

Appendix 4D
Half-year Report

Name of entity	Bravura Solutions Limited
ABN	54 164 391 128
Financial period ended	31 December 2023
Previous corresponding reporting period	31 December 2022

Results for announcement to the market

Financial results	31 December 2023 \$'000	31 December 2022 \$'000	Percentage increase/(decrease) over previous corresponding period %
Revenue from ordinary activities	127,020	118,322	7.35
(Loss)/Profit from ordinary activities after tax attributable to members	(1,660)	(190,888)	99.13
Net (loss)/profit for the period attributable to members	(1,660)	(190,888)	99.13
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:			
Refer to the ASX release and Interim Financial Report for the period ended 31 December 2023. The Interim Financial Report has been reviewed.			

Dividends

Date the dividend is payable	Not applicable
Record date to determine entitlement to the dividend	Not applicable
Amount per security (cents)	Not applicable
Total dividend (\$'000)	Not applicable
Franked amount per security	Not applicable
Amount per security of foreign sourced dividend or distribution (cents)	Not applicable
Details of any dividend reinvestment plans in operation	Suspended
The last date for receipt of an election notice for participation in any dividend reinvestment plans	Not applicable

NTA backing

	Current period 31 December 2023 Cents	Previous corresponding period 31 December 2022 Cents
Net tangible asset backing per ordinary security	14.40	5.91
Net assets per ordinary security	27.60	54.99

Control gained over entities having material effect

Name of entity (or group of entities)	Not applicable
Date control gained	Not applicable
Consolidated profit from ordinary activities since the date in the current period on which control was acquired, before amortisation and intercompany charges	Not applicable
Profit/(loss) from ordinary activities of the controlled entity/(or group of entities) for the whole of the previous corresponding period	Not applicable

Loss of control over entities having material effect

Name of entity (or group of entities)	Not applicable
Date control lost	Not applicable
Consolidated profit from ordinary activities for the current period to the date of loss of control	Not applicable
Profit/(loss) from ordinary activities of the controlled entity/(or group of entities) while controlled for the whole of the previous corresponding period	Not applicable

Details of associates and joint venture entities

Name of entity	Percentage held		Share of net loss	
	Current period %	Previous period %	Current period \$'000	Previous period \$'000
Aggregate share of net loss	-	-	-	-

BRAVURA SOLUTIONS LIMITED

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER

2023

BRAVURA SOLUTIONS LIMITED
ABN 54 164 391 128

These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the financial report for the year ended 30 June 2023 and any public announcements made by Bravura Solutions Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

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DIRECTORS' REPORT

The Directors present their report on the consolidated entity (referred to hereafter as "the Group" or "Consolidated Entity") consisting of Bravura Solutions Limited ("Bravura Solutions" or "the Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

DIRECTORS

The following persons were Directors of Bravura Solutions during the whole of the half-year and up to the date of this report, unless otherwise disclosed below:

Non-executive Directors

Matthew Quinn	Independent Chairman
Peter Mann	Independent Regional Non-executive Chair of Bravura EMEA (resigned 19 February 2024)
Russell Baskerville	Independent Non-executive Director
Sarah Adam-Gedge	Independent Non-executive Director (appointed 1 September 2023)
Damien Leonard	Non-executive Director (appointed 19 September 2023)
Charles Crouchman	Independent Non-executive Director (appointed 28 September 2023)

Executive Directors

Andrew Russell	Group CEO and Managing Director (appointed 28 July 2023) Interim CEO and Managing Director (appointed 19 June 2023 to 27 July 2023)
Shezad Okhai	Chief Commercial Officer and Executive Director (appointed 15 August 2023) Non-executive Director (appointed 28 April 2023 to 14 August 2023)

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the course of the current and prior periods consisted of the development, licensing and maintenance of highly specialised administration and management software applications and the provision of professional consulting services for the Wealth Management and Funds Administration sectors of the financial services industry.

REVIEW AND RESULTS OF OPERATIONS

Revenue for 1H24 at \$127.0 million was \$8.7 million or 7.4% higher than the prior comparative period. EBITDA increased to a gain of \$7.9 million, significantly above the prior comparative period of \$(3.6) million.

