



**OFX GROUP LIMITED
ANNUAL GENERAL MEETING
26 AUGUST 2021**

We continue to live and work in unprecedented and uncertain times, even 18 months after COVID entered the lexicon. Against that backdrop, it is very heartening to see our company continues to deliver, continues to adapt, and remain as relevant, perhaps more, to our clients in a post-COVID world than a pre-COVID world.

Last year I highlighted the two key factors to navigating difficult times:

- To have great people who are aligned with a clear mission and a strong culture.
- And to have great operating mechanisms to drive strong execution.

OFX has both of these, and our results, as well as our position in a post COVID world across all of our stakeholders, has strengthened - particularly in the second half of fiscal year 21, and the first quarter of fiscal year 22. Skander will share his thoughts on our results in a moment but let me preface that with the strength of our relationships we have with our stakeholders is the result of a lot of hard work and focus by the Board and the team. This position of strength is more important today than ever.

Recapping FY21

We have updated investors in May of our FY21 results, but a few highlights on those and the broader progress the Board are encouraged by:

Our people are the most engaged they have been in years, with employee engagement scores growing 11 points to 70. This shows that our people are proud to work at OFX and are motivated to go above and beyond both for our customers and for each other. We can build great technology, but growing a great culture is much harder, and far more valuable.

Our balance sheet is the strongest it's ever been with Net Cash Held at 31 March 2021 of over \$60M, and Net Cash Available of over \$38M. In an extended era of ultra-low interest rates, management and boards should not lose sight of the importance of companies that generate cash, and we are amongst the strongest in that regard.

The investments we have made in the last 3 years in our risk management tools and people delivered a reduction in bad and doubtful debts of over 40% vs FY20, and that flowed straight to earnings. Companies that understand how to manage the risks are the only ones that survive over the long term.

Against that, we would like to grow faster to demonstrate that we have a competitive advantage that is durable. It was certainly encouraging to grow the revenue 18% in the 2H vs the 1H, and

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the EBITDA 80%+ vs the 1H, but we know we need to demonstrate consistent top line growth to be valued more highly, and we are working hard on that.

Looking forward

We continue to see considerable economic, political, and social uncertainty... probably for an extended period. As a result, we have factored in several things into the way we are operating OFX.

Firstly, we see uneven activity levels by region. At the time of writing, global GDP growth across our major regions – UK / Europe, North America, and Australia looks very healthy. But Asia remains uncertain, and the strength in the recovery is underpinned by a few assumptions that are far from clear.

Secondly, we see the strengthening of our Corporate, Online Seller, and Enterprise businesses as the 'engine' of economic recoveries in all markets – SMEs – rebound and go global. We are well placed to assist and participate in their success.

Thirdly, we see consolidation in our industry, as well as private companies going public. I mentioned last year the plethora of private companies we compete with, who put growth in customer numbers above profit and cash generation. We have seen record levels of M&A activity and private financing in our sector and we expect more to come. We sense that, as these business models transition from private to public, the value of OFX, in comparison, will be easier to grasp, although the growth in our value will continue to be driven by our strategy and execution.

Fourthly, we see increasing regulatory scrutiny, particularly in areas of safeguarding client funds, deposit-taking-like products, and governance. This is in addition to the continued emphasis on enforcing higher standards of KYC and AML.

Given the investments we have made to make our systems more reliable and scalable, as well as increase the calibre and number of employees in our regions, we feel ready to compete globally.

Given our clear strategy, we know what our future looks like, and we will be very disciplined as the industry consolidates. We are exceptionally clear on our own value, and of the value of investments we can make in strategic targets, such as TreasurUp. Our balance sheet, our risk management, and our management team can drive value creation, if deployed well.

Lastly, our risk management culture and the investments we have made to improve our risk management tools, and our single-minded obsession to provide our clients with the best combination of human and digital service will be critical for our regulators, as well as our partners and our bankers.

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In closing, on behalf of the Board I wish to thank Skander and the Executive Team and all our employees for their hard work and commitment over the past year. They have done an excellent job in what has been a challenging year.

I would also like to thank you, our shareholders, for your continued support.

I am also delighted to welcome Cathy Kovacs, our newest Director, who joined in February this year. Cathy has already made a strong contribution to our strategic thinking, and to the M&A agenda. For example her contribution to the investment in TreasurUp, was invaluable.

I would now like to hand over to Skander Malcolm our CEO and Managing Director.

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