

# ASX Announcement



27 November 2020

## **QANTM 2020 ANNUAL GENERAL MEETING**

QANTM Intellectual Property Limited (QANTM) will hold the 2020 Annual General Meeting of Shareholders today which will be held as a fully “virtual” meeting.

As set out in the Notice of Meeting, there are two resolutions subject to a shareholder vote – one relating to the approval of the Remuneration Report, and the other concerning the re-election of Mr Leon Allen as a non-executive director.

The results of the voting on these resolutions will be disclosed to the ASX separately. A transcript of the addresses and presentation delivered by the Chairman, Richard England and the CEO and Managing Director, Craig Dower, are attached.

**This announcement has been authorised by the QANTM Board for release through the ASX Market Announcements Platform.**

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**About QANTM Intellectual Property**

QANTM Intellectual Property Limited (QANTM, ASX: QIP) is the owner of a group of leading intellectual property (IP) services businesses operating in Australia, New Zealand, Singapore and Malaysia under four key brands - Davies Collison Cave, FPA Patent Attorneys, Cotters Patent and Trade Mark Attorneys and Advanz Fidelis IP, as well as the majority owner of an IP business advisory company, ipervescence Pty Ltd. With more than 150 highly qualified professionals, the businesses within the QANTM Group have a strong track record in providing a comprehensive suite of services across the IP value chain to a broad range of Australian and international clients, ranging from start-up technology businesses to Fortune 500 multinationals, public research institutions and universities.



## **Chairman's Address**

I would now like to make a few, brief observations about the last financial year for QANTM and to comment on its current business priorities.

Craig Dower, our chief executive officer, will speak in more detail about several aspects, including his priorities for the Company, and the direction of the Company under his leadership. Both Craig and I will be pleased to respond to any questions that shareholders may have after our comments.

### **2020 Financial Year – Context**

The 2020 financial year was in many respects unprecedented. QANTM had to quickly adjust the way it conducts its business in the context of the onset of the global COVID-19 pandemic, most evident here in Australia from March. The organisational change to a largely remote set of working arrangements and what has been a seamless process of servicing our clients, as well as ensuring the health and welfare of our people, has represented a first-class achievement.

Management under Craig, the efforts of our managing principals in DCC, FPA and Advanz Fidelis and the commitment of our entire workforce, has been nothing short of remarkable under challenging and uncharted circumstances.

### **Financial Results**

In this context, the company achieved a solid set of financial results for the 2020 financial year. This in many respects reflected the resilient nature of the QANTM business model, as well as the strength of the market positions of our main business entities.

The details of the results have been conveyed elsewhere, but essentially the Group recorded a solid increase in revenue, with service charges up 4.4 per cent and total net revenue (which incorporates associate charges) up 3.9 per cent. The leading business positions of DCC and FPA, contributed to the sound revenue outcome, while Advanz Fidelis, despite severe restrictions imposed upon its business under Malaysian COVID-19 restrictions, materially increased its revenue contribution. I am pleased to advise that our Asian businesses increased revenue by 34 per cent and that the Asian region through Advanz, DCC and FPA, now constitutes 7 per cent of total Group revenues. This is a base upon which we intend to build.

Revenue growth was not able to be translated into earnings growth this year. EBITDA after FX declined \$1.8 million or 7.5 per cent, adversely affected by an unfavourable currency outcome of \$0.8 million; in fact on a comparative year-on-year basis, the currency differential was \$1.6 million.

The two main factors contributing to higher operating expenditure were: personnel remuneration costs and necessary expenditure on organisational and business transformation. Remuneration costs increased 8.8 per cent, as a result of planned activities in three main areas:

- first, the realignment of vendor principal salaries to market levels, a process commenced in the 2019 financial year and which will be complete during 2021;
- second, the continued promotion of professional personnel, of which there were 21 this year, and
- third, the introduction of a short term incentive scheme for senior principals, for the first time since IPO.

Net profit after tax declined 5.4 per cent. Higher operating expenses influenced the earnings outcome. Operating expenses increased 5.8 per cent, from \$67.1 million to \$71 million. Given that our key assets are our people, all were necessary areas of expenditure.

The other main area of operating expenditure was an investment in corporate resources to underpin a business transformation process which Craig and his team are leading, and which we will discuss later.

