

For personal use only



Strong Result & Strategic Momentum

2022 Full Year Results

27 February 2023

Honouring life, celebrating memories for generations



Agenda

1. FY22 Highlights
2. Operations
3. Financials
4. Strategy & Outlook
5. Questions



Chief Executive Officer
Olivier Chretien



Chief Financial Officer
Adrian Gratwicke

For personal use only



FY22 Highlights

Olivier Chretien, CEO

Resthaven Funerals team, NZ

Served a record number of client families, supporting strong results

FY22 Highlights: Financial & Non-Financial key performance indicators

For personal use only



Customer & Team

NPS

+82.9

↑ 2.8 on PCP

LTIFR

7.6

↓ 41% on PCP

TRIFR

30.6

↓ 14% on PCP

Employee Engagement

64%

↑ 8 ppts on PCP



Operational Excellence

OPEX % Sales

52%

Flat

Debt Leverage ratio r12

1.3x

↑ 0.1x on PCP

Cashflow Conversion³

101%

↓ 7 ppts on PCP



Growth: Operational

Funeral Case Volumes

49,211

↑ 8% on PCP

Funeral Case Average²

\$8,536

↑ 5% on PCP

Memorialisation Revenue

+4.3%

↑ On PCP sales

Pet Cremation Case Volumes

99,612

↑ 14% on PCP



Growth: Financial¹

Operating Revenue

\$588.5M

↑ 12% on PCP

Operating EBITDA

\$136.1M

↑ 9% on PCP

Operating EBIT

\$84.6M

↑ 9% on PCP

Operating EBIT Margin

14.4%

↓ 0.4ppts on PCP



Sustainable Leadership

Sustainability reporting

'Comprehensive'

Assessed by ACSI

Operating EPS

35.1c

↑ 11% on PCP

ROCE r12

11.6%

↑ 0.4 ppts on PCP

Full Year Dividends

24.5c

↑ 17% on PCP

N.B. Definition of terms and measures used in this report included in the glossary on pages 45- 46.

¹: For reconciliation of operating to statutory results see page 36

²: Group gross funeral case average, including disbursements

³: Normalised Cashflow Conversion after removing the impact of change in accounting policy for SaaS costs expensed as incurred

Various macro factors have been a backdrop to these FY22 results

FY22 Trading Conditions



Return to full service farewells

post lockdowns, particularly in
International markets



A year of 'Excess deaths'¹

albeit proved challenging to service in
select markets during peak months



Employee availability

& tight labour markets impacting
capacity & efficiency



Inflated CODB²

& supply chain
pressures



Inclement weather

impacting memorial parks'
services and costs

Raised the bar on foundations, now positioned for growth phase of strategy

Strategy: FY22 Achievements



Customer led, People empowered

- › Enhanced 'WeCARE' customer feedback
- › Initiated customer data review & CRM implementation
- › New employee induction and L&D offerings
- › Employee engagement strategy implemented



Operational Excellence

- › Rolled out new Cemeteries & Crematoria ERP
- › 8 legacy acquired funeral businesses migrated to Group ERP
- › Implemented new payroll system
- › 5 new funeral shared service centre developments
- › Initiated Pet Cremation operational integration



Stronger core growth

- › Acquired William Matthews Funerals (VIC)
- › 12 new / enhanced funeral sites
- › Upgraded key websites, digital & phone channels
- › Invested in 18 new cremators
- › Progressed 'Park as a Destination' master planning for several parks
- › Developed new Pre-paid Funerals strategy



New growth platforms

- › Expanded digital customer self-serve capability
- › Invested in Parting Stone (solidified cremains)
- › Growing M&A and partnership pipeline



Sustainable Leadership

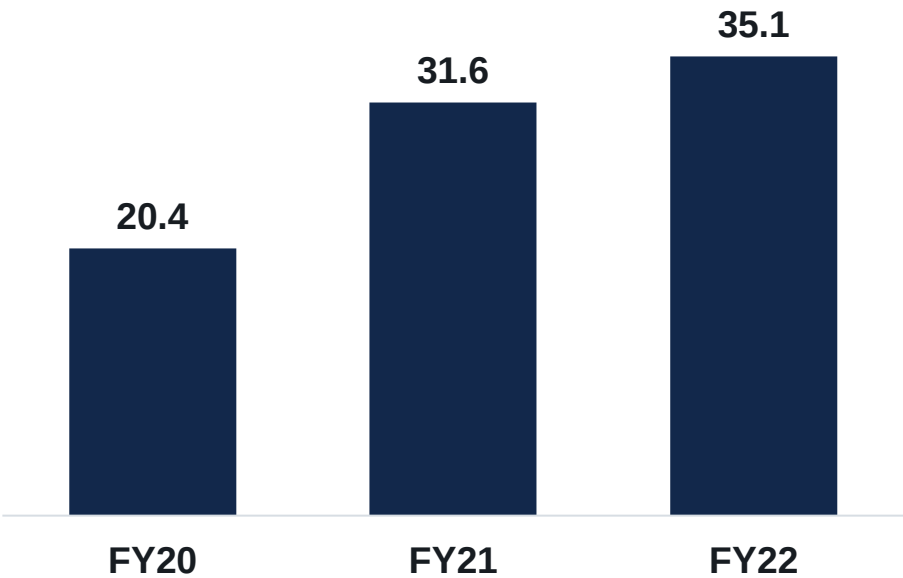
- › Rolled out key safety programs & investments
- › New sustainability strategy; assessing emissions footprint & reduction opportunities
- › Developed community engagement strategy

Positive momentum in our long term measures of success

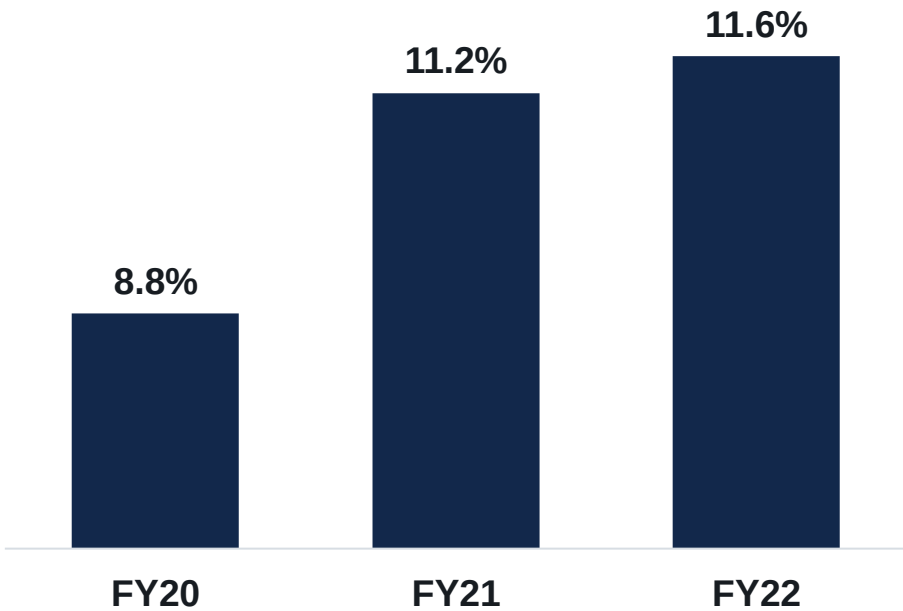
Delivering against key value creation metrics

For personal use only

Operating EPS (cents per share)



ROCE% R12





Operations

Olivier Chretien, CEO

Garden maintenance at Northern Suburbs Crematorium, NSW

InvoCare at a glance

For personal use only

49K

Funerals cases

- 40K Australia
- 8K New Zealand
- 2K Singapore

26K

Cremations & burials

99K

Pet cremations

+82.9

NPS, an exceptional result

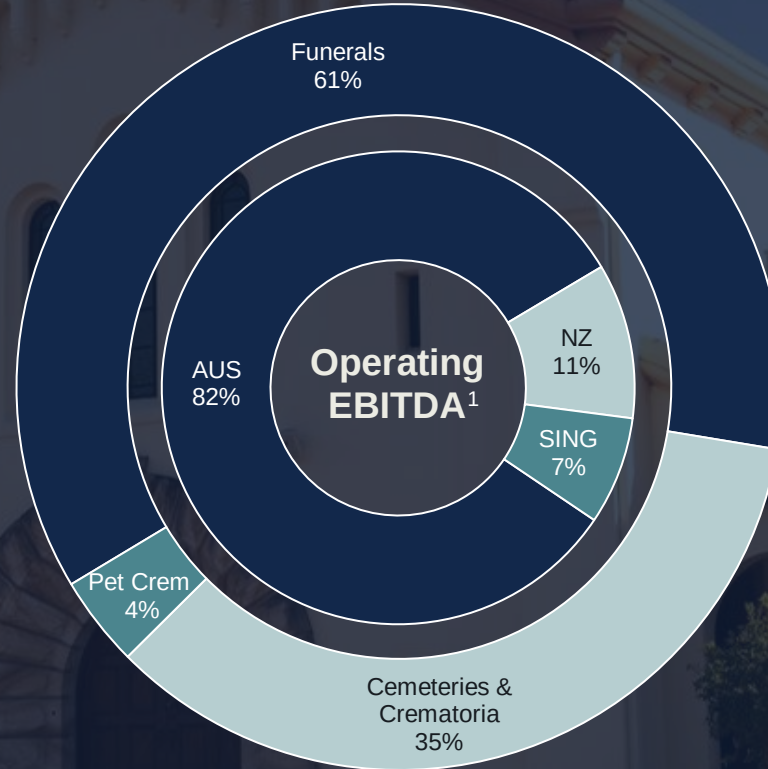
c.2,000

Full Time Equivalent (FTE)
Employees

335

Locations

- 282 Australia
- 50 New Zealand
- 3 Singapore



\$136.1M

FY22 Operating EBITDA

11.6%

FY22 ROCE

\$598M

In pre-paid funerals **funds**
under management

North & West Chapels



South & East Chapels



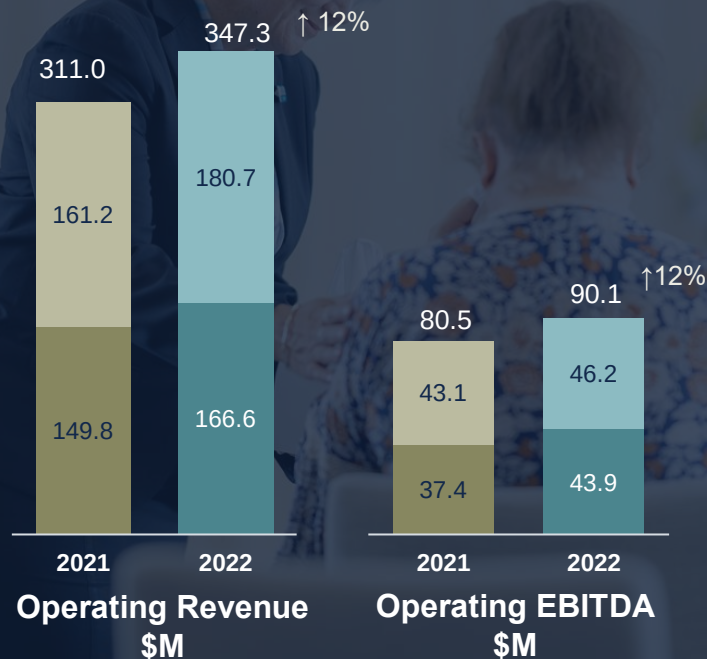
Offering products and services along the **customer's lifetime journey**

