (many of which are beyond the control of Tyro). No representation is made or guarantee given that the occurrence of any of the events expressed or implied in these statements will actually occur. Actual future events may vary from these forward-looking statements and it is cautioned that undue reliance should not be placed on any forward-looking statement.*

2024 ANNUAL GENERAL MEETING

13 November 2024

Tyro Payments Limited ABN 49 103 575 042

DISCLAIMER

This presentation is provided by Tyro Payments Limited (ABN 49 103 575 042) and its controlled entities (variously, “Tyro”, “us”, “we”, “our” and “Group”) and is current at 26 August 2024. It is information given in summary form only and does not purport to be complete. It does not constitute personal, legal, investment, taxation, accounting or financial product advice, has been prepared as general information only, and does not take into account your personal circumstances, investment objectives, financial situation, tax position or particular needs. Having regard to those matters, please consider the appropriateness of the information before acting on it and seek professional advice.

No information herein constitutes an offer, solicitation or invitation to apply for securities, or any other financial product or service, or to engage in any investment activity, in any place in which, or to any person to whom, it would be unlawful to make such an offer, solicitation or invitation.

This presentation contains statements that are, or may be deemed to be, forward-looking statements. To the extent the information may constitute forward-looking statements, it reflects Tyro’s intent, belief or current expectations at the above date. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, assumptions and uncertainties, many of which are beyond Tyro’s control, which may cause actual results to differ materially from those expressed or implied. Undue reliance should not be placed on any forward-looking statement and, other than as required by law, Tyro does not give any representation, assurance or guarantee that the occurrence of the events, results and outcomes expressed or implied in any forward-looking statement will actually occur. Subject to any continuing obligations under applicable law, we expressly disclaim any obligation to provide any updates or revisions to any forward-looking statements in this presentation to reflect events or circumstances after the above date. There are a number of other important factors that could cause actual results to differ materially from those set out in this presentation.

This presentation includes unaudited financial information and “non-IFRS financial information” under ASIC Regulatory Guide 230. We consider this information provides a useful means to understand our performance, however, such information does not have a standardised meaning under the Australian Accounting Standards or International Financial Reporting Standards. Undue reliance should not be placed on it.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Tyro as to the accuracy, currency or completeness of any part of this presentation.