Loss after tax adjusted for non-recurring items was \$1.7 million compared to \$14.2 million loss in the prior comparative period. Loss after tax for 1H24 was \$1.7 million (1H23: \$190.9m loss).

Wealth Management revenue increased by 8.6% to \$83.9 million, and EBITDA increased by \$13.9 million to \$17.1 million. Wealth Management EBITDA margin increased to 20.4% (4.2% in 1H23).

Funds Administration revenue increased by 5.0% to \$43.1 million, and EBITDA decreased by \$3.3 million to \$11.7 million. Funds Administration EBITDA margin decreased to 27.1% (36.6% in 1H23).

1H24 group capitalised R&D investment was \$1.2 million (31 December 2022: \$8.3 million). Bravura's current R&D program is focused on Alta and Advice OS. The R&D program strengthens Bravura's product functionality and expands Bravura's total addressable market.

Staff and client operations

Bravura's employees are based in the UK, Australia, New Zealand, South Africa, India and Poland.

The employee head count of the Group has decreased from 1,490 as at 30 June 2023 to 1,311 staff as at 31 December 2023 on a permanent or contractor basis. Employee related expenses comprised 72.6% (1H23: 72.3%) of total operating expenses in the period.

DIRECTORS' REPORT (CONTINUED)

The review of results of operations included in the Directors' Report includes a number of non-AASB financial measures. These non-AASB financial measures are used internally by Management to assess the performance of the business and make decisions on the allocation of resources. EBITDA is earnings before finance cost, interest and foreign exchange gains and losses, tax, depreciation, and amortisation (including ROU lease related expenses). EBITDA includes \$1.2 million (31 December 2022: \$1.1 million) depreciation of property, plant and equipment dedicated to client hosting services.

		31 DECEMBER	31 DECEMBER
	NOTES	2023	2022
		\$'000	\$'000
Wealth Management		83,904	77,260
Funds Administration		43,116	41,062
Revenue	3	127,020	118,322
Employee benefits expense	4	(89,157)	(90,613)
Third party cost of sales		(13,696)	(13,154)
Travel and accommodation costs		(432)	(2,092)
Occupancy costs		(2,511)	(2,446)
Technology expenses		(7,744)	(7,737)
Other expenses (including hosting assets depreciation)		(5,618)	(5,912)
EBITDA		7,862	(3,632)
ROU Lease related expenses ¹		(3,622)	(3,386)
Depreciation and amortisation expense ¹		(4,040)	(6,646)
Non-recurring items ²		-	(176,645)
EBIT		200	(190,309)
Finance income	3	1,098	50
Finance expense ¹	4	(162)	(412)
Foreign exchange loss		(598)	(882)
Profit/(Loss) before income tax		538	(191,553)
Income tax (expense)/benefit	5	(2,198)	665
Net loss		(1,660)	(190,888)
Adjusted net loss²		(1,660)	(14,243)
Adjusted earnings per share - cps		(0.4)	(5.7)

1. ROU Lease related expense includes: depreciation related to ROU assets; and interest expense on ROU lease liabilities.

2. For 31 December 2023: \$nil. For 31 December 2022: Non-recurring items include \$163.2 million of impairment of goodwill, \$12.7 million of impairment of developed software, \$0.5 million termination charges and \$0.2 million cloud-based software implementation expenses.

DIVIDENDS

No dividends have been paid or declared in the half-year ended 31 December 2023. In FY23, the FY22 dividend of 3.2c per share was paid (\$8.0 million). The Dividend Reinvestment Plan has been suspended.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes to the state of affairs during the half-year ended 31 December 2023. Refer to Note 13 Subsequent Events for changes to state of affairs subsequent to 31 December 2023.

DIRECTORS' REPORT (CONTINUED)

EVENTS SUBSEQUENT TO REPORTING DATE

Other than the matters described above, no additional matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations or the state of affairs of the Consolidated Entity in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

ROUNDING

Bravura Solutions is an entity of a kind referred to in ASIC Corporations Instrument 2016/191, consequently the amounts in this report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of Directors.