Pre Need

At Need

Post Need

Funerals Australia



OPEX % Sales

41%

↓ 1 point

EBITDA Margin

26%

Flat

FY 22

- › Record number of client families served
- › Disciplined pricing approach has partially offset cost inflation impacts
- › Labour constraints impacted operating leverage
- › Continued investment in network, including new shared services centres
- › Upgraded key websites & expanded digital customer self-serve capability
- › Rebalancing our marketing & CX investment to convert new customers

NPS
+84.6
↑ 4 points

LTIFR
7.5
↓ 32%

Funeral case volumes
39,848
↑ 7%

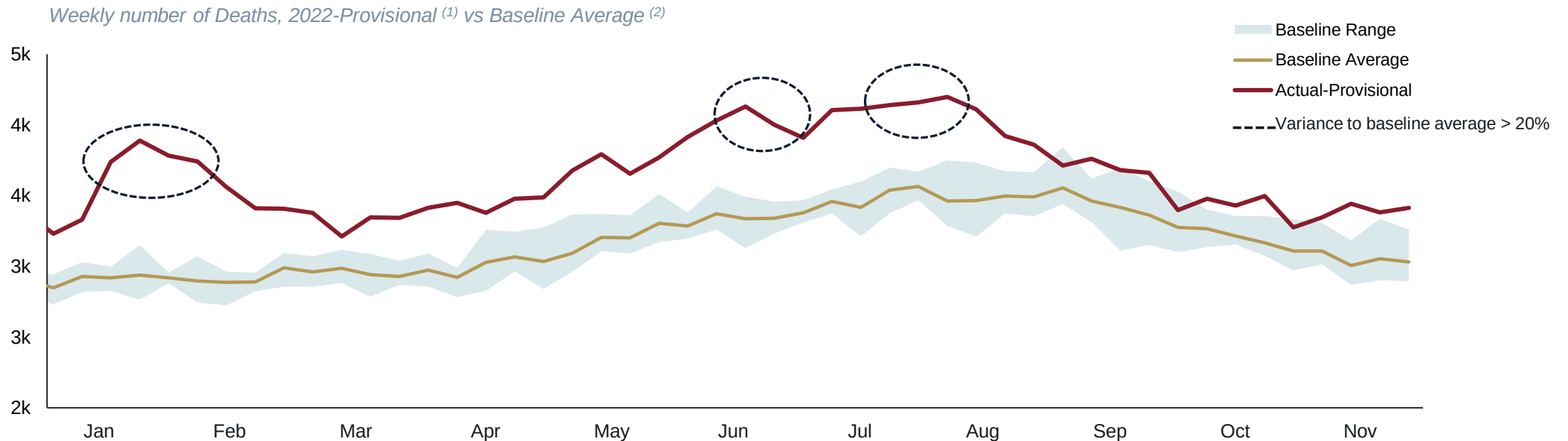
Funeral case average¹
\$8,605
↑ 4%

FY 23 Focus

- › Continued operational excellence, cost efficiency & workforce planning focus
- › Streamline talent recruitment, on-boarding and development
- › Targeted network growth
- › Digital investments and improved sales lead capture & conversion
- › Embed Memories services and new partnerships

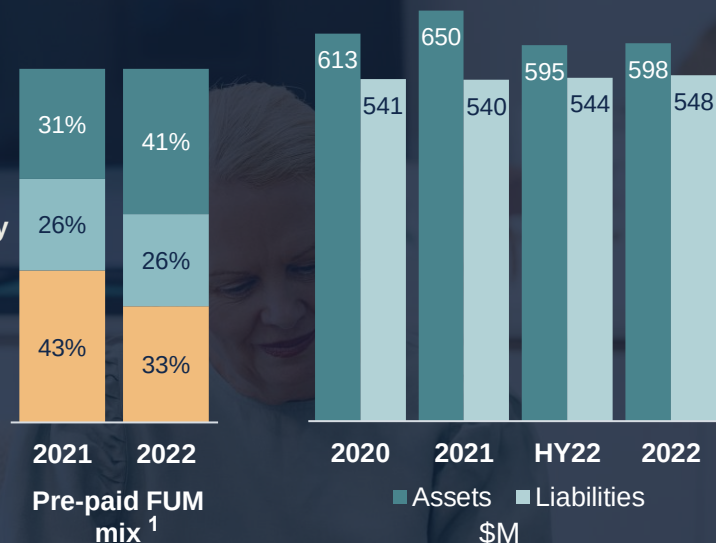
Spikes in mortality evident during the year

Provisional Mortality Statistics



- › Australian provisional mortality statistics available to end of November 2022
- › ‘Excess death’ spikes at different times during the period, across markets and states, coincided with high level of staff unavailability and tight labour markets
 - › This constrained our capacity to service all customer demand while maintaining high service levels and safe and efficient practices
- › Mortality rates have indicatively trended back to long term average in recent months

Pre-paid Funerals



Prepaid % of
At Need Funerals

14.1%

↓ 0.2 points

Prepaid asset
headroom²

\$49.2M

↓ 55%

FY 22

- › Global equity markets volatility, primarily in H1, has driven the revaluation loss in pre-paid FUM assets
- › COVID and staffing impacts on contract sales
- › Conducted Pre-paid strategic review
- › Appointed new GM to drive operations and strategy execution
- › Further improvement to automate back-end processes

MTM impact through Non-Operating earnings	FY22 \$M	FY21 \$M
(Loss)/Gain on pre-paid contract FUM	(33.7)	64.7
Change in provision for pre-paid contract liabilities ³	(21.9)	(20.6)
Net (loss)/gain on undelivered contracts	(55.6)	44.1

FY 23 Focus

- › Phased implementation of improved product & services and channel marketing to maximise long term opportunity
- › Optimisation of back-end system & processes
- › Recovery in pre-paid FUM asset value if global equity markets stabilise

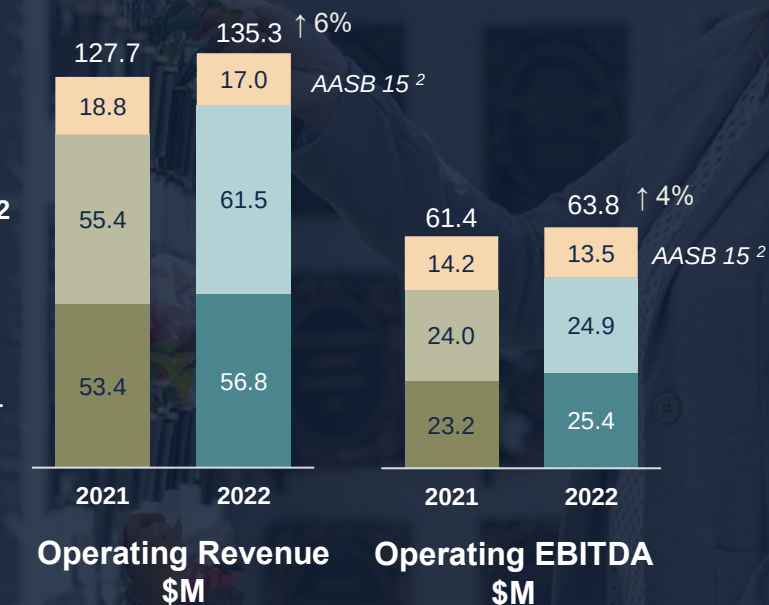
¹: Pre-paid contract FUM are held in independently managed trusts

²: Pre-paid contract FUM (i.e., assets) less contract liabilities

³: Revaluation of pre-paid contract liabilities to reflect financing charge from the unwind of the discount on liabilities for the time value of money and estimated future cost of delivering funeral services

Cemeteries & Crematoria Australia

For personal use only



OPEX % Sales³

43%

↑ 1 point

EBITDA Margin³

42%

↓ 1 point

**FY
22**

- › Double digit growth in burials and cremations reflecting market conditions
- › AASB 15 earnings contribution declined on the PCP as expected
- › Elevated rainfall impacted memorialisation development, park maintenance costs and NPS
- › Drier conditions in Q4 enabled return to construction & revenue recognition
- › Phased roll-out of new ERP completed

NPS
+70.6
↓ 3.6 points

LTIFR
7.9
↓ 52%

Memorialisation¹
+ 4.3%
On PCP sales

Cremations
22,568
↑ 12%

Burials
3,354
↑ 14%

**FY
23**
Focus

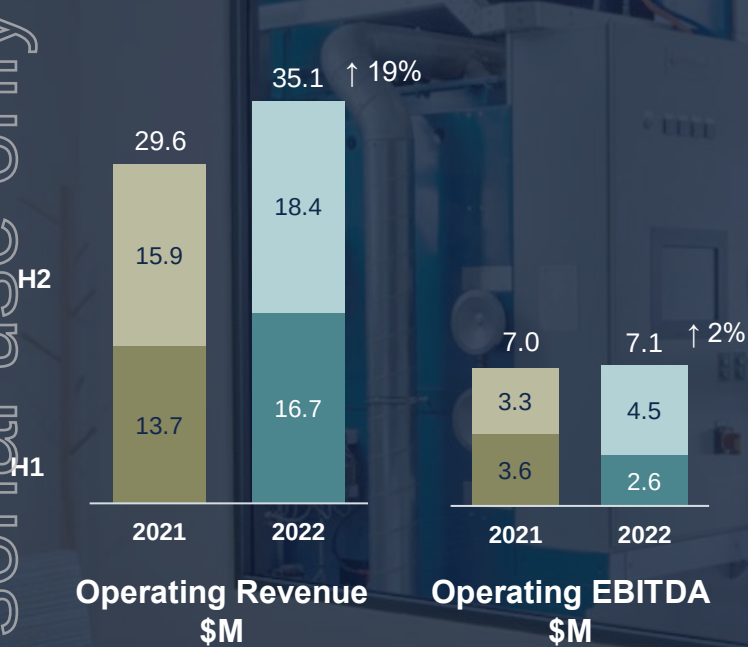
- › Cycling final AASB 15 revenue and EBITDA earnings contribution (FY22 effective final year)
- › Phased upgrade of national cremator network
- › 'Park as a destination' upgrades & memorialisation construction, weather permitting
- › Continue to broaden community relationships

¹: Sale of memorials, plaques, burial plots etc.

²: See page 38 for further information on the impact of AASB 15 on operating results of this business.

³: Underlying measures, excluding the contribution of AASB 15 revenue and costs

Pet Cremations Australia



OPEX % Sales

60%

↑ 3 points

EBITDA Margin

20%

↓ 4 points

**FY
22**

- › Continued volume growth, notably in H1, reflecting market fundamentals
- › Implemented consistent national service, product and price changes
- › Increased labour cost investment to meet volume demands and capability requirements for next stage of growth
- › Supply chain delays impacted receipt of new, more efficient cremators
- › Frictional costs of integration have driven \$1.5 million of one-off restructuring costs, included in non-operating EBIT (H1)

Vet NPS

+81

LTIFR

15.9

↓ 38%

Pet Cremation volumes

99,612

↑ 14%

Pet Case Average¹

\$361

↑ 7%

**FY
23**

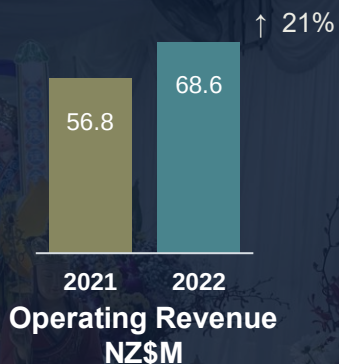
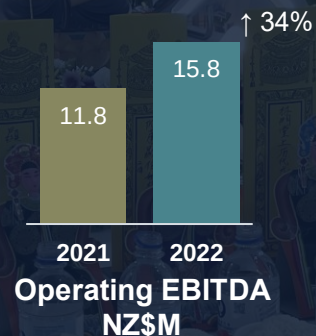
Focus

- › Cost base efficiency measures
- › Migrating all brands onto one IT platform
- › Continuing to pursue vet agreement opportunities
- › Monitoring cost-of-living impacts on customer demand and mix
- › Acquisition pipeline

¹: Gross of rebates paid to veterinary partners.