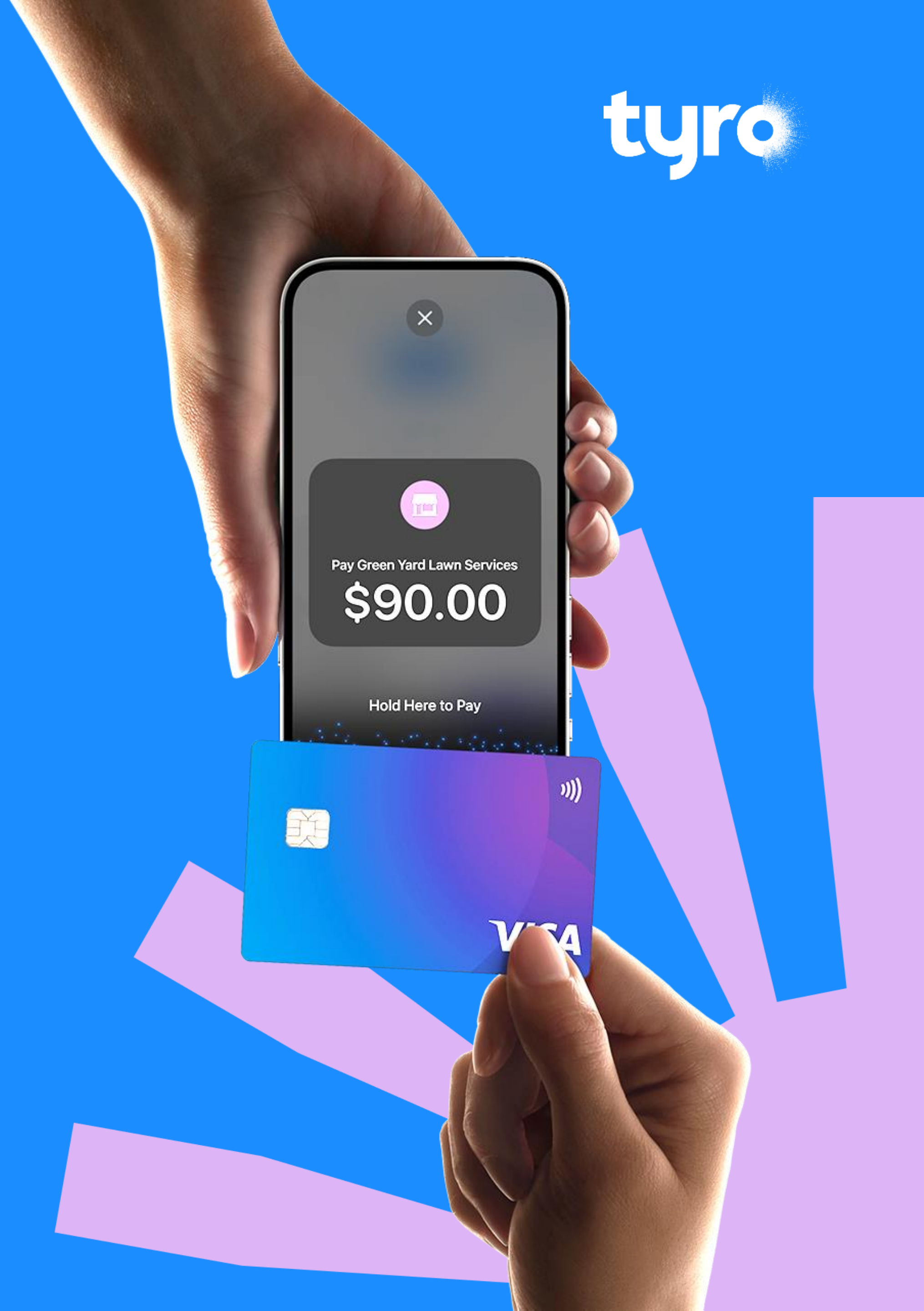
All amounts are in Australian dollars.

Past performance information given in this presentation is for illustrative purposes only and should not be relied upon as, and is not, indicative of future performance.

CHAIR'S ADDRESS TO SHAREHOLDERS

Fiona Pak-Poy

Chair



FY24 RESULTS: KEY THEMES

GOOD PROGRESS AGAINST OUR STRATEGIC INITIATIVES
with focus on enhancing our proposition to merchants

STRONG FY24 FINANCIAL PERFORMANCE
transitioned to a significantly more profitable business

UNIQUELY POSITIONED FOR GROWTH OPPORTUNITIES
while delivering profitable and sustainable growth

KEY CHANGES TO REMUNERATION

	Changes effective in FY24	Changes effective from FY25
STI Plan	• Introduction of risk gate-openers • Increase weighting of 'Financial' measures to >50% • Adjusted the equity/cash split	• 'Financial' metrics to make up >60% of potential CEO and CFO award • Removal of EBITDA; replaced with gross profit, operating leverage, and statutory profit before tax[1]
LTI Plan	• EBITDA after share based payments expense used (previously before share-based payments expense)	• Removal of EBITDA, to be replaced by earnings per share (EPS) from FY25 • EPS and rTSR will be equally weighted

Greater Disclosure

- More detail provided for target 'Financial' and 'Customer' measures of STI plan
- Detailed outcomes relating to performance measures
- Further detail on CEO KPIs and weightings against each category

1 Gross profit and operating leverage on a normalised basis

COMMITTED TO MANAGING ESG ASPECTS OF OUR BUSINESS

Committed to supporting the environment

Certified carbon neutral

On track to comply with ASRS[1] by 2026

Partnered with Greener to help merchants reduce their GHG emissions and become more sustainable