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Following the departure of the Chief Operating Officer and this position not being replaced, two key executive appointments have been made: Kylie Sprott as Chief Transformation Officer and Morgan Sloper as Head of M&A and Risk. These two roles are central to the business transformation and growth objectives we will be pursuing.

QANTM ended the year with stronger operating cash flow, a continued strong balance sheet capacity, an EBITDA margin structure of 24.6 per cent; a return on equity of 19.7 per cent and was able to pay total dividends of 7.1 cents, equivalent to 90 per cent of net profit after tax and amortisation.

While comparatively solid relative to other sectors and companies, it is recognised that the results were something of a mixed bag. Clearly, under Craig's leadership, we are aiming to deliver improvements across key financial metrics and, in turn, an enhancement to total shareholder returns.

### **Commencement of New Chief Executive Officer**

Craig's commencement as Chief Executive Officer in January of 2020 was clearly a key feature of the year. I have referred to Craig's professional and personal capabilities elsewhere. I have also mentioned his extensive engagement with Leon Allen and QANTM directors, during the unsuccessful merger discussions with Xenith IP during 2019, when he was CEO of that company.

Both sets of factors provided an excellent foundation for Craig to assume the role at QANTM and to lead the company in the next stage of development. Craig came to his role with experience in transforming an IP company and a clearly formulated game plan for QANTM, centred around:

- business transformation, with a major technology focus;
- a commitment to the continued investment in and development of the professional capabilities of our people; and
- a commitment to various growth avenues, particularly in Asia where Craig has over 20 years of experience and lived in the region for many years.

Underpinning these areas of priority has been a comprehensive strategic review process, which has looked at:

- the competitive intellectual property operating environment;
- an objective assessment of QANTM's own strengths, weakness and opportunities, as well as
- the alignment of business priorities with the requirements and expectations of key stakeholders, not least shareholders, in terms of the generation of improved total shareholder returns.

Craig and the QANTM executive team have been working through this strategic process whilst also managing through the various urgent organisational adaptations necessitated by the COVID-19 pandemic. This process continues – strategy is an ongoing and organic process in a rapidly changing world. Some elements of Craig's strategic refinement process are being implemented – to which I am sure he will refer.

### **Organisational Capabilities and Diversity**

I referred to the enhancement of organisational capabilities. This is reflected in the ongoing investment in our people; in professional development and in ensuring a working environment which facilitates the retention and attraction of high quality talent.

As indicated, over 2020, there were 21 professionals promoted, of which two-thirds were women. Shareholders may recall that when I spoke at this time last year, there was a similar level of promotions and proportional representation of women. The Directors and management of QANTM and its business entities recognise that fostering diversity and inclusion, in its broadest sense – gender, cultural background, geographical location and professional experience – are an important part of being a leader in the IP services sector.

Efforts in these areas are seen as integral to delivering appropriately structured and excellent service to our clients and our associates, who in themselves represent a highly diverse group operating in different industries, markets and countries.

## **QANTM INTELLECTUAL PROPERTY LIMITED ASX ANNOUNCEMENT**

I am aware that several of our shareholders have an interest in the area of gender diversity and greater presence of women at senior levels of the Group. It is worth reflecting on the progress that has been made.

### **Representation of Women across QANTM**

This table shows the progress since the listing of QANTM in the 2017 financial year.

| <b>Category</b>              | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
|------------------------------|-------------|-------------|-------------|-------------|
| Board                        | 40%         | 40%         | 40%         | 40%-50%     |
| Senior Managers / Executives | 12%         | 17%         | 22%         | 30%         |
| Professional staff           | 52%         | 53%         | 60%         | 61%         |
| Whole organisation           | 67%         | 66%         | 68%         | 67%         |

Women now represent 30 per cent of senior managers and executives; a two and half fold increase in just under four years. In terms of professional staff, women now represent 61 per cent of the total, increasing from 52 per cent at the time of listing. We seek to achieve continuous improvement in gender equality as part of overall improvement in diversity and inclusion in our workplace. Progress has been made and I am confident that further progress will be demonstrated in future periods.

I would encourage shareholders to look at pages 22 and 23 of the Annual Report. It provides a small but I think representative sample of the depth of professional capabilities within the QANTM Group, enhanced this year by the acquisition of Cotters Patent and Trade Mark Attorneys, based in Sydney, as well as the first full year of operation of ipervescence, an IP advisory business in which QANTM has a majority shareholding and which has two women as managing principals.

