



MARKET ANNOUNCEMENT

FY25 Full Year Results

Sydney, 26 August 2025 – Integrated Research (Company, IR) (ASX: IRI), a leading global provider of observability for business-critical IT ecosystems, today released its results for the financial year ended 30 June 2025.

Highlights

- Product-led growth strategy: focus on new products, new revenue
- Stronger second half, improved Statutory Revenue and EBITDA compared to the first half
- FY25 pro-forma revenue steady compared to the prior year
- Softer FY25 renewals book impacted Statutory Revenue compared to the prior year
- Final dividend declared of 2.00 cents per share, fully franked

Financial Results

Year ended (A\$m)	30 June 2025 (Actual)	30 June 2024 (Actual)	% change
Pro-forma revenue ¹	74.3	74.8	Down 1%
Statutory revenue	68.3	83.3	Down 18%
EBITDA ²	15.9	24.6	Down 35%
Net Profit After Tax (NPAT)	13.4	27.1	Down 51%
Cash at bank	40.6	31.9	Up 27%
Dividend per share (fully franked)	2.00	2.00	No change

¹ Pro forma revenue provides a non-statutory alternate view of underlying performance by restating term licence fee revenue to be on a recurring subscription basis (i.e., over time), rather than upfront at the commencement of a contract, per the statutory view. Other recurring revenues such as maintenance fees and cloud services, as well as other non-recurring revenue streams such as perpetual licence fees, professional services and one-time testing services are consistently treated, as part of pro forma and statutory revenue views.

² EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) is a non-IFRS measure used to evaluate the Company's operating performance by focusing on profit from core operations and excluding the effects of capital structure, tax rates, and non-cash accounting items like depreciation and amortisation.

The Company experienced stronger second half trading activity compared to the first half. Despite this, a softer FY25 renewals book saw statutory revenue reduce year on year while pro forma revenue, a primary indicator of underlying performance, remained steady year on year.

The Company reported EBITDA of \$15.9m and NPAT of \$13.4m, whilst operating expenses were reduced to \$54.9m. Income tax expense increased by \$4.6m to \$5.1m due to the low effective tax rate reported in the prior year arising from the full utilisation of carried forward R&D tax credits available in that year.

The closing cash position was \$40.6m. The Company declared a final FY25 dividend of 2.00 cents per share, fully franked.

Management Commentary

Statutory revenue performance trends with the renewals book, the value of which fluctuates each year. This characterises both the Company's challenge (increase the revenue contribution from new clients and revenue expansion from existing clients), and the Company's opportunity (become less reliant on a fluctuating renewals book and transition to sustainable growth).

The Company's product-led growth strategy announced in August 2024 places product innovation and the commercialisation of new products at the heart of the growth plan, to which the company pivoted in FY25. While it was a year of necessary change, the Company established strong foundations on which to continue to advance its product-led growth agenda, while also delivering some positive results:

- Successful release of **High Value Payments** (HVP), a new product under the Transact product portfolio that reduces compliance, liquidity and commercial risk associated with high value payments for banks. A top 10 US bank was signed for a five-year term.
- Secured first new business for **Prognosis Elevate** (Prognosis hosted by IR). Prognosis Elevate reduces client activation and maintenance complexity, reducing cost of ownership. Prognosis Elevate is provided under a hybrid licence fee and consumption fee model.
- Completed development of a beta version of **Iris**, the Company's new AI product. Available to clients as a native experience within Prognosis, the Company expects to launch Iris in calendar year 2025.
- **IR Labs** - the Company's AI and Machine Learning innovation team - completed idea validation and prototyping of a new, AI powered stand-alone product offering. The Company expects to progress to a beta release in FY26.
- Secured a five-year \$9.8 million renewal contract with JP Morgan Chase.

While the product-led growth strategy is centered on investing to create innovative new products that respond to current and future client needs, it also focuses on revenue performance drivers aligned to achieving sustainable growth over the medium to long term, including:

- Revenue from new clients
- Expansion revenue from existing clients
- Consumption based revenue (subscription fees)

The Company experienced market uncertainty in the Americas in the second half, which caused timing delays into FY26 and slowed the growth in revenue from new clients. Despite this, revenue from new clients increased by 31% year on year to \$6.7m.

Expansion revenue decreased by 51% year on year to \$3.3m. The Company anticipates expansion revenue will benefit from more new product releases, the cadence of which is expected to lift in FY26 given the foundations built in FY25.

Consumption-based revenue is realised via subscription fees and provides potential for organic growth over time as clients are monetised based on their level of product usage. Consumption-based revenue increased 77% year on year to \$3.9m.

Priorities & Observations

Priorities

- IR's growth strategy is product-led, focused on building new revenue opportunities with:
 - new clients in existing markets and/or new markets
 - expansion of existing clients
- Foundational work completed in FY25 and some early progress:
 - High Value Payments (released December 2024) – Top 10 US bank signed
 - Prognosis Elevate (released July 2025) – Prognosis hosted by IR
 - Iris (beta released July 2025) – first release of the Company's new AI product
 - IR Labs – completed prototyping of a new, AI powered stand-alone product offering
- Capital position now provides for significant FY26 investment to accelerate development and commercialisation of new products
- Investment in product-led growth is:
 - designed to position the company for sustainable growth over the medium to long term
 - expected to reduce profits over the short to medium term

Observations

- Long term contracts secured in FY25 underline the relevance and value of IR's core offering.
- IT ecosystems inside enterprise grade organisations are complicated, the need for observability is expanding, not contracting.
- AI and machine learning (ML) is an innovation and value accelerator; the Company has enabled AI within Prognosis and will release its AI product – Iris – in FY26.
- IR holds a blue chip, global client base.
- New client and expansion revenue is not yet sufficient to offset fluctuations in the annual renewals book and persistent churn.
- FY26 renewals are softer than FY25.

By Authority of the Board.

Leanne Ralph
Company Secretary
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About Integrated Research Limited (ASX: IRI). Integrated Research (IR) is the leading global provider of user experience and performance management solutions for payment transactions and collaborative systems. We create value through our real-time, scalable & extensible hybrid cloud platform and our deep domain knowledge to optimize operations of mission critical systems and improve user experience through intelligent and actionable insights. We enable many of the world's largest organisations to simplify complexity and provide visibility over systems that millions of people can't live without – systems that allow them to transact and collaborate. For further information on IR, visit www.ir.com.