International

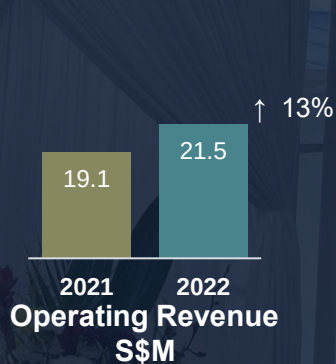
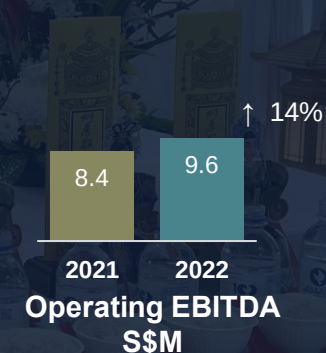
New Zealand



OPEX % Sales
47%
↓ 3 points

EBITDA Margin
23%
↑ 2 points

Singapore



OPEX % Sales
34%
↓ 1 point

EBITDA Margin
45%
↑ 1 point

New Zealand

FY 22

- › Restrictions relaxed Q2, allowing for additional service offerings
- › Spike in excess deaths, record number of families served
- › Labour constraints and cost control drove improved profit metrics
- › Continued investment in network

NPS
+89.0
↑ 1.4 points

LTIFR
7.3
↓ 31%

Funeral case volumes
7,628
↑ 11%

Singapore

- › Restrictions relaxed from May
- › Expanded packages and larger gatherings
- › Recovery to pre-COVID conditions, 17% growth in case average
- › Tight cost control

Customer recommendation
99.3%
↑ 1.3 points

Funeral case volumes
1,735
Flat

FY 23

Focus

- › Expand exposure to larger markets, greenfield and M&A
- › Increase offering along customer lifetime journey
- › Delivery of scheduled funeral network projects

- › Continued service innovation around rituals
- › Evaluation of partnership opportunities
- › Increased focus on digital opportunities

Financials

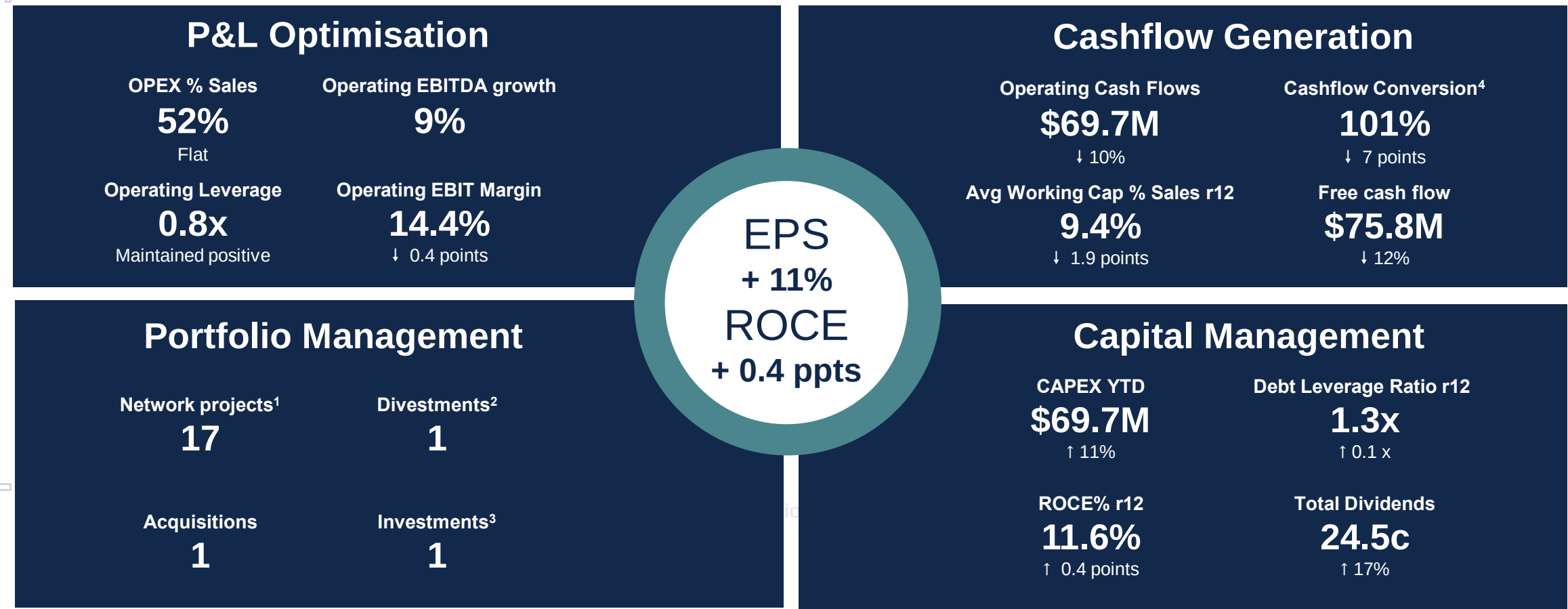
Adrian Gratwicke, CFO



Continued growth in key measures of success

FY22 Financial Management Scorecard

For personal use only



N.B. Definitions of these financial measures are provided in the Glossary on pages 45-46

¹: Network Projects includes major location enhancements and shared service centre construction completed or underway in the period

²: Divestments include property and business divestments

³: Includes equity investments in companies

⁴: Normalised to remove the impact of SaaS expenditure now captured as operating cash flow (previously investing cash flow)

Earnings result supported by revenue growth

FY22 Profit & Loss

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Operating Revenue	588,535	527,096	61,439	12%
Finished goods, consumables and funeral disbursements	(148,953)	(130,385)	(18,568)	14%
Operating Expenses ¹ (OPEX)	(303,467)	(271,234)	(32,233)	12%
Operating EBITDA	136,115	125,477	10,638	9%
Funerals Australia	90,066	80,521	9,545	12%
Cemeteries & Crematoria Australia ²	63,773	61,411	2,362	4%
Pet Cremations	7,104	6,973	131	2%
Support Office – Field	(13,329)	(10,468)	(2,861)	27%
Australia	147,614	138,437	9,177	7%
New Zealand³	14,440	11,098	3,342	30%
Singapore³	10,045	8,338	1,707	20%
Support Office IT ⁴	(14,102)	(6,761)	(7,341)	109%
Support Office Corporate ⁴	(21,881)	(25,635)	3,754	(15%)
D&A and pre-paid technology expense ⁵	(50,935)	(48,413)	(2,522)	5%
Business acquisition costs	(1,005)	(743)	(262)	35%
Net gain on lease modifications/terminations	446	1,517	(1,071)	(71%)
Operating EBIT	84,621	77,838	6,783	9%
Non-Operating EBIT⁶	(73,322)	49,511	(122,833)	(>100%)
Net finance costs ⁷	(15,429)	(16,488)	1,059	(6%)
Tax	2,416	(30,591)	33,007	(>100%)
Non-controlling interest	(95)	(113)	18	(16%)
Reported (Loss)/ Profit After Tax attributable to s'holders	(1,809)	80,158	(81,967)	(>100%)

- › Growth in key value drivers (volumes and case average) drove strong revenue growth
- › Frictional cost of servicing excess volumes has driven COGS growth of 14%, in excess of revenue growth
- › Operating cost growth held in line with revenue growth
- › Ongoing cost investment in technology and capability investment in field support functions such as digital marketing, procurement, safety and recruitment
- › Lower financing costs reflect lower commitment fees and higher interest income earned. Also includes \$1.1million FX gain on translation of NZD debt
- › Non-Operating EBIT includes the \$55.6million impact of the 'unrealised' MTM revaluation of FUM (vs. large gain in PCP) and SaaS expensed as incurred
- › Tax benefit reflects impact of FUM MTM loss
- › Despite strong underlying operating earnings growth, the Group reported a Loss, driven by Non-Operating earnings

¹: Further details on OPEX drivers provided on page 19

²: Includes AASB 15 contribution, which is decreasing, see page 38 for details

³: This is the AUD equivalent of Operating EBITDA for these businesses. Local currency equivalent earnings are set out on page 15

⁴: Further details provided in appendix on page 39

⁵: Further details provided on page 22

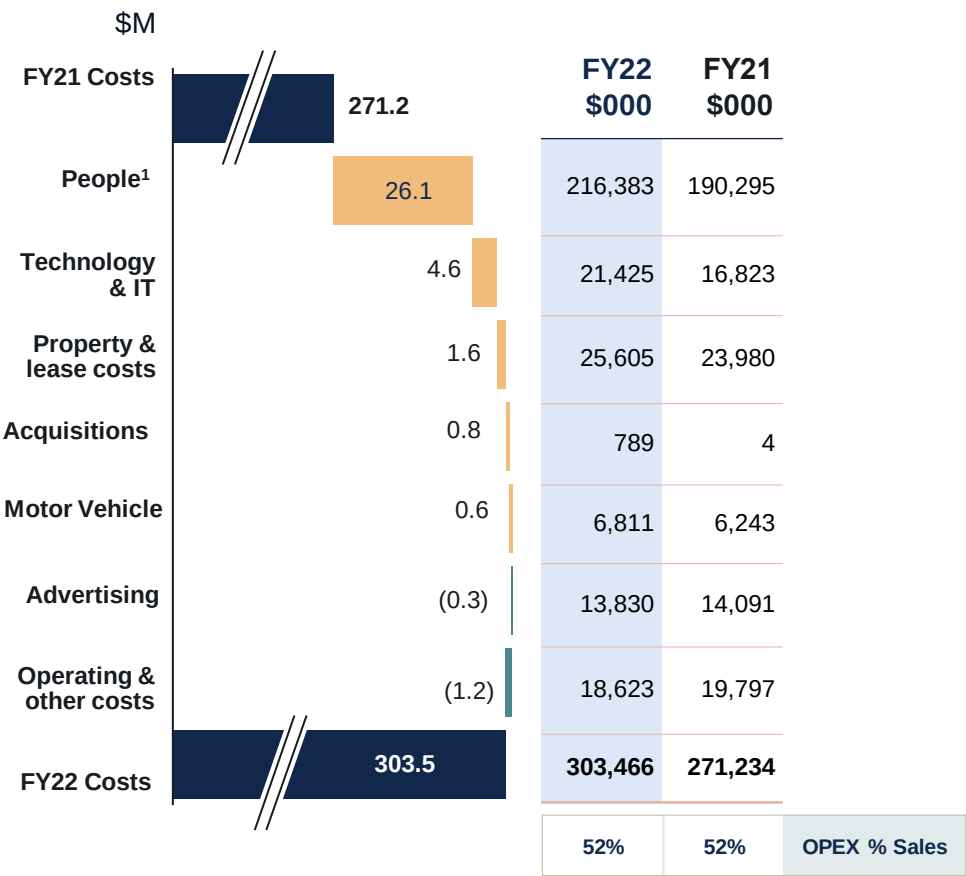
⁶: Further details provided in appendix on page 40