### **Board and Governance**

In terms of the board of directors, in 2020 I commissioned an external expert to undertake our first independent board review. This was a useful exercise in examining a range of matters: from professional interactions, processes for board committee functioning, right through to medium term considerations in terms of Board evolution and professional capabilities.

Given the continued orientation towards the Asia-Pacific region, as a basis of revenue growth, one of the considerations in terms of board composition is, perhaps not surprisingly, the appointment of business and/or industry professionals with deep business experience in the region. This factor, as well as others, will be part of deliberations as to how the board composition evolves over coming years.

More immediately, and as is evident as part of today's formal proceedings, Leon Allen, former chief executive officer, offers himself for re-election as a non-executive. As I have stated previously, Leon provides the board with its first intellectual property-based non-executive director; someone with forty years of experience in the sector and a deep knowledge of, and passion for, the QANTM business. Leon will speak to the capabilities he brings to the board shortly.

Abigail Cheadle resigns as a non-executive director at the conclusion of today's AGM. Abigail was an inaugural director of QANTM, was heavily involved in the IPO and prospectus process, and has served with distinction and great commitment as Chair of the Audit, Risk and Compliance Committee. On behalf of my fellow directors and management, I thank Abigail for her contribution and wish her well with her other current and prospective professional endeavours.

I wish to pay tribute to all QANTM people and their resilience during recent testing times and thank everyone most sincerely for their tireless efforts.

I would now like to invite Craig to address shareholders. In doing so, I would like to pass on my thanks to shareholders for their support, to our clients for their valued professional and business relationships and to the broader QANTM organisation and its people, for their commitment and professionalism, not least in rising to the challenges of 2020.

## **CEO's Address**

Thank you Richard and I would like to add my welcome to your Annual General Meeting, and thank you to those participating as shareholders and guests.

As Richard said, I commenced as chief executive officer of QANTM in January 2020. With the onset of the COVID-19 pandemic in March and the need to make some rapid and fundamental changes to the way we conduct our business, alas my honeymoon period as the new CEO proved to be quite short-lived!

In joining QANTM, I believe the company and its business entities have very solid foundations. We have stable businesses with a deep heritage and outstanding people and cultures. The listed IP sector and QANTM in particular display attractive characteristics as a source of investment. As you might expect me to say, I believe the largest opportunities for QANTM and its key stakeholders, including shareholders, are still ahead of us.

As Richard has outlined, QANTM performed well in the last financial year and consolidated its standing as a leading player in IP in Australia. Since listing, progress has been made in building our Asia business presence – organically via FPA and DCC establishing offices in Singapore, and through the 2018 Advanz Fidelis acquisition in Malaysia.

We have also retained the majority of our key people and internal capabilities – our key assets – and taken a number of positive steps in terms of performance-based remuneration, longer term retention strategies, and the ongoing professional development of our people.

The combination of my appointment, the global pandemic and it being four years since listing, means it is opportune to consider in some detail our business settings, strategic priorities and internal capabilities. This is especially so to navigate a period of uncertainty and to ensure a stronger business model to deliver on our key goals into the future.

I think it is important to acknowledge that there are areas where the company has fallen short of its own expectations and those of our shareholders. Let me provide my perspective on some:

- Performance versus prospectus forecasts has been very disappointing. This was adversely influenced by weak market conditions in FY 2018, affecting the whole sector, particularly in the first half, and there was necessarily a period of management focus on stabilizing the core business and restoring its strong performance.
- With respect to growth initiatives, since IPO there has been an active pipeline of opportunities considered and progressed to various stages. The Advanz Fidelis and Cotters acquisitions have been and will continue to be quality additions and strong contributors to the Group, other opportunities have not proceeded to the point where the Board and management felt that it would be prudent from a financial and risk perspective to proceed to final and binding transactions.
- This included the proposed merger with Xenith. As you know, as the then CEO of Xenith, I was closely involved in all aspects of that potential merger, and it would have been a game-changer for the Australian IP sector, but it was – unfortunately for QANTM – not to be. We move on.
- As a result, we have not made the desired progress in using our balance sheet capacity to expand our geographical footprint – although there continue to be many high quality opportunities for growth for the QANTM Group.
- And finally, we have made insufficient progress in the necessary technological transformation of the business – both to enhance, streamline and simplify internal processes but also those necessary to offer wider services, deepen our client relationships and build further competitive advantage.