Diverse and inclusive place to work

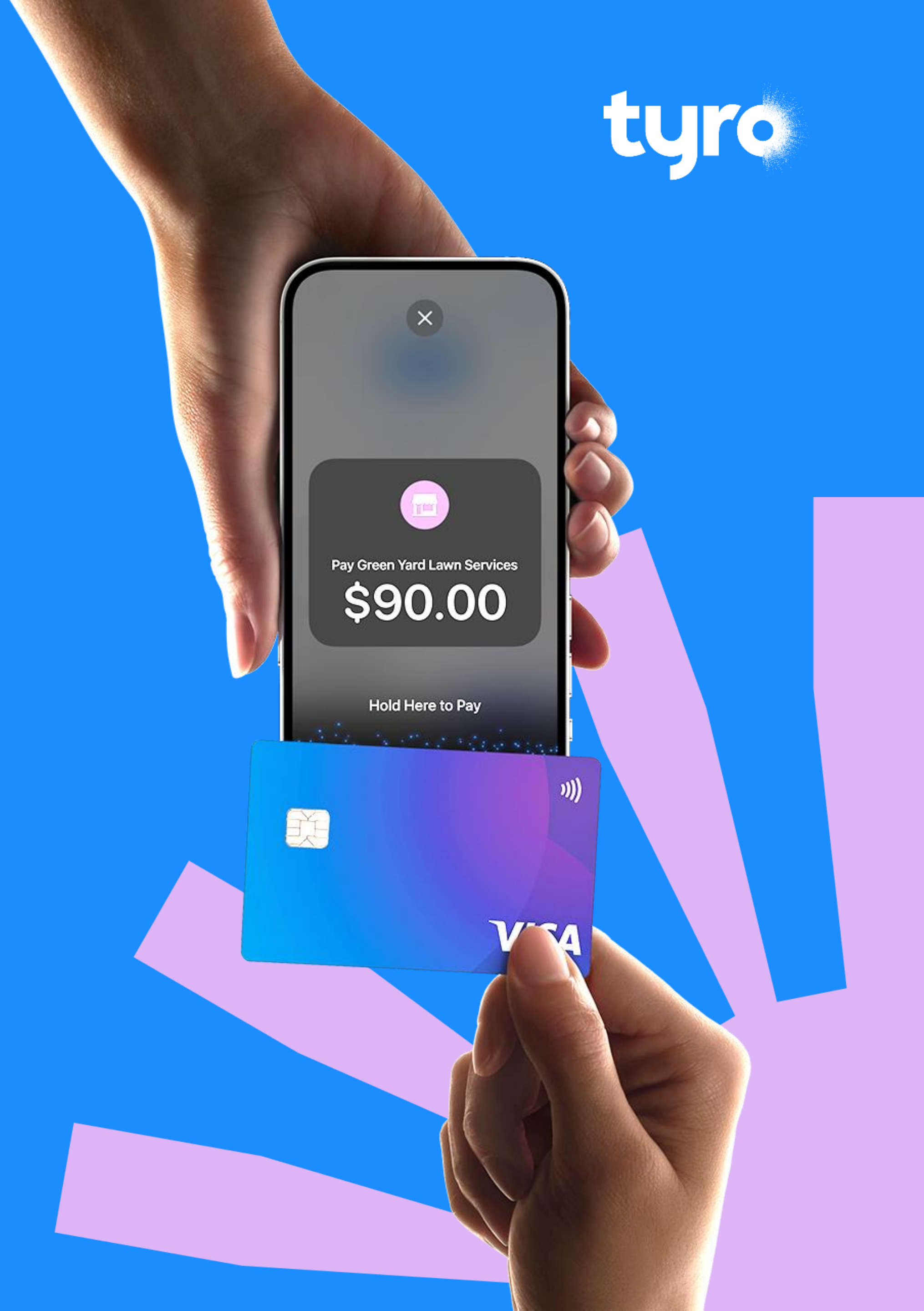
>40%	Female representation
57%	Female Board directors
86%	Colleagues believe Tyro is diverse and inclusive place to work