MATTHEW QUINN
CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Sydney
20 February 2024

AUDITOR'S INDEPENDENCE DECLARATION



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Auditor's independence declaration to the directors of Bravura Solutions Limited

As lead auditor for the review of the interim financial report of Bravura Solutions Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bravura Solutions Limited and the entities it controlled during the financial period.

Ernst & Young

Graham Leonard
Partner
20 February 2024

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

		HALF-YEAR 31 DECEMBER 2023	HALF-YEAR 31 DECEMBER 2022
	NOTES	\$'000	\$'000
Revenue from contracts with customers	3	127,020	117,407
Other income	3	1,098	965
Employee benefits expense	4	(89,157)	(90,613)
Depreciation and amortisation expense	4	(8,193)	(10,867)
Third party costs		(13,696)	(13,154)
Travel and accommodation costs		(432)	(2,092)
Occupancy costs		(2,511)	(1,990)
Technology expenses		(7,744)	(7,737)
Impairment expense	4	-	(175,909)
Other expenses		(4,418)	(5,592)
Foreign exchange loss		(598)	(882)
Finance costs	4	(831)	(1,089)
Profit/(Loss) before income tax		538	(191,553)
Income tax (expense)/benefit	5	(2,198)	665
Loss for the period after income tax expense attributable to shareholders of Bravura Solutions		(1,660)	(190,888)
Other comprehensive income will be reclassified subsequently to profit or loss when specific conditions are met			
Exchange differences on translation of foreign operations		(1,020)	494
Total comprehensive income for the period attributable to shareholders of Bravura Solutions		(2,680)	(190,394)
Loss attributable to owners		(1,660)	(190,888)

Unadjusted earnings per share attributable to the ordinary equity holders of Bravura Solutions Limited:

		CENTS	CENTS
Basic loss per share	6	(0.4)	(76.9)
Diluted loss per share	6	(0.4)	(76.9)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	NOTES	31 DECEMBER 2023 \$'000	30 JUNE 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		88,344	75,749
Trade receivables		40,023	56,555
Contract assets		13,681	18,150
Current tax receivables		3,779	5,129
Other current assets		11,142	13,529
Total current assets		156,969	169,112
Non-current assets			
Contract assets		8,092	8,629
Property, plant and equipment	7	35,807	38,578
Deferred tax assets		1,959	1,763
Intangible assets	8	35,903	36,390
Total non-current assets		81,761	85,360
Total assets		238,730	254,472
LIABILITIES			
Current liabilities			
Trade and other payables		9,163	17,890
Provisions	9.1	21,048	27,202
Lease liabilities		6,589	7,115
Provision for income tax		42	245
Contract liabilities		39,120	36,532
Other current liabilities		11,978	12,449
Total current liabilities		87,940	101,433
Non-current liabilities			
Contract liabilities		-	1
Deferred tax liabilities		445	83
Provisions	9.2	6,265	6,375
Lease liabilities		20,346	20,670
Total non-current liabilities		27,056	27,129
Total liabilities		114,996	128,562
Net assets		123,734	125,910
EQUITY			
Contributed equity	10	432,867	432,867
Reserves		14,420	14,936
Accumulated losses		(323,553)	(321,893)
Total equity		123,734	125,910

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

2023	NOTES	CONTRIBUTED EQUITY	RESERVES	ACCUMULATED LOSSES	TOTAL EQUITY
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July		432,867	14,936	(321,893)	125,910
Loss for the period		-	-	(1,660)	(1,660)
Other comprehensive income		-	(1,020)	-	(1,020)
Total comprehensive income for the period		-	(1,020)	(1,660)	(2,680)
Transactions with owners in their capacity as owners:					
Share-based payments		-	504	-	504
Balance at 31 December		432,867	14,420	(323,553)	123,734

2022		\$'000	\$'000	\$'000	\$'000
Balance at 1 July		357,581	10,453	(33,158)	334,876
Loss for the period		-	-	(190,888)	(190,888)
Other comprehensive income		-	494	-	494
Total comprehensive income for the period		-	494	(190,888)	(190,394)
Transactions with owners in their capacity as owners:					
Dividends paid		-	-	(8,021)	(8,021)
Share-based payments		-	109	-	109
Balance at 31 December		357,581	11,056	(232,067)	136,570