I share these observations not to lay blame anywhere but to simply reflect that if you don't learn you don't grow. We tried to do a lot with a very small corporate team. After the early setback that we had in terms of market results, we focused very much on managing our costs. That was the right decision at the time. However, one of the key lessons from the past few years is that we need to invest in order to be able to grow. We are now doing that, with an equally clear recognition that we also need to deliver.

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So, how will we do that? I touched on this in our year-end results presentation, and said that I would provide more detail at our AGM. Our business transformation program focuses across five dimensions:

1. Investing in the skills and careers of our people
2. Continuing to focus on excellence in servicing our clients
3. Modernising our technology and migrating to the cloud
4. Simplifying our business processes across the group
5. Expanding our growth and scale into new geographic and adjacent markets.

I will cover each of these areas in some detail. We believe the combination of all of these will deliver us a sustainable competitive advantage in the market.

### **Investing in our People**

This is obviously central. We have some of the best people in the industry working across our Group. DCC and FPA are firms with a deep heritage and culture that go back decades – in DCC’s case well over a century. But we need to keep learning. Change is accelerating across all aspects of what we do, and we intend to lead that change.

Investing in future skills – not just in IP capabilities but in commercial skills, in business development skills, in leadership capabilities, and technological skills – will define our future success.

Investing in the careers of our people – where do they want to be, how do they want to work, what are their aspirations – both in their work and in their personal and family life – and how can we support those?

To Richard’s comments, diversity and inclusion in all its forms – gender, cultural and ethnic background, as well as geographical location and IP skills – are an important part of being a leader in the IP services sector, and supports delivery of excellent service to clients and associates, which are themselves a diverse group operating in many different industries, markets, and countries. Continuous improvement in gender equality and inclusion is a core component of investing in our people.

### **Technology Transformation**

The technology platforms in place for the IP industry are no longer suitable in a global, modern context. They are functional and they do the job, as we have proven during COVID. But, the fact is, all innovation in technology is taking place in cloud-based systems, with open API, or application programming sets, and an emphasis on data, security and mobility. If you are not in that space, you risk becoming marginalised and disintermediated. QANTM is committed to leading the market in this area.

We plan to migrate all of our technology to cloud-based platforms over the next 24 to 36 months - sooner if possible. This will enable us to be far more agile and more deeply engaged with our clients and partners than ever before. It will bring to us a distinctive competitive advantage, in the same way that global technology leaders have separated themselves from the pack over the past five years – all of which has been emphatically reinforced during COVID.

### **Investing in Our Clients**

We talk a lot about culture within our businesses. A common part of that culture – across every firm within the QANTM Group – is a focus on excellence. It is what attracts our people in the first place, keeps them with us and motivated in their careers, and drives our engagement with our clients at every level. Excellence is embedded in our culture.

Clients are increasingly demanding deeper forms of technical integration and collaboration between in-house teams and external service providers. They are looking for greater insights from their service providers in how they can help grow their businesses. They aren't just looking at transactional relationships and, if they are, those transactional services risk commoditisation.

Investing in the skills of our people, coupled with world-class technology platforms, will enable us to respond in increasingly innovative ways to client demands. It will enable us to deliver greater value through data and analytical insights, increased efficiency and effectiveness, and new ways of doing things.

### **Radical Simplification**

We have an opportunity to reimagine all of our work practices in a post-COVID world. The pandemic has taught us that we can move quickly, work as a team in ways not attempted before, across multiple geographic locations as well as homes and offices, and that we can tackle big things together across the Group that – as individual firms – would be much more difficult to achieve. I believe that we will emerge even stronger from COVID, given this experience.

Working through COVID has collapsed many boundaries and made us better at what we do. How do we maximise those lessons and experiences moving forward?

The pandemic has also highlighted areas for major improvement in business processes and the ways in which we do things. Whilst new technology will enable this, flexible and reimagined work policies will also help drive greater productivity and effectiveness. This will be true of all businesses. The question is – how will they respond?

### **Expanding our Growth and Scale**

We have made a good start in Asia over the past several years, with both DCC and FPA delivering strong organic growth, and the valuable addition of Advanz Fidelis in Malaysia, and Cotters in Sydney. However, we plan to do a lot more, in part, by building a solid pipeline of opportunities in this area. And in part by identifying new business opportunities; both in terms of the nature of the business offering but also the geographies in which we operate.