1 ASRS: Australian Sustainability Reporting Standards

CEO's ADDRESS TO SHAREHOLDERS

Jon Davey

CEO and Managing Director



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GOOD PROGRESS AGAINST OUR STRATEGIC INITIATIVES

with focus on enhancing our proposition to merchants

- **PRODUCT INNOVATION**
- **PRICING TRANSFORMATION**
- **IMPROVED OPERATING EFFICIENCY**
- **GROWTH AND NEW VERTICALS**

STRONG FY24 FINANCIAL PERFORMANCE

transitioned to a significantly more profitable business

GROSS PROFIT[1]	EBITDA[1]	Net Profit After Tax[2]	Free Cash Flow
$210.8m	**$55.7m**	**$25.7m**	**$30.4m**
+9.1% (vs. FY23)	+31.6% (vs. FY23) Margin 26.4% (+4.5ppt)	>4x higher (vs. FY23)	>5x higher (vs. FY23)
FY24 guidance: $208m – $215m	FY24 guidance: $54m – $58m		

1 Gross profit and EBITDA on a normalised basis
2 Net profit after tax (statutory)

UNIQUELY POSITIONED FOR GROWTH OPPORTUNITIES

WHY TYRO IS PAYMENT PROVIDER OF CHOICE TO >70,000 MERCHANTS

100% owned end-to-end tech stack

Complete control and flexibility to purpose build vertical-specific solutions and integrate seamlessly with partners

+

Targeted distribution channels

Multiple channels designed to optimise the allocation of resources based on vertical and business size

+

Integrated payments + banking

A differentiated proposition that integrates best in class payments with high quality banking solution – all in one place

WHAT THESE STRENGTHS POSITION US TO ACHIEVE IN FY25 AND BEYOND

Growth in addressable market

- New POS and partner integrations
- New Health sub-verticals
- Launch of new verticals
- Greater banking penetration

Improved customer economics

Payments + Banking + Lending

Improved profitability

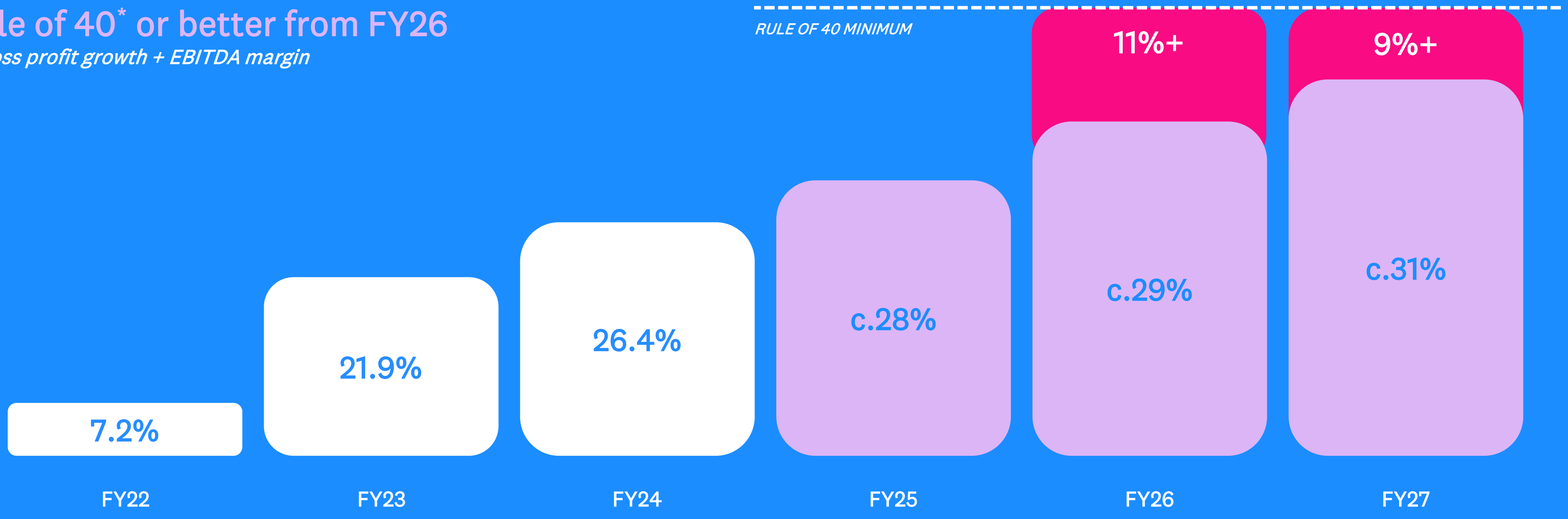
Gross profit growth + Operating efficiency = Improved profitability