⁷: Further details provided in appendix on page 41

OPEX % Sales held flat despite inflationary pressures & frictional cost of delivery

Operating expenses (OPEX)

For personal use only



<div>People</div> <div></div>	<ul style="list-style-type: none">Increased marginal cost of delivery (overtime, temp labour, recruitment and staff amenities) + wage increases & annualised impact of capability investments made in 2021Increased incentives, including share participation by employees
<div>Tech/IT</div> <div></div>	<ul style="list-style-type: none">Increased data & telephony reflecting larger businessNew digital and customer related software licensingInvestment in in-house capability
<div>Property</div> <div></div>	<ul style="list-style-type: none">Utilities, insurance and land tax cost increasesIncreased garden maintenance driven by extreme and extended poor weather
<div>Acquisitions</div> <div></div>	<ul style="list-style-type: none">Cost base contribution of two bolt-on acquisitions, one in the current (funeral) and one in the prior year (pet cremations)
<div>MV and Other</div> <div></div>	<ul style="list-style-type: none">Fuel and MV repair cost increasesIncrease in travel as restrictions liftedSavings in bad debts and debt collections fees

¹: Employee benefits expense from P&L excluding those from recent acquisitions and the Support IT team, both of which are classified as their own drivers of cost growth in the graph

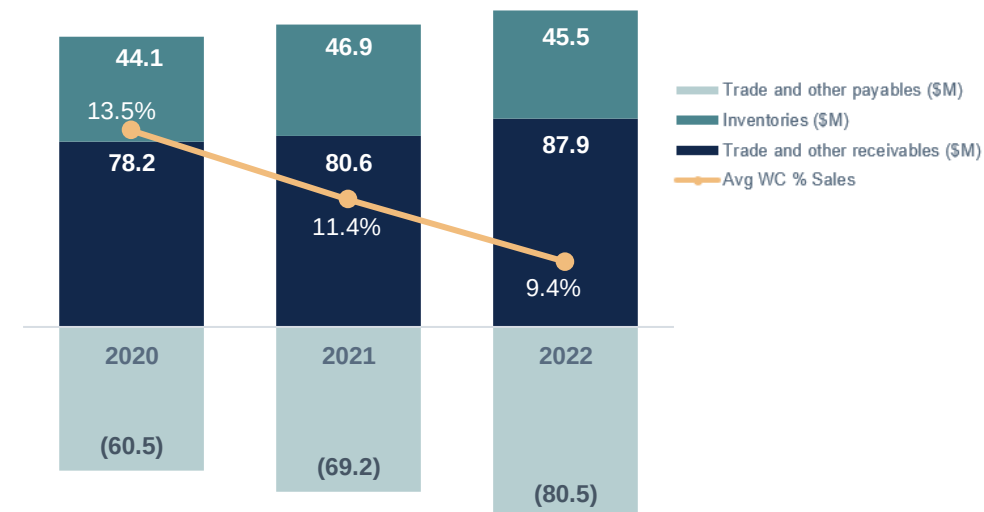
Maintained strong balance sheet and improved capital efficiency

Balance Sheet

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Net Working Capital	52,812	58,270	(5,458)	(9%)
Property, plant and equipment	526,141	494,454	31,688	6%
Intangibles	233,045	226,913	5,418	2%
Pre-paid Technology asset	15,709	8,601	7,107	83%
Net Pre-paid Funds/liabilities ¹	49,207	109,435	(60,228)	(55%)
Net right of use asset and lease liabilities ²	(10,245)	(12,646)	2,401	(19%)
Net Deferred costs and revenue	(85,003)	(90,241)	5,238	(6%)
Net tax items	(38,502)	(47,095)	8,593	(18%)
Other items ³	(15,240)	(22,116)	6,876	(31%)
Total Capital Employed	727,924	725,575	2,349	0.3%
Net Debt	(182,708)	(144,654)	(38,054)	26%
Net Assets	545,216	580,921	(35,705)	(6%)
ROCE %	11.6%	11.2%		0.4ppts

- › Continued improvement in both ROCE & Avg Working Capital % sales
- › Strong end to the year reflected in increased debtors and supply chain impacts reflected in increase in CAPEX-related invoices in trade payables (timing)
- › Global equity market volatility impacted FUM valuations driving reduced prepaid fund 'headroom' and decrease in related deferred tax balances
- › Drier end to year permitted memorialisation construction & revenue recognition, leading to reduced deferred revenue
- › Other items movement includes \$6.3 million reduction in deferred consideration payable on past acquisitions

Working Capital & Avg Working Cap % Sales



¹: New accounting standard AASB 17 Insurance Contracts will change the accounting for pre-paid funeral contracts. AASB 17 applies from 1 January 2023. Refer to Note 27.A of the accompanying Annual Financial report for further details

²: Lease liabilities excludes finance leases included within Net Debt, see page 23 for breakdown of Net Debt

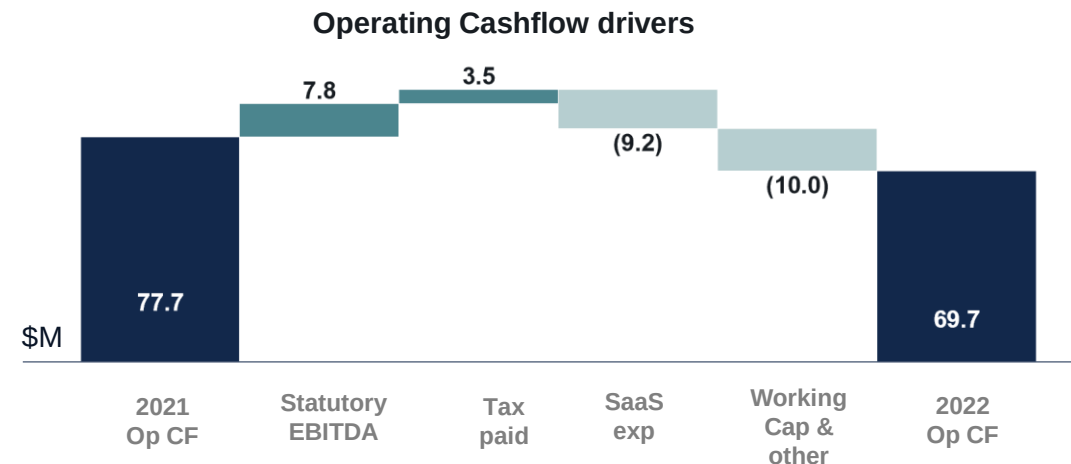
³: Includes derivative financial instruments, deferred/contingent consideration liabilities arising from acquisitions, provisions for employee entitlements, other financial assets (including investment in associates) and assets held for sale as applicable

Normalised operating cashflow growth reflecting stronger H2 cash conversion

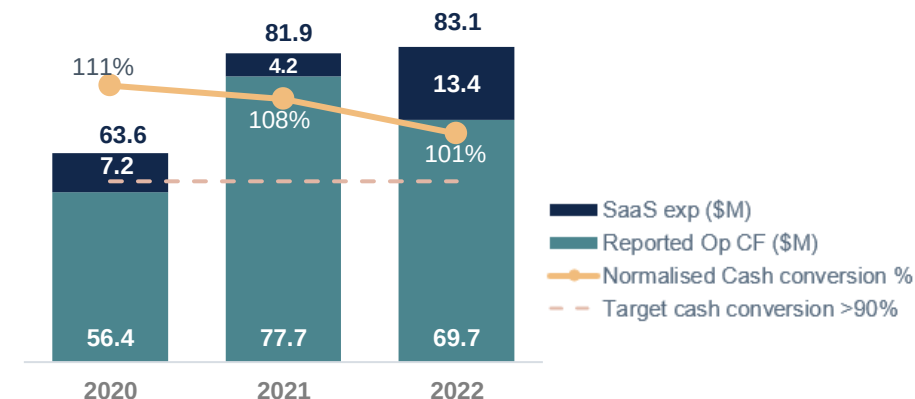
Cashflow

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Operating Cash Flows	69,698	77,740	(8,042)	(10%)
Net (Acquisitions)/ Divestments	(9,753)	(5,536)	(4,217)	76%
Capital Expenditure	(63,348)	(62,703)	(645)	1%
Net Funds from pre-paid contracts	29,768	29,306	462	2%
Investing Cash Flows	(43,333)	(38,933)	(4,400)	11%
Dividends paid	(36,153)	(23,883)	(12,270)	51%
Net draw down/(repayment) of borrowings	9,562	(59,680)	69,242	>100%
Net lease payments	(22,246)	(20,196)	(2,050)	10%
Other	33	-	33	100%
Financing Cash Flows	(48,804)	(103,759)	(54,955)	(53%)
Change in Cash Held	(22,439)	(64,952)		

- › Strong end to the year in sales with +\$6.3 million increase in current + forward aged debtors vs PCP a key driver of negative working capital movement
- › SaaS expenditure primarily relates to implementation of new Cemeteries & Crematoria ERP and enhancements to existing Compass ERP
- › Net (acquisitions)/ divestments includes investment in Parting Stone, Funerals bolt-on and payments of deferred consideration on past acquisitions
- › Distributions to shareholders from fully franked dividends up 51% on PCP
- › New revolving syndicated debt facility allows for more flexible drawdowns/ repayments to minimise finance costs



Normalised Operating Cashflow & Cash Conversion %¹



¹: Normalised cash conversion workings in appendix on page 43, excludes the impact of SaaS expenditure

N.B Capital expenditure, Net working capital movement and net finance costs disclosed exclude non-cash movements and therefore will not reconcile to disclosures elsewhere in this report

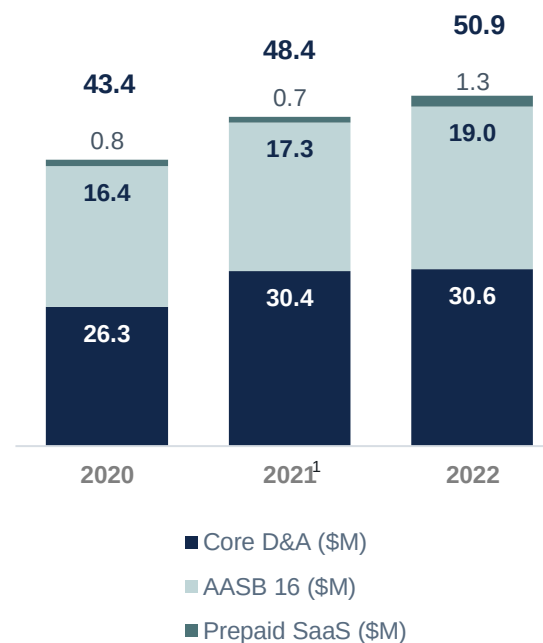
Disciplined capital allocation supporting strategic objectives