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	NOTES	HALF-YEAR 31 DECEMBER 2023 \$'000	HALF-YEAR 31 DECEMBER 2022 \$'000
Operating activities			
Receipts from customers (inclusive of goods and services tax)		166,261	114,373
Payments to suppliers and employees (inclusive of goods and services tax)		(147,514)	(110,638)
		18,747	3,735
Interest received		1,098	44
Income taxes paid		(1,002)	(1,609)
Net cash inflows from operating activities		18,843	2,170
Investing activities			
Purchase of property, plant and equipment		(274)	(1,967)
Payments for capitalised software development	8	(1,217)	(8,317)
Contingent consideration paid		-	(4,905)
Net cash outflows from investing activities		(1,491)	(15,189)
Financing activities			
Finance costs paid		(162)	(150)
ROU lease payments		(3,966)	(4,065)
Proceeds from working capital facilities		-	9,500
Dividends paid		-	(7,947)
Net cash outflows from financing activities		(4,128)	(2,662)
Net increase/(decrease) in cash and cash equivalents		13,224	(15,681)
Cash and cash equivalents at the beginning of the period		75,749	48,672
Effects of exchange rate changes on cash and cash equivalents		(629)	(330)
Cash and cash equivalents at end of the period		88,344	32,661

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these Condensed Consolidated Financial Statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Consolidated Entity consisting of Bravura Solutions and its subsidiaries.

(a) Basis of preparation of half-year interim financial report

These general purpose financial statements for the condensed half-year reporting period ended 31 December 2023 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Consolidated Entity is a for-profit entity for the purposes of preparing financial statements.

Bravura Solutions is an entity of a kind referred to in ASIC Corporations Instrument 2016/191, consequently the amounts in this report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This interim financial report does not include all the notes of the type normally included in annual financial statements and should be read in conjunction with the most recent annual financial report.

The accounting policies adopted are consistent with those of the previous financial year. The Condensed Financial Statements are presented in Australian dollars (unless otherwise stated).

The Consolidated Entity has made reclassifications in prior year comparatives in order to align with the presentation in this Interim Financial Report.

(b) Going Concern

These Half-Year Consolidated Financial Statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

As such, the Directors consider that preparing the accounts on a going concern basis to be appropriate.

(c) New and amended standards and interpretations

The accounting policies adopted in the preparation of the Condensed Consolidated Financial Statements are consistent with those followed in the previous reporting period. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in the reporting period, but do not have any material impact on these Condensed Consolidated Financial Statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

2 SEGMENT INFORMATION

Description of segments

The Chief Executive Officer considers the business from a product group perspective and has identified two reportable segments, as follows:

- Wealth Management - Wealth Management platforms provide end-to-end processing to support all back office functions relating to daily management of superannuation, pensions, life insurance, investment, private wealth and portfolio administration; and
- Funds Administration - Funds Administration platforms support administration requirements for a range of investment vehicles in Europe and distributed globally for both retail and institutional investors.

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Executive Officer monitors the operating results of its divisions separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on EBITDA defined as: earnings before finance cost, interest and foreign exchange gains and losses, tax, depreciation and amortisation. EBITDA is reconciled with profit or loss in the consolidated financial statements below.

The review of results of operations included in the Segment Information includes a non-AASB financial measure. Segment EBITDA includes \$1.2 million (31 December 2022: \$1.1 million) depreciation of property, plant and equipment dedicated to client hosting services.