As Richard stated earlier, we have invested in a dedicated role – a Head of M&A and Risk – and hired an experienced executive, Morgan Sloper, to lead this role. We are looking at both traditional IP firms as target opportunities, as well as horizon 2 and 3 opportunities that bring future capabilities to the Group.

Our aim in all of this is to more assertively move QANTM onto a larger stage and deliver on the potential that was promised when the company listed four years ago. In doing so, we are determined to better fulfil and serve the interests of all our main constituents:

- shareholders – in terms of enhanced total shareholder return characteristics;
- employees – in terms of career advancement and quality of professional and work/life experience; and
- our clients, existing and potential – through deeper engagement and contributions to the growth of their business

And through these and other initiatives, the generation of new forms and geographical sources of business, leading to enhanced revenues, earnings and returns on funds invested.

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We provided an overview of the business transformation case in our year-end results, and are now in the midst of implementation planning. Our expectation is to have chosen our technology partners and to have prioritised and sequenced all of plans by calendar year-end, with the aim of getting started first thing in 2021. We will outline our program targets and the key milestones in our half-year results in February. But my commitment to you today is – we are getting on with this. We have a plan, and we will deliver.

### **Summary Observations**

I have been asked in various forums around the size and necessity of these investments. My response is: any business that does not invest in its future is forfeiting its future. These investments will position QANTM as a clear market leader and will provide us with capabilities that our competitors cannot match. After a slow start, we are investing in the capability to deliver.

I have spent my entire career in delivering technology solutions that deliver transformed business outcomes. Our industry is ripe for transformation, and we are going to lead the way. Our people are ready for and excited about this. We are now getting on with it.

Before finishing, we said at the full-year in August that we would not be providing guidance, especially in such a challenging environment for forecasting, but we would provide an update on what we were observing regarding market conditions.

### **Market Update Summary**

We said in our year-end results presentation that some of the IP agencies with whom we had been speaking around the region were contemplating a 5 to 10 percent decline in filings for the year ahead.

- QANTM Australian patent filings for the first quarter (July to September 2020) are up slightly against pcp on a like for like basis, and also up on previous two quarters
- Asian patent filings slightly down v pcp due mainly to the impact of COVID in Malaysia, but Singapore continues to grow
- QANTM group revenues ahead of pcp for the first quarter. All areas of the business in Australia – patents, trade marks, and legal – are in line or ahead of revenue vs pcp
- Pushing ahead with transformation and M&A agenda which is having an associated impact on corporate costs
- FX headwinds compared with same half last year
- Activity levels are high - remain cautiously optimistic, but volatility in Europe and the USA are a concern

We are very pleased with the way that our team has performed across the Group during this very disrupted period in history. We remain cautiously optimistic about the year ahead. The resilience of the sector continues to hold true and reports of progress with vaccines are very positive. However, rising COVID cases in the USA and Europe are a concern and the impact of these remain unknown.

We will continue to monitor the volatility that we are seeing in some pockets of the market, both in Australia and elsewhere. We will continue to focus on the things that we can control – servicing our clients, working as a team, prudently managing our discretionary expenditure, and judiciously implementing our transformation program.

**In Closing**

I would like to thank all of our people for their extraordinary contributions to our business during the 2020 Financial Year, and through the COVID 19 Pandemic, continuing to be professional, committed and team-spirited during some challenging and occasionally dark days. It is a privilege to work with you.

I also want to thank our shareholders for your continued support of our company. I know that we have not always met your expectations over these past few years. The leadership team, starting with me, and our Board accept and take responsibility for that. We have done a lot of things well but we can and will do better.

I know that we are asking for your patience as we work through our business transformation program. These are significant investments. However, I can tell you that we are committed to getting this done and to delivering the results that we all want to see over the next several years. We believe that investing in our future will position us as a clear and differentiated market leader.

This is an exciting time for our company. We have an outstanding team of people, a deep history and pedigree across our businesses, absolutely world-class companies as our clients, and a culture that is unique at the scale in which we operate across the IP sector.

--ENDS--.