IMPROVING PROFITABILITY OVER THE MEDIUM-TERM

Continued focus on balancing growth and profitability

Rule of 40* or better from FY26

=Gross profit growth + EBITDA margin



EBITDA MARGIN

EBITDA MARGIN

GROSS PROFIT GROWTH (NORMALISED)

FY24
Gross profit growth: 9.1%
EBITDA margin: 26.4%
Rule of 40 basis: 35.5

* Rule of 40 basis is the sum of normalised gross profit growth and EBITDA margin. Achieving Rule of 40 requires the sum of these two components to be a minimum of 40. For example, in FY24 we achieved 35.5 on the Rule of 40 basis as our normalised gross profit growth was 9.1% and our EBITDA margin was 26.4%.

FY25 GUIDANCE UNCHANGED

Continued gross profit growth and improved profitability in FY25

GROSS PROFIT[1]: $218m - 226m

Growth of 3% to 7%

EBITDA[1] MARGIN: c.28%

FY25 to date (4 months to 31 October) is in-line with our expectations, and consistent with our guidance.

1 Gross profit and EBITDA on a normalised basis

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THANK YOU

TYRO PAYMENTS LIMITED
2024 ANNUAL GENERAL MEETING
CHAIR'S ADDRESS TO SHAREHOLDERS

Good afternoon everybody my name is Fiona Pak-Poy, Chair of the Tyro Board. On behalf of my fellow directors and the Tyro team, I am delighted to welcome you to our 2024 Annual General Meeting.

Before we begin today, I would like to acknowledge that I am hosting this meeting in Sydney on the land of the traditional owners, the Gadigal people. I also acknowledge the Traditional Owners and Custodians of the various lands from which you are all joining this meeting today virtually, and I wish to pay my respect to Elders past, present and emerging.

As Chair, I'm pleased that FY24 was a year of great progress for the company, albeit we recognise the share price has not reflected this. It has been rewarding for myself and the Board to support the team's plans to accelerate progress in the core focus areas of people, innovation and growth.

Before I share more about what the team have delivered and some of the key changes we've made to our remuneration plans, it's worth us recognising the resilience of our customers – who over the past year have continued to weather the effects of above-trend inflation and higher interest rates. Whilst there is some uncertainty in the near-term, which will continue to weigh on small businesses, we're hopeful that economic conditions will improve, and the challenges faced by our customers will ease.

Despite the economic headwinds, Tyro has performed well in FY24. Jon will talk in more detail about our performance for the year – but to summarise, there are three key themes that characterise Tyro in FY24.

Firstly, we've made good progress against our strategic initiatives which have been focused on enhancing the customer proposition. These initiatives span product innovation, pricing transformation, improved operating efficiency and driving growth.

Secondly, progress against these initiatives has allowed us to deliver strong financial performance in FY24. At a headline level, we delivered gross profit and EBITDA within our guided range, with our EBITDA growing by 31.6% to $55.7 million – representing an EBITDA margin of 26.4 per cent.

Our net profit after tax, on a statutory basis, was more than four times higher at $25.7 million and our free cash flow increased significantly to $30.4 million. These results demonstrate Tyro's transition to a significantly more profitable business.

Finally, Tyro is uniquely positioned for future growth opportunities. We have several core strengths that we will continue to leverage over the medium-term to deliver profitable and sustainable growth.