CAPEX

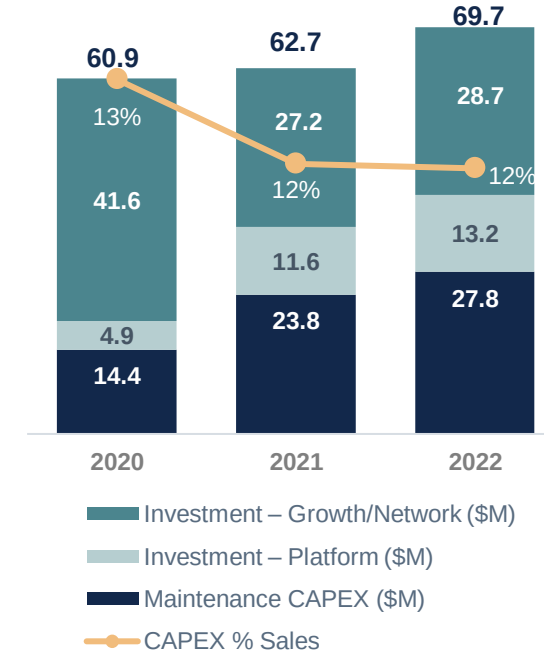
	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Facilities	43,814	43,044	770	2%
IT & Digital	17,774	11,211	6,563	59%
Motor Vehicles	1,681	2,302	(621)	(27%)
Property acquisitions	2,381	549	1,832	>100%
Other assets	4,077	6,146	(2,069)	(34%)
TOTAL	69,727	62,703	7,024	11%
Funerals Australia	27,704	34,837	(7,133)	(20%)
Cemeteries & Crematoria Australia	12,844	7,311	5,533	76%
Pet Cremations	6,567	2,127	4,440	>100%
New Zealand	8,118	5,241	2,877	55%
Singapore	190	378	(188)	(50%)
Support Office	14,304	12,809	1,495	12%
TOTAL	69,727	62,703	7,024	11%

- › Maintenance/recurring CAPEX continues to trend towards equating core D&A
- › Platform investment includes Shared Service Centre projects, qualifying Cemeteries & Crematoria ERP spend and enhancements of Pre-paid funerals & finance systems
- › Growth CAPEX includes spend on Funerals Enhance/Growth property projects, digital related growth initiative spend (e.g., websites, e-Commerce), cremators to expand capacity, and acquired property in NZ

Total D&A and Prepaid SaaS expense



CAPEX by Nature



¹: FY21 includes one-off \$1.1million of accelerated depreciation of leasehold improvements as a result of an office move

N.B. CAPEX excludes \$13.4 million (FY21: \$4.2 million) of SaaS related expenditure now expensed as incurred through Non-operating EBIT and captured in Operating Cash Flows instead of Investing Cash Flows.

Increased returns, strong funding capacity to support future growth

Capital Management

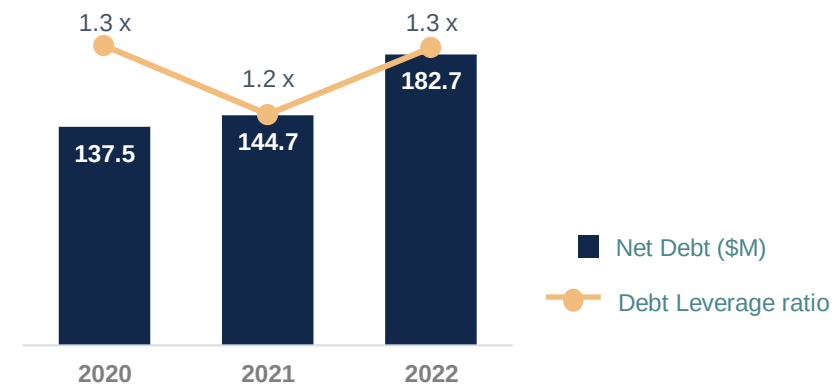
	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Net Debt				
Cash and cash equivalents	31,659	53,630	(21,971) ¹	(41%)
Borrowings ²	(200,596)	(188,843)	(11,753)	6%
Finance lease liabilities	(13,771)	(9,441)	(4,330)	46%
Net Debt	(182,708)	(144,654)	(38,054)	26%
Lease liabilities ³	(168,694)	(165,962)	(2,732)	2%
Total Lease Adjusted Net Debt	(351,402)	(310,616)	(40,786)	13%
Total shareholders' equity	545,215	580,920	(35,704)	(6%)

	FY22	FY21	CHANGE %
Dividends			
Weighted average # shares ('000s)	143,014	142,946	<1%
Operating EPS (cents)	35.1	31.6	11%
Full Year Dividends (cents)	24.5	21.0	17%
Dividend pay-out ratio	70%	66%	

Debt facilities	FY22 Drawn \$M	FY22 Limit \$M	FY22 Tenor Remaining
Note Purchase Agreement	100.0	100.0	5 years
Syndicated debt ⁴	102.1	275.0	1.5 years
Working capital overdraft facility	-	7.4	1 year
Total	202.1	382.4	

Debt metrics	FY22	FY21	CHANGE	COVENANT
Debt Leverage ratio r12	1.3x	1.2x	0.1x	< 3.5x
Interest cover ratio r12	19.0x	15.8x	3.2x	> 3.0 x

Net Debt & Debt Leverage (r12)



¹: Variance to page 21 cash flow statement 'change in cash held' due to FX related movements in cash and cash equivalents

²: Is net of capitalised loan establishment costs that continue to unwind over the loan term

³: Lease liabilities includes right of use lease liabilities but excludes finance leases that are included within InvoCare calculated Net Debt