	HALF-YEAR	HALF-YEAR
	31 DECEMBER	31 DECEMBER
	2023	2022
	\$'000	\$'000
Wealth Management	83,904	77,260
Funds Administration	43,116	41,062
Total segment revenue¹	127,020	118,322
Wealth Management ^{2,3}	17,133	3,230
Funds Administration ^{2,3}	11,703	15,019
Total segment EBITDA	28,836	18,249
Corporate costs	(20,974)	(21,881)
Total EBITDA	7,862	(3,632)
Depreciation and amortisation expense	(4,040)	(6,646)
Finance income	1,098	50
Finance expense	(162)	(412)
ROU Lease related expense ³	(3,622)	(3,386)
Impairment expense	-	(175,909)
Foreign exchange loss	(598)	(882)
Other ⁴	-	(736)
Profit/(Loss) before income tax	538	(191,553)
Income tax (expense)/benefit	(2,198)	665
Net loss after tax	(1,660)	(190,888)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

2 SEGMENT INFORMATION (CONT.)

	31 DECEMBER	30 JUNE
	2023	2023
Segment Assets	\$'000	\$'000
Wealth Management	157,695	174,867
Funds Administration	81,035	79,605
	238,730	254,472

	31 DECEMBER	30 JUNE
	2023	2023
Segment Liabilities	\$'000	\$'000
Wealth Management	75,961	76,611
Funds Administration	39,035	51,951
	114,996	128,562

	31 DECEMBER	30 JUNE
	2023	2023
Segment Non-current operating assets by geography ⁵	\$'000	\$'000
Australia	44,814	49,961
UK	22,251	19,741
New Zealand	2,010	1,745
Others	10,727	12,150
	79,802	83,597

1. Segment revenue excludes finance income in this segment (Refer to Note 3) and is based on Management's view.

2. Includes hosting asset depreciation.

3. Includes ROU asset depreciation as well as interest expense associated with property leases, which would otherwise be excluded under AASB 16.

4. Cloud-based software implementation and termination costs are non-recurring.

5. Non-current assets for this purpose consist of primarily property, plant and equipment, intangible assets, right-of-use assets and contract assets, but excludes deferred tax assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

3 REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

	31 DECEMBER 2023			31 DECEMBER 2022		
	WEALTH MANAGEMENT	FUNDS ADMINISTRATION	2023	WEALTH MANAGEMENT	FUNDS ADMINISTRATION	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Revenue from contracts with customers</i>						
Maintenance, support and hosting	47,214	26,217	73,431	41,765	25,007	66,772
Professional services	30,850	16,815	47,665	33,284	15,171	48,455
Licence fees	5,805	81	5,886	1,292	884	2,176
Other sales revenue	35	3	38	4	-	4
Total revenue from customers	83,904	43,116	127,020	76,345	41,062	117,407
Other income	-	-	-	915	-	915
Total segment revenue	83,904	43,116	127,020	77,260	41,062	118,322
Interest income			1,098			50
Total revenue			128,118			118,372
<i>Timing of recognition</i>						
Licences transferred at a point in time	5,805	81	5,886	1,292	884	2,176
Services transferred over time	78,099	43,035	121,134	75,053	40,178	115,231
Total revenue from customers	83,904	43,116	127,020	76,345	41,062	117,407
<i>Geography</i>						
Australia	37,213	17,644	54,857	36,201	12,393	48,594
UK	35,624	21,091	56,715	32,238	24,772	57,010
New Zealand	8,826	-	8,826	5,420	325	5,745
Others	2,241	4,381	6,622	2,486	3,572	6,058
Total revenue from customers	83,904	43,116	127,020	76,345	41,062	117,407

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

4 EXPENSES

	31 DECEMBER 2023	31 DECEMBER 2022
	\$'000	\$'000
Profit before income tax includes the following specific expenses:		
<i>Employee benefits expense</i>		
Salary and wages	78,329	79,606
Superannuation and pension expense	9,042	8,713
Share-based payments	504	455
Other	1,282	1,839
Total employee benefits expense	89,157	90,613
<i>Depreciation expense</i>		
Plant and equipment	2,638	2,233
Leasehold improvements	629	905
Hosting, plant and equipment	361	452
Right-of-use assets	2,953	3,165
Total depreciation	6,581	6,755
<i>Amortisation expense</i>		
Customer contracts and relationships	228	773
Intellectual property and software development	1,384	3,339
Total amortisation	1,612	4,112
Total depreciation and amortisation expense	8,193	10,867
<i>Finance costs</i>		
Interest and finance charges paid/payable	-	122
Unwinding of discount on contingent considerations	-	109
Lease interest expense	669	679
Borrowing costs and other finance costs	162	179
Total finance costs	831	1,089
<i>Other expenses</i>		
Termination costs	-	530
Cloud-based software implementation costs	-	206
Impairment expense (Refer to Note 8)	-	175,909
Other	-	4,856
Total other expenses (including impairment)	-	181,501