I'd like to acknowledge on behalf of the Board the feedback that we've received from you, our shareholders, in response to the 2023 Remuneration Report. This mainly related to the financial measures we had been using for our incentive plan, the level of disclosure on award triggers and also a one-off retention award that was made to our prior CFO.

As we laid out in our 2024 Remuneration Report, we've made some changes to our executive remuneration which I believe you will find demonstrates that we've listened to, and carefully considered, your feedback and that our policy and plans continue to evolve to balance the needs of the business with shareholder outcomes.

I will provide a summary of the key changes we've made – and you will see these on the presentation slide too.

Starting with the Short-term Incentive, or 'STI'. There are some changes that we had already made, which became effective for our FY24 award.

First, we introduced risk and performance gate-openers, which are minimum standards that must be met for any team member to receive an award.

Second, we re-balanced the weighting across different measures with an emphasis on ensuring more of the potential award is linked to performance against financial measures.

Third, we changed the split of equity to cash for Executive KMP and XLT to ensure we have the right balance so that we can attract and retain senior leaders in this competitive market.

Looking ahead, there are some additional changes to the STI that will take effect in FY25. Notably, we will replace the EBITDA metric with three equally weighted metrics of gross profit, operating leverage, and statutory net profit before tax. For the CEO and CFO specifically, financial metrics will represent at least 30% of their Individual KPI component meaning that now >60% of their total potential award is linked to financial measures.

Moving on to some changes we made to our Long-term Incentive, or 'LTI'.

For FY24, we switched to an EBITDA metric on a post share-based payments basis, rather than before share-based payments.

For FY25, we will be completely removing the use of EBITDA for the LTI and replacing it with earnings per share – which will be used alongside relative TSR, both of which will have an equal weighting of 50%. This change to including a return on capital metric is appropriate now the business is profitable and supports the suggestion of many shareholders.

And more broadly, across our external reporting – we have introduced greater levels of disclosure on the target measures, the performance required to trigger various awards, including further detail on our CEO's KPIs.

Finally, as part of our overall improvements to remuneration, we have also incorporated the Tyro Employee Share Trust, or EST, which is designed to purchase shares on-market for employee rights and options granted from FY24 onwards. This is intended to mitigate the effect of dilution on existing shareholders from share-based payments. I'm pleased to announce that this is now fully operational.

We are confident that this remuneration framework incentivises and rewards high performance that delivers sustainable long-term value creation and better reflects the interests of shareholders.

I'd like to briefly share some of the highlights relating to our social and environmental endeavours.

We are committed to managing our impact on the environment, to decarbonise our operations and encourage our suppliers to do the same. As part of this, we currently acquire carbon offsets for our greenhouse gas emissions, to certify our business operations as Carbon Neutral.

We haven't just stopped at our own operations. As part of our climate-related risk assessment we identified an opportunity to help our merchants on their path to decarbonisation. To support them, we've launched a partnership with 'Greener' – an online sustainability platform. Together we help small and medium-sized businesses to reduce their greenhouse gas emissions and save money – identifying action plans and offers across energy, waste, transport, packaging and more.

Additionally, in terms of our commitment to providing a diverse and inclusive place to work, we're delighted with our focus on Tyro's gender diversity – with a greater than 40% representation of females across both the whole company, and among our extended senior leadership group. And at a Board level, we have a nearly 60% female representation. These numbers are particularly good for a tech company. This sentiment is felt strongly across the business, with 86% of colleagues stating that Tyro is a diverse and inclusive place work.

That concludes my remarks for today, and in closing I would like to recognise the hard work and commitment of Jon and all the Tyro team, including the Board. I would especially like to thank David Fite for his significant and insightful contributions over many years and we wish you the best for your future endeavours. Finally, I would like to thank you, our shareholders for your continued support. I am very excited about the possibilities ahead of us, and how Tyro is well positioned to capture those. I look forward to being able to share updates throughout the year.

I will now hand over to Jon, who will run through in a little more detail the strategic and financial performance for FY24.