⁴: Multi-currency revolving cash advance facility. Includes draws in NZD and SGD

Strategy & Outlook

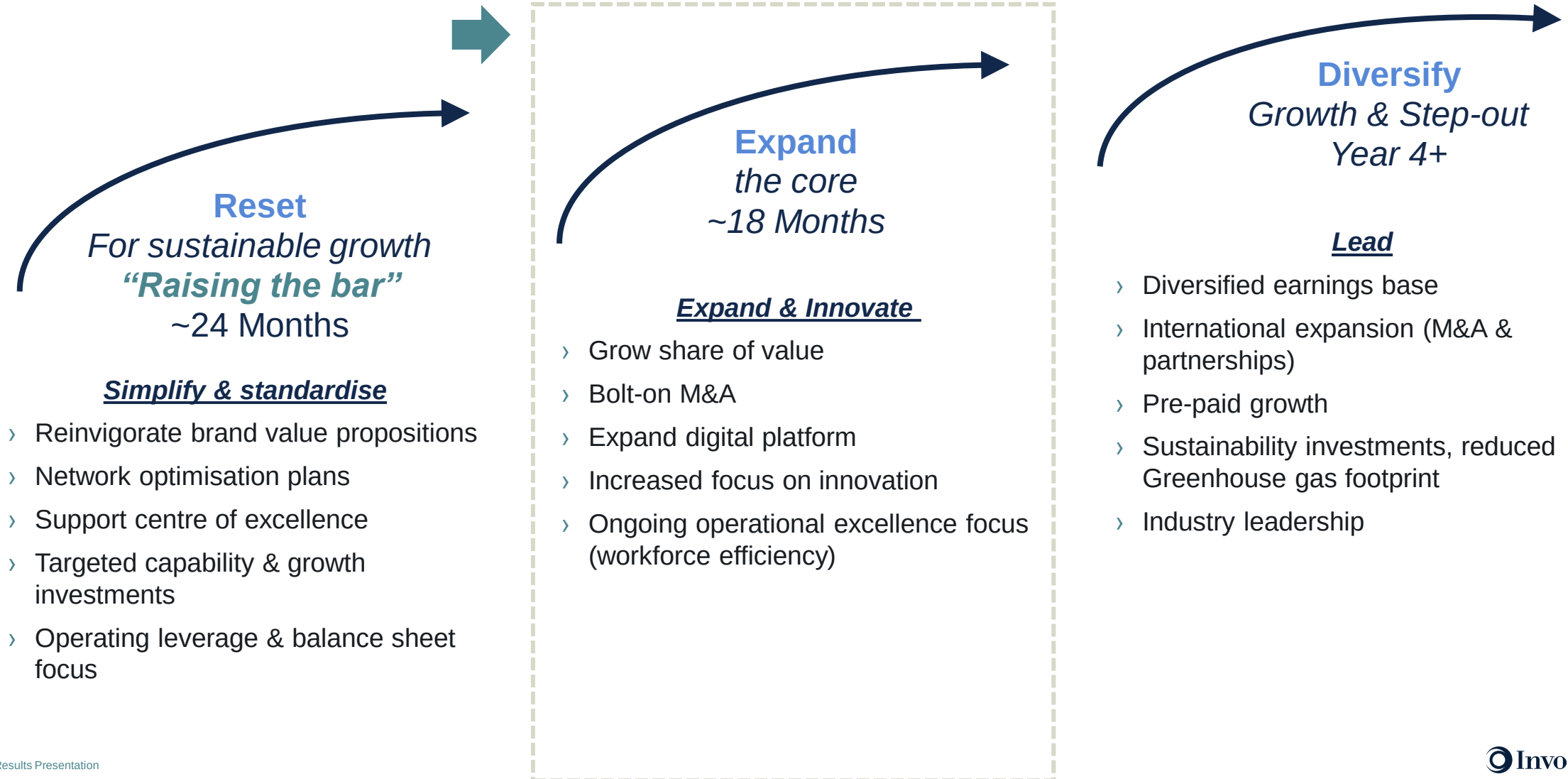
Olivier Chretien, CEO



Transitioning to a phase of growth and transformation

Stronger foundations from which to grow

For personal use only



Increasing focus on profitable organic and acquisitive growth

Strategic focus areas from FY23

For personal use only



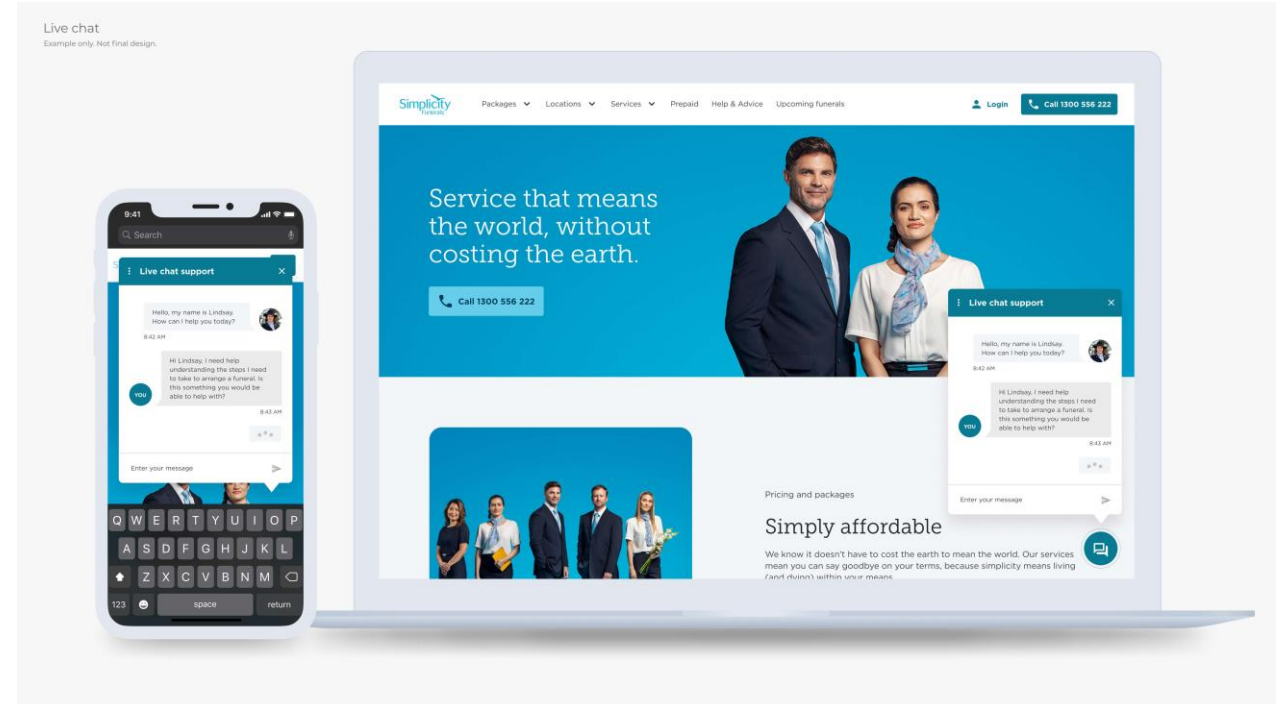
Enhanced focus

Ongoing focus

Towards a seamless, integrated omnichannel experience

Enhancing the experience, increasing our efficiency

- › Our customers are increasingly **engaging** with us for the first time online - the ability to respond with a national, integrated network is a competitive advantage
- › Upgrading our websites with enhanced content and **seamless pathways** to log first contact online, on the phone or in-branch – 26% increase in website traffic
- › We have commenced adding **self-serve capabilities** and **ecommerce** to our online offerings, empowering the customer
- › **Investment** in National Customer Care Centre and online **LiveChat** links online with first-calls
- › **Expanding** range of digital and multimedia products available to enhance funerals and memorialisation
- › **Broadening** customer omnichannel experience, from pre-need, at-need to post-need memorialisation



Growth Investments

Strategic levers

For personal use only

Multiple Sources of Long Term Growth

'Bolt-on' acquisitions



- › Acquisition program recommenced in 2022 with acquisition of **William Matthews Funerals** in Lilydale VIC

Innovation Hub Investments & Partnerships



- › Invested in **Parting Stone** (US) and Australian entity to commercialise cremated remains solidification and distribute in Australia from 2024



- › Invested in **Memories** in 2021, now in distribution across Australia and New Zealand
- › Partnered with **Violet Initiative** and **University of Melbourne** to bring innovation to our approach to grief support & funeral rituals



Domestic & International M&A opportunities



- › Have developed a pipeline of quality assets in existing and new markets

Outlook

Positive start to FY23 while still mitigating impact of various macro factors

- › Year to date performance in line with expectations
- › Mortality rates expected to revert to long term trends (after three years of volatility)
- › Ongoing operational excellence focus to offset continued pressures on the cost of doing business
- › Multi-pronged growth program in memorial parks (weather permitting) to assist in cycling AASB 15 earnings contribution
- › Management team and balance sheet capacity to take advantage of value-accretive market opportunities

Positioned to deliver near and long-term shareholder value

- › Growing and ageing population underpinning long term demand for our services
- › Strong teams, customer advocacy, brand portfolio, market leading positions, and balance sheet to support future growth
- › Strategic momentum, increasing focus on profitable organic and acquisitive growth (domestic and overseas)

For personal use only

Thank you, Questions?



Lawnswood Pet Cremations team, WA

Important information

This presentation dated 27 February 2023 contains summary information about InvoCare Limited (ACN 060 060 031) and its related bodies corporate (together, InvoCare) and InvoCare's activities as at the date of this presentation. It is information given in summary form only and does not purport to be complete. It should be read in conjunction with InvoCare's most recent financial report and other periodic corporate reports and continuous disclosure announcements filed with the Australian Securities Exchange (ASX), available at www.asx.com.au

The content of this Presentation is provided as at the date of this Presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this Presentation and, subject only to any legal obligation to do so, InvoCare does not have any obligation to correct or update the content of this Presentation.

Not financial product advice or offer

This presentation is for information purposes only and is not a prospectus or product disclosure statement, financial product or investment advice or a recommendation to acquire InvoCare shares or other securities. It has been prepared without taking into account the investment objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, taxation, business and/or financial advice appropriate to their circumstances. Past performance is no guarantee of future performance.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of InvoCare or its directors, employees or agents, nor any other person, accepts liability for any

loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability from fault or negligence on the part of InvoCare or its directors, employees, contractors or agents.

Certain market and industry data used in this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither InvoCare nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

The distribution of this Presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions.

Forward-looking statements

This presentation contains forward-looking statements in relation to InvoCare, including statements regarding InvoCare's intent, belief, goals, objectives, initiatives, commitments or current expectations with respect to InvoCare's business and operations, market conditions, results of operations and financial conditions, and risk management practices. Forward-looking statements can generally be identified by the use of words such as 'forecast', 'estimate', 'plan', 'will', 'anticipate', 'may', 'believe', 'should', 'expect', 'intend', 'outlook' and 'guidance' and other similar expressions.

The forward-looking statements are based on InvoCare's good faith assumptions as to the financial, market, risk, regulatory and other relevant environments that will exist and affect InvoCare's business and operations in the future. InvoCare does not give any assurance that the assumptions will prove to be correct. The forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors, many of which are beyond the control of InvoCare, that could cause the actual results,

performances or achievements of InvoCare to be materially different to future results, performances or achievements expressed or implied by the statements.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as at the date of the presentation. Except as required by applicable laws or regulations, InvoCare does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based.

Non-IFRS financial information

To support an understanding of comparable business performance, this 2022 Full Year Results Presentation presents results on a statutory and Operating/Non Operating (non-IFRS) basis when presenting measures of profitability. InvoCare considers Operating EBITDA, EBIT and NPAT as key performance measures. These measures are adjusted earnings before interest, tax, depreciation and amortisation as applicable after excluding the following items:

- The financial impacts of the pre-paid funeral business;
- Other non-operating activities, including asset sales gain/loss, impairment loss, SaaS arrangement costs and restructuring costs as applicable.

Balance sheet and cash flow information presented is consistent with the information disclosed in the statutory presentation in the Appendix 4E Full Year Financial Report.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

For personal use only

Appendices



A reminder of our strategic ambition to 2025

Background information

For personal use only

Our Purpose

Honouring life. celebrating memories for generations

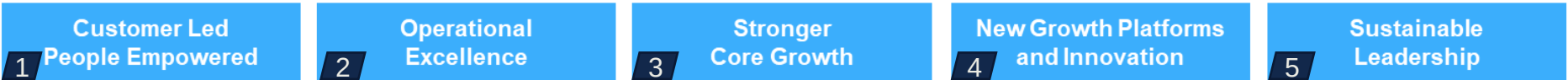
Our Values

Collaboration Accountability Responsiveness Excellence Safety

Our Businesses



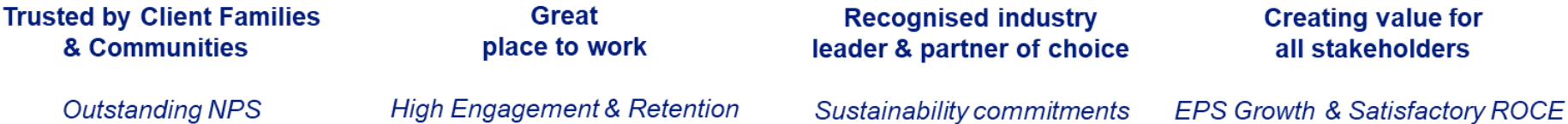
Our Strategy



Objectives

Be customer - centric in everything we do Optimise our foundations to drive sustainable returns Excel in serving customer needs and grow share of market value Innovate & diversify to expand addressable market & meet future customer needs Lead company & industry to more sustainable outcomes