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

5 INCOME TAX EXPENSE

The Group calculates the period income tax using the tax rate that would be applicable to the expected total annual earnings. The major components of the income tax expense in the Condensed Consolidated Statement of Profit or Loss and Comprehensive Income are:

	31 DECEMBER 2023	31 DECEMBER 2022
	\$'000	\$'000
Income tax expense		
Current tax	2,117	(1,274)
Deferred tax	81	1,939
Total income tax expense	2,198	665

6 EARNINGS PER SHARE (EPS)

	31 DECEMBER 2023	31 DECEMBER 2022
	\$'000	\$'000
Loss attributable to ordinary equity holders of the parent	(1,660)	(190,888)
Loss attributable to ordinary equity holders of the parent for basic and diluted EPS calculations	(1,660)	(190,888)
	'000	'000
Weighted average number of ordinary shares for basic EPS	448,354	248,354
Effects of dilution from:		
Potential ordinary shares considered dilutive ¹	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	448,354	248,354

1. Weighted average number of shares used in the basic and diluted Earnings Per Share calculation is the same for the period ended 31 December 2023 as the effect of the performance rights and options expected to vest are anti-dilutive and excluded from the calculation (2023: Performance rights and options have been determined to be dilutive, however, if these instruments vest and are exercised, it is the Company's practice to buy BVS shares on market so there will be no dilutive effect on the value of BVS shares).

	CENTS	CENTS
Basic EPS	(0.4)	(76.9)
Diluted EPS	(0.4)	(76.9)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

7 NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	PLANT AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	HOSTING PLANT AND EQUIPMENT	RIGHT-OF USE ASSETS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Cost					
At 1 July 2022	41,554	15,743	21,669	42,666	121,632
Additions	3,681	12	69	2,547	6,309
Assets written off	(74)	(625)	(236)	(67)	(1,002)
Exchange difference	(1,284)	(501)	(161)	646	(1,300)
At 30 June 2023	43,877	14,629	21,341	45,792	125,639
Additions	193	81	-	3,110	3,384
Assets written off	(448)	(958)	(19,394)	(2,250)	(23,050)
Transfers	1,947	-	(1,947)	-	-
Exchange difference	(151)	(52)	-	(435)	(638)
At 31 December 2023	45,418	13,700	-	46,217	105,335
Accumulated depreciation and impairment					
At 1 July 2022	(25,625)	(8,188)	(20,404)	(18,459)	(72,676)
Depreciation	(6,276)	(762)	(374)	(6,395)	(13,807)
Assets written off	69	625	230	66	990
Impairment	-	-	-	(2,244)	(2,244)
Exchange difference	129	40	106	401	676
At 30 June 2023	(31,703)	(8,285)	(20,442)	(26,631)	(87,061)
Depreciation	(2,638)	(629)	(361)	(2,953)	(6,581)
Assets written off	438	958	19,394	2,250	23,040
Transfers	(1,409)	-	1,409	-	-
Exchange difference	527	263	-	284	1,074
At 31 December 2023	(34,785)	(7,693)	-	(27,050)	(69,528)
Net book value					
At 30 June 2023	12,174	6,344	899	19,161	38,578
At 31 December 2023	10,633	6,007	-	19,167	35,807