CEO AND MANAGING DIRECTOR'S ADDRESS TO SHAREHOLDERS

Thanks Fiona.

Good afternoon to everyone here in person, and to those of you joining virtually. My name is Jon Davey, and I am the CEO and Managing Director of Tyro.

Before I begin, I would like to thank you, our shareholders, for the support you provide to our business. I'm pleased to have the opportunity today to provide an overview of our strategic and financial performance and share why I believe Tyro is uniquely positioned for future growth.

I will cover the key highlights from our 2024 FY as well as our guidance for FY25.

As Fiona outlined, there are three key themes that underpinned our performance in FY24 and give us confidence in the future of our business.

Firstly, in progressing our strategic initiatives we have delivered solutions that bring our mission to life; that is to make payments the easiest part of doing business.

Secondly, our financial performance has been strong, highlighted by excellent year on year profit growth.

Thirdly, the combination of owning our own payments technology stack, proven capability in the development of industry leading solutions, leadership excellence, and a high performing team, uniquely positions Tyro for further growth.

Our focus on innovative payment solutions is not only delivering better products and product features, but it is positioning Tyro in a rapidly changing payments landscape.

Growth is at the forefront of our priorities, and in FY24 we made good progress in expanding our product suite and our market opportunity. We launched several new products and product features including our bundled payments and POS offering and our embedded payments SDK. Our embedded payments SDK provides merchants with a variety of off the shelf hardware options, removing a dependency on Tyro sourced hardware as the only way to accept card present payments.

In August we announced preliminary details on two new verticals, unattended payments and a health adjacency, that we will enter this financial year. In both we are partnering with industry leading businesses and will leverage our end-to-end technology and payments switch, and in the case of the health adjacency, our unique ability to process online and card present card payments, and third-party insurance claims. For the health adjacency we will deploy an entirely new and industry leading payment processing solution. The addressable market for these opportunities is large and growing, more than $5 billion for each this year. Development and launch plans are progressing well and we will provide further information on our partners, the industry verticals, and our solutions, as soon as possible.

Our pricing transformation program, and our disciplined approach to cost management continues to drive improved financial results. The pricing transformation program, announced just over 12 months ago, has simplified processes for our sales and servicing teams, driven higher numbers of automated approvals, and delivered fairer pricing for Tyro's customers. Nearly 80% of Tyro customers now operate on card-based pricing plans; these plans charge merchants a fee based on the card a consumer uses. Commercial and international cards, which incur a significantly higher interchange fee are priced higher than lower cost debit cards. This approach provides transparency to the merchant, is fair, and positions Tyro well for any changes made by the Reserve Bank to the cost of card acceptance and surcharging.

The second of our themes is our strong financial performance, reflected in significantly higher, and sustainable profit.

I am pleased to share these results as they reflect the hard work that has gone into bringing our strategy to life.

Our gross profit for the year grew by 9.1% to $210.8 million, and EBITDA grew by 31.6% to $55.7 million. Our EBITDA margin was 26.4%, up from 21.9% last year.

Cost management is, and will remain, a core focus. Over the past 12 months we have continued with the disciplined approach implemented when I was appointed and that is now part of our DNA. We are driving efficiency in all aspects of our business, treating every dollar as though it was our own. We will however not allow cost management to compromise our focus on innovation and our customer experience. Instead, we will leverage industry leading technology, including AI to optimise customer experiences and minimise cost. During 2024, we have been trialling the use of AI agents in our Health business, particularly for customer support. These tools are not only helping our staff prepare customer service requests, but they are also directly responding to customer queries. For the 2025 FY year to date, almost 8,500 requests have been started using our online chat platform; 45% of these involved an AI agent with 51% of those resolved without human intervention. This has highlighted the transformational opportunity across our business.

Our focus on gross profit growth, and effective cost management, contributed to a significant improvement in bottom line profitability with net profit after tax increasing from $6.0 million last year to $25.7 million in 2024.

Additionally, we are a significantly more cash generative business. Our free cash flow of $30.4 million was more than 5 times the free cash flow generated last year.