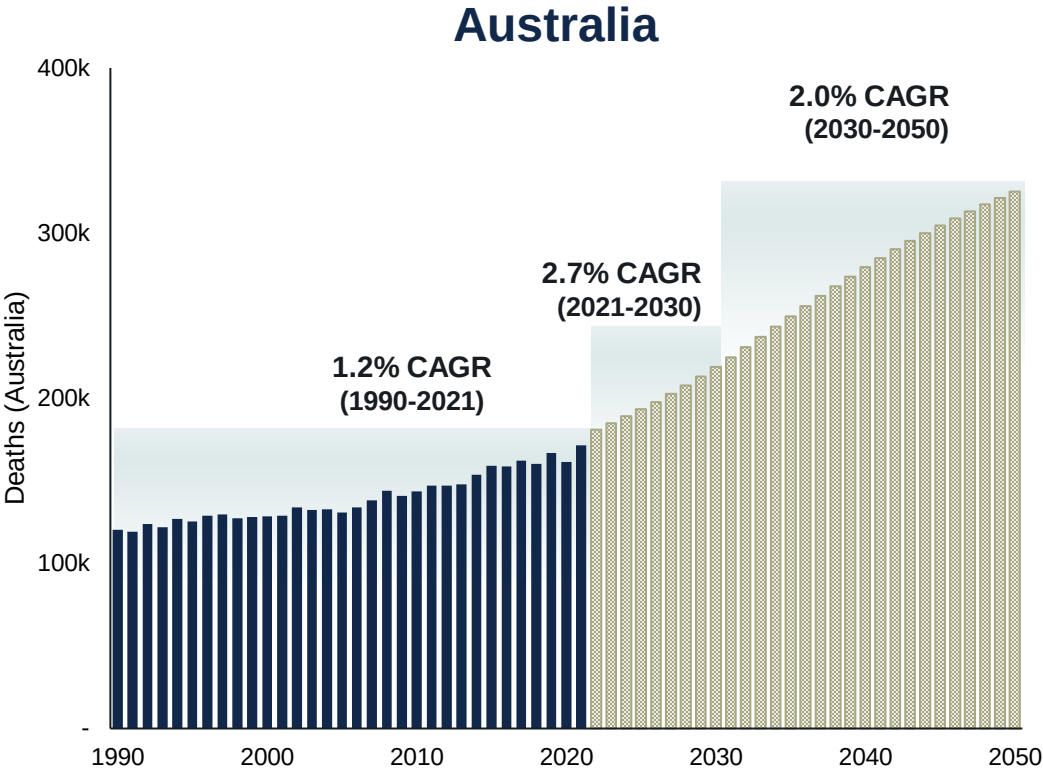
Our 2025 Ambition



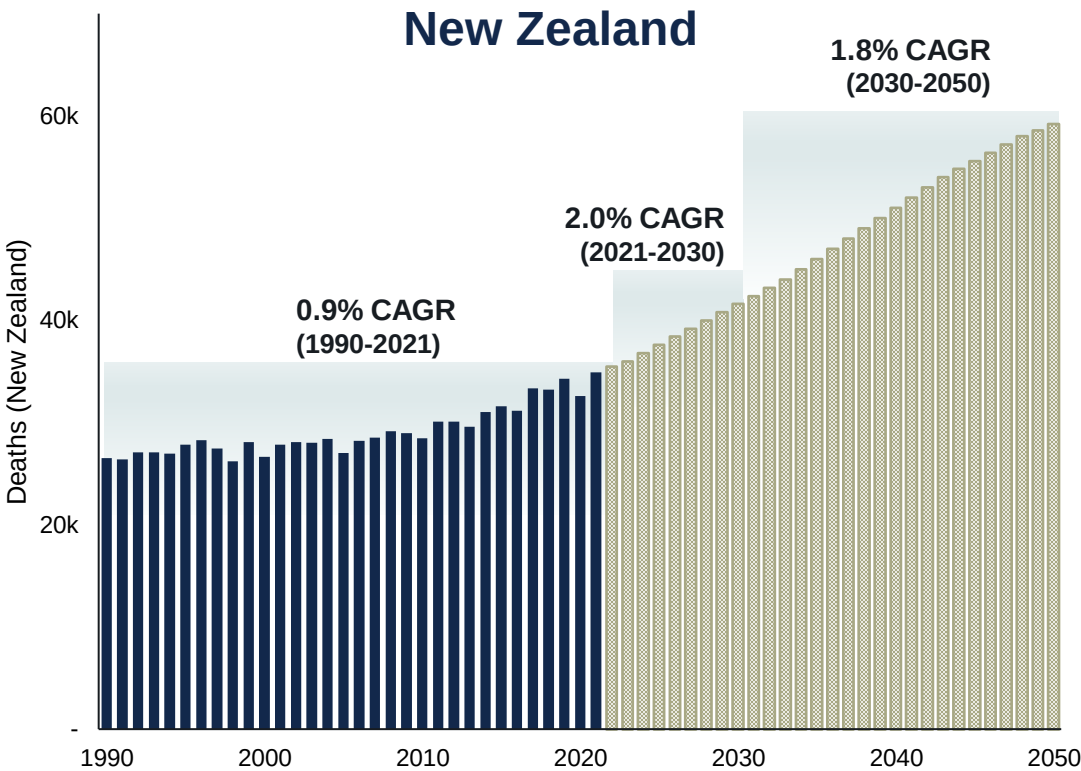
Supportive long term demand outlook

Background information

For personal use only



Source: <https://www.abs.gov.au/statistics/people/population/populationprojections-australia/2017-base-2066>



Source: <https://www.stats.govt.nz/information-releases/national-population-projections-2022base2073/>

Operational & Financial structure

Background information

For personal use only

Operating

At-need		Funerals	At-need Funeral Services - Australia At-need Funeral Services – New Zealand At-need Funeral Services – Singapore
		Pet Cremations	Pet cremation in Australia
At-need/ Post-need		Cemeteries & Crematoria	Memorialisation Burial Services and Cremation Services Other services Located on Australian East Coast and New Zealand
		Field & Group Support	Support Field - Field HR, Marketing, Procurement, Accounts Receivable, Facilities management and Safety Support IT Support Corporate - including Finance, Legal, Corp HR. listed company costs and office of the CEO/CFO

Non-Operating

Pre-need		Pre-paid funerals	Pre-Paid Funeral sales – sale and administration of Pre-paid Funeral Services, which creates a pool of funds that are independently invested and controlled
		Significant items	Outcomes of business activities not related to operating business e.g. impairments, gain/loss on disposal of assets, recognition of SaaS costs expensed as incurred

Reconciliation – Operating to Statutory Earnings

Supplementary information

	Operating Results FY22 \$000	Non- Operating FY22 \$000	Statutory Results FY22 \$000	Operating Results FY21 \$000	Non- Operating FY21 \$000	Statutory Results FY21 \$000
Revenue	588,534	3,435	591,970	527,096	5,357	532,453
Expenses	(452,419)	(6,802)	(459,222)	(401,619)	(5,860)	(407,479)
EBITDA	136,116	(3,367)	132,748	125,477	(503)	124,974
Depreciation & Amortisation	(49,620)	(6)	(49,626)	(47,759)	(7)	(47,766)
SaaS arrangements	(1,315)	(13,395)	(14,710)	(654)	(4,594)	(5,248)
Business acquisition costs	(1,005)	-	(1,005)	(743)	-	(743)
Restructuring costs	-	(1,476)	(1,476)	-	-	-
Net gain/(loss) on pre-paid contracts	-	(55,611)	(55,611)	-	44,085	44,085
Net gain on lease modifications/terminations	446	-	446	1,517	-	1,517
Impairment reversal	-	-	-	-	4,000	4,000
Asset sales gain	-	533	533	-	6,530	6,530
EBIT	84,621	(73,322)	11,299	77,838	49,511	127,349
Net Finance Costs	(14,272)	(1,157)	(15,429)	(15,262)	(1,225)	(16,487)
Tax	(20,103)	22,519	2,416	(17,320)	(13,271)	(30,591)
Non-controlling interest	(95)	-	(95)	(113)	-	(113)
Net profit/(loss)	50,151	(51,960)	(1,809)	45,143	35,015	80,158
EPS (cents per share)	35.1	(36.4)	(1.3)	31.6	24.5	56.1

Half-on-half performance

Supplementary information

	1H22 \$000	1H21 \$000	CHANGE %	2H22 \$000	2H21 \$000	CHANGE %	FY22 \$000	FY21 \$000	CHANGE %
Funeral case volume (#)	23,891	22,092	8%	25,320	23,689	7%	49,211	45,781	8%
Funeral case average (\$)	8,435	8,131	4%	8,631	8,077	7%	8,536	8,103	5%
Operating Revenue	283,331	257,344	10%	305,204	269,752	13%	588,535	527,096	12%
Finished goods, consumables and funeral disbursements	(71,531)	(63,170)	13%	(77,422)	(67,215)	15%	(148,953)	(130,385)	14%
Operating Expenses	(143,321)	(130,623)	10%	(160,146)	(140,611)	14%	(303,467)	(271,234)	12%
Operating EBITDA	68,480	63,550	8%	67,636	61,927	9%	136,115	125,477	9%
D&A and pre-paid technology expense	(24,421)	(24,386)	0.1%	(26,515)	(24,028)	10%	(50,935)	(48,413)	5%
Operating EBIT	44,014	39,943	10%	40,607	37,895	7%	84,621	77,838	9%
Non-Operating EBIT	(63,034)	32,743	(>100%)	(10,288)	16,768	(>100%)	(73,322)	49,511	(>100%)
Net Finance costs	(6,031)	(9,113)	(34%)	(9,397)	(7,375)	27%	(15,429)	(16,487)	(6%)
Net Profit/(Loss) After Tax	(16,765)	43,374	(139%)	14,956	37,065	(60%)	(1,809)	80,158	(102%)

AASB 15 & AASB 16 impacts

Supplementary information

Unwind of deferred revenue when revenue recognition criteria met e.g. control of property/interment right, usually upon receipt of full payment

Unwind of deferred selling costs including inventory movements and commissions paid to sales staff

Financing cost from receiving customer payments in advance, increases deferred revenue to reflect current selling price

Impact of reversal of operating lease rental expense, increases EBITDA

Depreciation of Right to Use Asset, in lieu of rent expense

Unwind of discount rate on present value of lease liabilities

AASB 15 impact	FY18 \$M	FY19 \$M	FY20 \$M	FY21 \$M	FY22 \$M	FY23 est \$M
Operating Revenue	21.6	16.3	20.3	18.8	17.0	1.1 – 2.3
Operating Expenses	(5.7)	(3.9)	(5.0)	(4.5)	(3.5)	(0.1) – (0.3)
Operating EBITDA	15.9	12.4	15.3	14.3	13.5	1.0 – 2.0
Interest	(3.5)	(2.9)	(2.0)	(0.9)	(0.3)	(0.05) – (0.1)
Profit before tax	12.4	9.5	12.3	13.4	13.2	1.0 – 1.9

AASB 16 impact	FY18 \$M	FY19 \$M	FY20 \$M	FY21 \$M	FY22 \$M	FY23 est \$M
Operating EBITDA	-	14.2	15.5	16.0	23.0	23.0 – 25.0
Depreciation	-	(11.4)	(16.4)	(17.3)	(19.0)	(19.0) – (21.0)
Interest	-	(4.8)	(5.3)	(5.7)	(6.0)	(6.0) – (7.0)
Profit before tax	-	(1.9)	(6.2)	(7.0)	(2.0)	(2.0) – (3.0)

› FY22 is the final year of material contribution of AASB 15 revenue and cost unwind through the Cemeteries & Crematoria P&L

- › Impact of AASB16 is to recognise a Right of use asset (ROUA) and a corresponding liability (ROUL) for Property and MV leases.
- › Rental expense is replaced by depreciation (of the ROUA) and interest cost (on the NPV of the ROUL).
- › Operating EBITDA is increased (lower operating costs) whilst PBT is decreased (higher interest cost in particular).

Support Costs

Supplementary information

Support Office - IT

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Employee benefits expense	(4,165)	(3,102)	(1,062)	34%
Technology expenses	(1,168)	(1,003)	(164)	16%
Software licence fees	(8,504)	(2,597)	(5,907)	>100%
Other expenses	(266)	(59)	(207)	>100%
Total EBITDA	(14,102)	(6,761)	(7,341)	109%

Support Office - Corporate

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Employee benefits expense	(18,875)	(18,626)	(249)	1%
Occupancy and facilities expenses	(648)	(383)	(265)	69%
Technology expenses	(520)	(4,101)	3,581	(87%)
Other expenses	(1,838)	(2,525)	687	(27%)
Total EBITDA	(21,881)	(25,635)	3,754	(15%)

Support – IT

- › Significant capability investment commenced in FY21 to internalise roles & reduce reliance on 3rd party vendors to build a 'right-sized' function capable of supporting the business
- › Increase in software licence fees reflecting centralisation of group-wide software costs previously in Corporate primarily, impact of ERP deployments, increase in number of user licences and digital strategy related software investments

Support - Corporate

- › Corporate support functions (e.g. Finance, Legal, Corporate HR, listed company costs and Office of the CEO/CFO)
- › Benefit in technology costs from centralisation of group-wide software related costs into Support IT
- › Savings in professional fees partly due to internalisation of critical roles

Non-Operating EBIT

Supplementary information

	FY22 \$000	FY21 \$000	CHANGE \$000	
Revenue ¹	3,435	5,357	(1,922)	Lower pre-paid contract sales and FUM balance has driven lower fee income
Expenses	(6,802)	(5,860)	(942)	Costs of pre-paid business including employee and marketing costs – largely fixed
EBITDA – NON OPERATING	(3,367)	(503)	(2,864)	
Depreciation & Amortisation expense	(6)	(7)	1	
SaaS arrangements – expensed as incurred ²	(13,395)	(4,594)	(8,801)	Costs related to implementation of SaaS solutions that are expensed as incurred
Restructuring costs	(1,476)	-	(1,476)	One-off restructuring costs in Pet Cremation business associated with the frictional cost of integrating the operations into a national business
Net (loss)/gain on pre-paid contracts	(55,611)	44,085	(99,696)	Volatility in global equity markets has driven a significant MTM 'unrealised revaluation loss' on Prepaid FUM
Impairment reversal	-	4,000	(4,000)	Partial reversal on previous impairment of Allambe Memorial Park asset
Asset sales gain	533	6,530	(5,997)	Net gain on disposal of one location during the year
EBIT– NON-OPERATING	(73,322)	49,511	(122,833)	

^{1:} Primarily administration fee & other revenue earned on pre-paid contracts recognised when service is performed

N.B New accounting standard AASB 17 Insurance Contracts will change the accounting for pre-paid funeral contracts. AASB 17 applies from 1 January 2023. Meaning the Group will adopt the standard in its financial results for 2023, with restatement of comparative financial statement balances for the year ended 31 December 2022 and opening balances at 1 January 2022. Refer to Note 27.A of the accompanying Annual Financial report for further details