**QANTM INTELLECTUAL PROPERTY LIMITED (ASX:QIP)**

**2020 ANNUAL GENERAL MEETING**

**27 November 2020**

# FINANCIAL HIGHLIGHTS



TOTAL REVENUE

**\$116.6 million**

 **UP 3.9%**  
(FY19: \$112.2 MILLION)

TOTAL NET REVENUE  
(INC OTHER INCOME, LESS RECOVERABLE EXPENSES)

**\$94.0 million**

 **UP 4.1%**  
(FY19: \$90.3 MILLION)

OPERATING EXPENSES

**\$71.0 million**

 **UP 5.8%**  
(FY19: \$67.1 MILLION)

NET DEBT AS AT 30 JUNE 2020

**\$17.4 million**

**(30 JUNE 2019: \$11.1 MILLION)**

RETURN ON SHAREHOLDERS' EQUITY

**19.7%**

(FY19: 21.0%)

EBITDA AFTER FOREIGN EXCHANGE

**\$22.2 million**

 **DOWN 7.5%**  
(FY19: \$24.0 MILLION)

NET PROFIT AFTER TAX

**\$14.0 million**

 **DOWN 5.4%**  
(FY19: \$14.8 MILLION)

OPERATING CASH FLOW

**\$15.1 million**

 **UP 3.4%**  
(FY19: \$14.6 MILLION)

FULL YEAR DIVIDENDS OF

**7.1 cents**

**100% FULLY FRANKED**  
(FY19: 8.3 CENTS)

## NOTE:

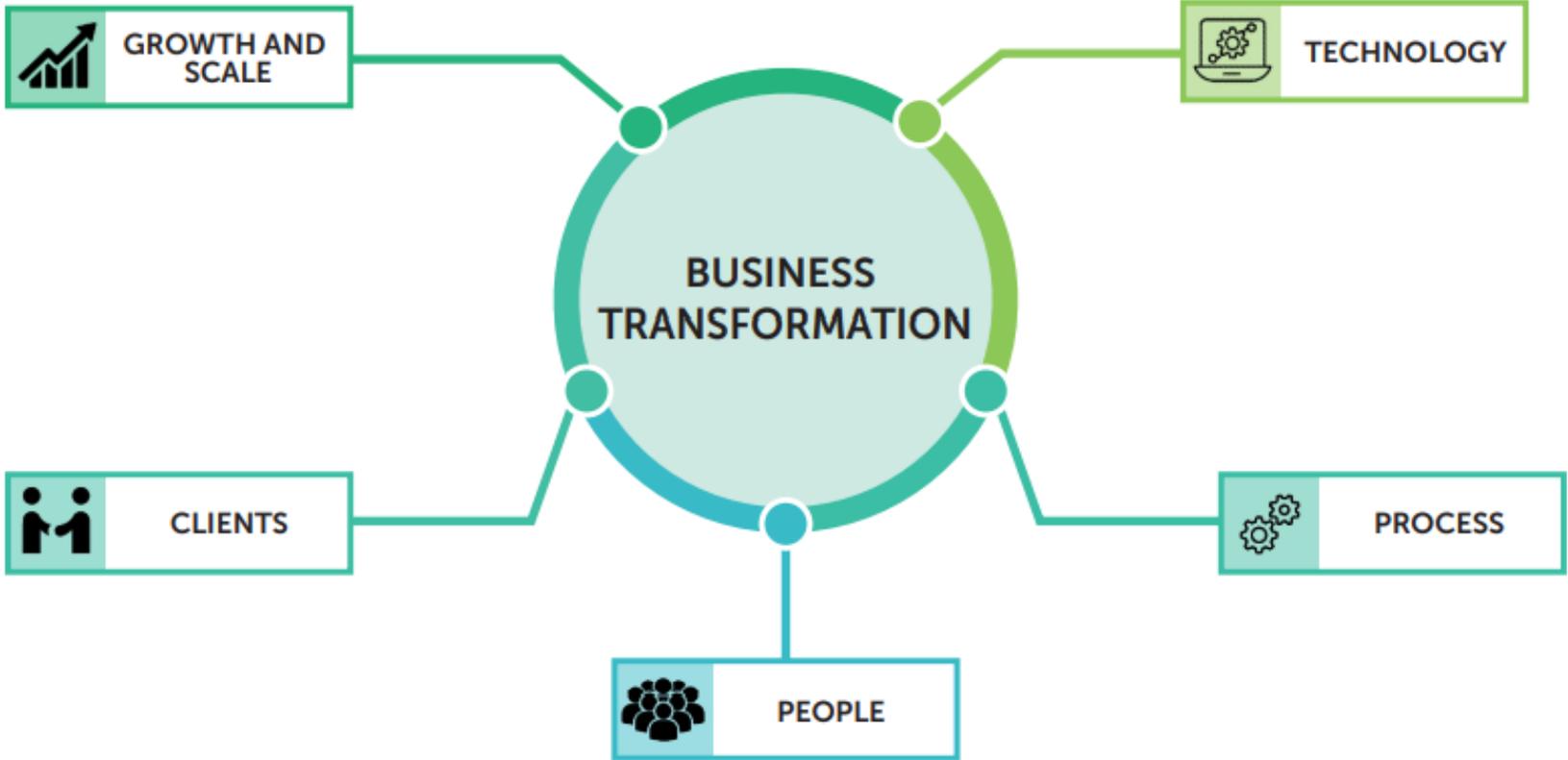
The above reflects underlying results to facilitate comparisons period to period. A reconciliation of statutory to underlying results is included in Note 5 of the Directors' Report.