I'd like to discuss our third theme and outline why we firmly believe that we are uniquely positioned for profitable and sustainable growth.

Tyro is the payment provider of choice for more than 70,000 merchants. We have captured this share of market because we are focused on building better payments solutions for customers. We will leverage our unique capabilities to power future growth. This includes:

Firstly, ownership of our end-to-end technology stack. This means we have complete control and flexibility to build industry and segment specific solutions, and to integrate seamlessly with partners.

Secondly, we have diverse distribution channels that we can leverage to enhance our go-to-market efforts. Tyro currently acquires customers through online channels and our sales team, through Point of Sale and Practice Management System partners, through Independent Sales Organisations, and via retailers such as Telstra. Each has its own focus with some suited to certain types, and size of merchant.

Thirdly, merchants value the benefits that come with our integrated payments and banking proposition. This solution provides businesses with same day access to their funds and helps Tyro merchants manage their cashflow.

Finally, we continue to invest in leadership excellence, the development of a high performing team, and a customer focused culture.

Looking ahead, we have a clear picture on the outcomes these capabilities will deliver.

First, they will help us to unlock more of the addressable market in Australia, giving us greater opportunity for growth. Launching our new verticals is exciting, however, there is still lots of opportunity within our existing verticals of hospitality, retail, health and services.

Second, as we build momentum and adoption of our deposit and lending products, we will see better economics flow to a wider population of our book; this will be hugely supportive of gross profit growth.

Finally, with growth in payments and banking driving top line growth, and our ongoing commitment to improve operating efficiency, we are confident in our ability over the medium term to keep delivering strong profit growth.

Moving on, I would like to discuss the framework we are using to provide guidance on financial targets over the medium term.

As presented in August at the FY24 results call, we have outlined our medium-term targets based on a commonly used 'Rule of 40' model. Using this model, we can calculate a score, which is the sum of our normalised gross profit growth and our EBITDA margin. We are targeting a minimum score of 40 from FY26.

This means that we need to drive top line growth, but balance this with improved profitability.

Setting this trajectory gives you, as owners of the business, greater visibility over the medium-term, and demonstrates our commitment to profitable and sustainable growth.

To add further detail, we expect to deliver an increase to the EBITDA margin each year. For FY25 we expect an EBITDA margin of 28%, rising to circa 31% in FY27.

It is important to confirm that we don't see any reason to revise this target as a result of the changes that the Reserve Bank is assessing as part of its Payments Review. Recent publication of the issues paper highlighted thinking that is consistent with our expectations, and scenarios that we have modelled. We believe that Tyro is well positioned for any change. Our business model is not dependent on merchants surcharging their customers, and as discussed, we have the technical capabilities to allow us to price by card type.

Tyro is currently preparing a response to the RBA's Issues paper. We will provide further updates once we are clear on details and the timing of any changes.

In August, we also presented our outlook for FY25, and we guided to generation of between $218 million and $226 million of gross profit – at an EBITDA margin of around 28%.

We've taken into consideration the macroeconomic outlook, the benefits from our growth initiatives, and we've also factored in some downside risks – one of which relates to the potential loss of merchants to Lightspeed. You will recall that we had an injunction against the targeting of Tyro customers by Lightspeed that ended on the 6th of September.

Operating performance for the financial year to date has been consistent with expectations, and our financial performance is in line with the guidance provided. It is still early days in assessing the Lightspeed impact, but I would say that so far, the impact has been smaller than we expected.

In fact, we continue to hear from some merchants who are very unhappy with Lightspeed's aggressive tactics, and we continue to work with our merchants to help them avoid the hefty fees they are being threatened with.

Further to my previous comments, we do not expect any impact during FY25 from any changes related to the RBA Payments Review.

We therefore remain comfortable with our FY25 guidance; and continue to expect delivery of $218m to $226m of gross profit at an EBITDA margin of around 28%.

That concludes my presentation. I will now hand back to Fiona who will take us through the formal items of business.

--ENDS--