Net Finance Costs

Supplementary information

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %	
Interest paid and payable	(7,711)	(6,764)	(947)	14%	Paid on drawn syndicated debt facility using BBSY+ margin and fixed interest rate of 4.81% for \$100million USPP. Group weighted average cost of debt at December 2022 was 4.9% compared with 3.4% at the end of 2021
Interest expense: customer advance payments	(1,157)	(1,225)	68	(6%)	Non-cash financing costs relating to customer advance payments
Interest expense: customer advance payments (AASB 15)	(316)	(871)	555	(64%)	Non-cash AASB 15 related customer advance payments unwind, see page 38
Interest expense on lease liabilities (AASB 16)	(6,029)	(5,718)	(311)	5%	Non-cash AASB 16 related interest, see page 38
FX (gain)/loss	1,074	1,069	5	-	Non-cash (gain)/loss on translation of NZ denominated debt
Other	(2,879)	(3,965)	1,086	(27%)	Loan establishment & commitment fees, merchant fees and interest rate swap costs
Interest expense	(17,018)	(17,474)	456	(3%)	
Interest received	1,589	987	602	61%	Interest received on cash at bank
Net finance costs	(15,429)	(16,488)	1,059	(6%)	

Balance Sheet items

Supplementary information

	FY22 \$000	FY21 \$000
Cash and cash equivalents	31,659	53,630
Trade receivables	69,700	66,300
Other receivables	18,177	15,281
Inventories	45,463	46,866
Prepaid Technology asset	(A) 15,709	8,601
Pre-paid contract funds under management	(B) 597,687	649,875
Assets held for sale	-	89
Deferred selling costs	(C) 34,927	35,755
Deferred contract assets	(D) 365	1,963
Other financial assets	5,918	4,072
Property, plant & equipment	526,141	494,454
Right of use assets	158,447	153,315
Intangibles	(E) 233,045	226,913
Total Assets	1,737,238	1,757,114
Trade and other payables	(80,528)	(69,226)
Lease liabilities	(182,464)	(175,402)
Derivative financial instruments	(E) -	(76)
Current tax liabilities	(11,933)	(5,739)
Deferred revenue	(120,295)	(127,959)
Pre-paid contract liabilities	(F) (548,480)	(540,440)
Provision for employee entitlements	(B) (21,157)	(19,919)
Contingent considerations	-	(6,282)
Deferred tax liabilities	(G) (26,569)	(42,307)
Borrowings	(200,596)	(188,843)
Total Liabilities	(1,192,022)	(1,176,193)
Net assets	545,216	580,921

Item	Explanation
(A) Prepaid Technology asset	Specific implementation costs for a SaaS arrangement that are recognised as a pre-paid technology asset and unwound over the period of software service through the profit or loss (below operating EBITDA). Other SaaS related costs are expensed as incurred through non-operating EBIT
(B) Pre-paid Contracts¹	Change in accounting policy in FY10 increased volatility of Reported Profit or Loss as the Pre-paid FUM asset was brought onto the balance sheet with fair value movements recognised through the profit or loss (in non-operating EBIT) The obligation to perform under the contract is recognised as a liability with increases going through profit or loss as finance charges (in non-operating EBIT)
(C) Deferred selling costs	Direct selling costs related to revenue deferred on undelivered memorials and merchandise and unperformed burial and cremation services (e.g. commissions to employees). These unwind through employee expenses when related revenue is recognised
(D) Deferred contract assets	Deferred costs of goods sold related to revenue deferred on undelivered memorials and merchandise and unperformed burial and cremation services. Presented separately from working capital inventory
(E) Right of Use assets & lease liabilities	Impact of adoption of AASB 16 in FY19 brings the present value of leases for locations, motor vehicles and plant & equipment on to the balance sheet. See page 38 for impact on financial statements of unwind of these balances
(F) Deferred revenue	Deferred revenue on undelivered memorials and merchandise and unperformed burial and cremation services. Recognised when service is provided, e.g. for memorials upon delivery of the contract, usually reflects receipt of payment in full
(G) Deferred/Contingent consideration	Acquisition related payments that are deferred as they are contingent on achievement of performance conditions for 1 to 2 years post acquisition date depending on acquisition

¹: New accounting standard AASB 17 Insurance Contracts will change the accounting for pre-paid funeral contracts. Refer to Note 27.A of the accompanying Annual Financial report for further details

Cash flow metrics calculations

Supplementary information

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Cash conversion % calculation				
Receipts from customers (incl GST)	608,443	534,372	74,071	14%
Payments to suppliers and employees (incl GST)	(525,376)	(440,669)	(84,707)	19%
Other revenue	7,236	8,027	(791)	(10%)
Interest received	775	302	473	>100%
Interest paid	(15,063)	(14,521)	(542)	4%
Income tax paid	(6,317)	(9,771)	3,454	(35%)
Operating Cash Flows	69,698	77,740	(8,042)	(10%)
Add back: Net Finance costs paid	14,288	14,219	69	<1%
Add back: Tax paid	6,317	9,771	(3,454)	(35%)
Net Funds from pre-paid contracts	29,769	29,306	463	2%
Ungeared, tax free operating cash flows	120,072	131,036	(10,964)	(8%)
Statutory EBITDA	132,749	124,975	7,774	6%
Cash Conversion %	90%	105%		(15 pts)
Add back: SaaS arrangements expense ¹	13,395	4,170	9,225	>100%
Normalised Cash Conversion %	101%	108%		(7 pts)

	FY22 \$000	FY21 \$000	CHANGE \$000	CHANGE %
Free Cash Flow calculation				
Operating cash flows	69,698	77,740	(8,042)	(10%)
Add back: Net Finance costs paid	14,288	14,219	69	<1%
Add: Net Funds from pre-paid contracts	29,769	29,306	463	2%
Less: cash CAPEX – Maintenance	(25,517)	(23,840)	(1,677)	7%
Less: cash CAPEX - Investment – Platform	(12,433)	(11,623)	(810)	7%
Free cash flow	75,805	85,802	(9,997)	(12%)

Forecast metrics – below EBITDA

Supplementary information

For personal use only

Item	Comment	FY22 Actual	FY23 Preliminary estimate
Depreciation & Amortisation + Prepaid SaaS Expense	<ul style="list-style-type: none"> Expected increase reflects prior year spend annualisation and impact of estimated FY23 CAPEX Includes AASB 16 impact and prepaid technology asset unwind 	\$50.9M	\$51 - 54M
Effective Tax Rate	<ul style="list-style-type: none"> Based on normal tax profile and recent business performance Effective tax rate on operating earnings Group ETR is impacted by the blend in tax rates between Australia, NZ and Singapore 	29%	29% - 31%
Interest expense	<ul style="list-style-type: none"> Based on current year average, and latest RBA cash rates Net Finance costs includes bank interest and other non-cash finance costs (such as AASB 16 impact). See page 41 for constituents (cash and non-cash) 	Weighted average cost of debt 3.4% - 4.9%	Weighted average cost of debt 4.9% + indicative BBSY increases

Glossary (1/2)

Term	Definition
Average capital employed	Average of opening and closing Capital Employed
Average working capital % of sales	Average of opening and closing Working Capital divided by Operating Revenue for a 12 month period
CAPEX	Capital expenditure
Capital employed	As used in ROCE % calculation. Equal to Total Equity + Net Debt
Cashflow conversion %	Ungeared, tax free operating cash flows divided by Statutory EBITDA
CODB	Costs of Doing Business
COVID	COVID-19 pandemic
CRM	Customer Relationship Management
CX	Customer Experience
DA	Development approval
D&A	Depreciation & amortisation expense
Debt Leverage ratio	Calculated for disclosure purposes as Net debt divided by Operating EBITDA. Leverage calculation used for bank covenant testing purposes uses an Adjusted EBITDA measure (primarily adjusted to include proforma earnings from acquisitions and costs arising from restructuring initiatives). r12 measure uses rolling 12-month Operating EBITDA
Dividend payout ratio	Dividend per share divided by Operating EPS
EBIT Margin	Operating EBIT divided by Operating Revenue
EBITDA Margin	Operating EBITDA divided by Operating Revenue
EPS	Earnings per share, calculated as Reported profit/(loss) divided by weighted average number of shares.
ERP	Enterprise Resource Planning, e.g. the main Oracle general ledger financial system used by the business
Free cash flow	Operating cash flow + interest paid + net funds from pre-paid contracts less Maintenance cash CAPEX less Investment – Platform cash CAPEX
Funeral Case Average	Calculated as gross funeral revenue (including disbursements) divided by funeral case volume
Funeral Case Volume	Number of funeral services undertaken
FUM	Funds under management in the pre-paid funerals business
Interest cover ratio	Calculated as Operating EBITDA divided by Net finance costs excluding AASB 16 interest, merchant fees and interest on customer advance payments. Interest cover calculation used for bank covenant testing purposes uses an Adjusted EBITDA measure (primarily adjusted to include proforma earnings from acquisitions and costs arising from restructuring initiatives)
Investment CAPEX	CAPEX undertaken to expand existing operations or further growth prospects, includes platform investments (IT and Shared Service Centre projects)

Glossary (2/2)

Term	Definition
LTIFR	Lost Time Injury Frequency Rate calculated on actual hours worked
Maintenance CAPEX	Recurring annual CAPEX required to maintain facilities, capital works, IT hardware and software and plant & equipment
Memorialisation revenue	Revenue earned from the sale of memorials, plaques, burial plots etc. in the Cemeteries & Crematoria business
MTM	Mark-to-market, revaluation of assets and liabilities held at fair value on the Group's balance sheet
Net debt	Cash and cash equivalents + Borrowings + Finance leases
NFP	Not-for-profit organisation
NPS	Net Promoter Score, calculated based on customer feedback with Group score representative of Australia and New Zealand only
Operating EBITDA	Operating earnings before business acquisition costs, SaaS arrangements expense, gain/loss on lease modification/termination, interest, tax, depreciation & amortisation
Operating EBIT	Operating earnings before interest and tax
Operating EPS	Operating net profit after tax divided by weighted average number of shares
Operating leverage	Means the percentage growth in Operating EBITDA divided by the percentage growth in Operating Revenue
Operating NPAT	Reported profit excluding non-operating items and associated tax
Operating Revenue	Revenue for the Group excluding revenue earned from pre-paid funerals business
OPEX % Sales	Operating expenses (excluding finished goods, consumables and funeral disbursements) divided by Operating Revenue
PCP	Prior corresponding period
Pet case average	Gross pet cremation revenue (gross of rebates) divided by Pet cremation volume, average revenue earned from pet cremation cases conducted
Pet cremation case volumes	The number of pets cremations conducted
ROCE %	Calculated as Operating EBIT divided by Average Capital Employed. r12 measure uses rolling 12-month Operating EBIT and Average Capital Employed using prior period end balances
SaaS	Software-as-a-service
TRIFR	Total Recordable Injury Frequency Rate calculated on actual hours worked
Ungeared, tax free operating cash flows	Calculated as operating cash flow excluding net finance costs paid and tax paid adjusted by net funds from pre-paid contracts (Payments to funds under management for pre-paid contract sales and receipts from funds under management for pre-paid contracts performed) sourced from investing cash flows
Working capital	Inventories + Trade & Other Receivables + Trade & Other Payables

For personal use only