# REPRESENTATION OF WOMEN ACROSS QANTM



| Category                     | 2017 | 2018 | 2019 | 2020    |
|------------------------------|------|------|------|---------|
| Board                        | 40%  | 40%  | 40%  | 40%-50% |
| Senior Managers / Executives | 12%  | 17%  | 22%  | 30%     |
| Professional staff           | 52%  | 53%  | 60%  | 61%     |
| Whole organisation           | 67%  | 66%  | 68%  | 67%     |

# GROWTH AND TRANSFORMATION



# INVESTING IN OUR PEOPLE



## WELLBEING

Program includes meditation practice, resilience project, external wellbeing presenters, internal wellbeing representatives, mental health first aid officers, focus on ongoing connection



## EMPLOYEE ASSISTANCE PROGRAM

EAP reach out to employees to provide proactive support and guidance during COVID-19



## HEALTH

Program includes yoga, step count challenges, webinars and factsheets on diet, sleep and exercise



## REMUNERATION

STI Program  
Principal remuneration review



## FLEXIBILITY

Ongoing flexible work arrangements tailored to personal circumstance



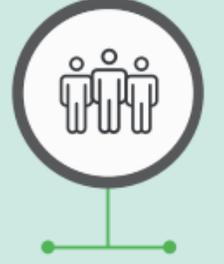
## LEARNING AND DEVELOPMENT

Launch of iQ Online learning platform, providing courses and videos to support the ongoing learning and development of our people



## PAID PANDEMIC LEAVE

Additional leave entitlement for employees with caring responsibilities



## DIVERSITY AND INCLUSION

Internal committee promoting diversity, inclusion and wellbeing initiatives  
Paid parental leave

# TECHNOLOGY TRANSFORMATION

## DRIVING COMPETITIVE ADVANTAGE



There are four key elements / phases (these are being planned and implemented in parallel):

### TECHNOLOGY PLATFORMS



Design and deploy core network infrastructure and cloud-based platforms (Office 365, teams, Mobility)



Implement cloud-based business applications (IP Management, Integrated Finance and HR, CRM)



Establish next-generation client collaboration and connectivity platforms



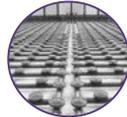
Develop and deploy data, analytics, and AI capabilities



### BUSINESS FRAMEWORK



Empower our people through improved and more reliable tools, easier access to information, and world-class collaboration platforms



Optimise operations through common systems and processes, greater automation, and improved connectivity



Deepen client engagement through greater connectivity and collaboration and increased business insights and value



Transform services through greater data analytics and insights, deployment and evolution of AI and machine learning, and development of new service offerings

Completion of the QANTM Technology Transformation program will take 2-3 years and – combined with our people, culture, pedigree and planned geographic expansion – will position the group as a global market leader in the provision of innovative IP solutions

# MARKET UPDATE SUMMARY



- QANTM Australian patent filings up slightly against pcp on a like for like basis, and also up on previous two quarters
- Asian patent filings slightly down v pcp due mainly to the impact of COVID in Malaysia, but Singapore continues to grow
- QANTM group revenues ahead of pcp for the first quarter. All areas of the business in Australia – patents, trade marks, and legal – are in line or ahead of revenue vs pcp
- Pushing ahead with transformation and M&A agenda which is having an associated impact on corporate costs
- FX headwinds compared with same half last year
- Activity levels are high - remain cautiously optimistic, but volatility in Europe and the USA are a concern