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

8 NON-CURRENT ASSETS – INTANGIBLE ASSETS

	GOODWILL	CUSTOMER CONTRACTS AND RELATIONSHIPS	INTELLECTUAL PROPERTY AND SOFTWARE DEVELOPMENT	TOTAL
	\$'000	\$'000	\$'000	\$'000
Cost				
At 1 July 2022	218,519	69,183	168,216	455,918
Additions (internally generated)	-	-	16,354	16,354
Foreign Exchange	205	-	(406)	(201)
At 30 June 2023	218,724	69,183	184,164	472,071
Additions internally generated	-	-	1,217	1,217
Assets written off	-	(52,117)	(97,095)	(149,212)
Foreign Exchange	-	140	(232)	(92)
At 31 December 2023	218,724	17,206	88,054	323,984
Accumulated amortisation and impairment				
At 1 July 2022	(55,488)	(56,904)	(79,465)	(191,857)
Amortisation charge	-	(1,544)	(11,107)	(12,651)
Impairment	(163,236)	(6,305)	(61,632)	(231,173)
At 30 June 2023	(218,724)	(64,753)	(152,204)	(435,681)
Amortisation charge	-	(228)	(1,384)	(1,612)
Assets written off	-	52,117	97,095	149,212
At 31 December 2023	(218,724)	(12,864)	(56,493)	(288,081)
Net book value				
At 30 June 2023	-	4,430	31,960	36,390
At 31 December 2023	-	4,342	31,561	35,903

(i) Goodwill

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to impairment testing on an annual basis or whenever there is an indication of impairment. Impairment expense of \$nil was recognised in 1H24 (FY23: \$163.2 million).

(ii) Customer contracts and relationships

Customer contracts and relationships are carried at cost less accumulated amortisation and, if applicable, accumulated impairment losses. This intangible asset has been assessed as having a finite life and is amortised using the straight-line method over periods between two and twenty years. The amortisation has been recognised in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income in the line item "depreciation and amortisation". If an impairment indicator should arise, the recoverable amount would be estimated and an impairment loss would be recognised to the extent that the recoverable amount was lower than the carrying amount. Management considered impairment indicators for 31 December 2023 and concluded there were none. Consequently, impairment expense of \$nil was recognised in 1H24 (FY23: \$6.3 million).

(iii) Intellectual property and software development

Intellectual property and software are carried at cost less accumulated amortisation and, if applicable, accumulated impairment losses. This intangible asset has been assessed as having a finite life and is amortised using the straight-line method over a period of five to fifteen years. The amortisation has been recognised in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income in the line item "depreciation and amortisation". If an impairment indicator should arise, the recoverable amount would be estimated and an impairment loss would be recognised to the extent that the recoverable amount was lower than the carrying amount. Management considered impairment indicators for 31 December 2023 and concluded there were none. Consequently, impairment expense of \$nil was recognised in 1H24 (FY23: \$61.6 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

9 PROVISIONS

9.1 CURRENT LIABILITIES - PROVISIONS

	31 DECEMBER	30 JUNE
	2023	2023
	\$'000	\$'000
Employee benefits	13,437	15,293
Organisational change	7,611	11,909
	21,048	27,202

(a) Amounts not expected to be settled within the next 12 months

The entire provision for employee benefits comprises annual and long-service leave and is presented as current since the Consolidated Entity does not have an unconditional right to defer settlement. However, based on past experience, the Consolidated Entity does not expect all employees to take the full amount of accrued leave within the next 12 months. The amount expected to be settled in greater than 12 months is estimated to be approximately \$6 million (2023: \$6 million).

9.2 NON-CURRENT LIABILITIES - PROVISIONS

	31 DECEMBER	30 JUNE
	2023	2022
	\$'000	\$'000
Employee benefits	2,807	2,902
Make good provision	3,458	3,473
	6,265	6,375

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

9.2 NON-CURRENT LIABILITIES - PROVISIONS (CONT.)

(a) Movements in provisions

Movements in each class of provision during the period are set out below:

	MAKE GOOD PROVISION	EMPLOYEE BENEFITS	ORGANISATIONAL CHANGE	TOTAL
	\$'000	\$'000	\$'000	\$'000
At 1 July 2022	2,965	14,859	-	17,824
Charged/(credited) to profit or loss				
Arising during the year	100	5,237	19,545	24,882
Utilised/paid	(57)	(1,814)	(7,636)	(9,507)
Exchange difference	465	(87)	-	378
At 30 June 2023	3,473	18,195	11,909	33,577
Charged/(credited) to profit or loss				
Arising during the year	423	3,974	-	4,397
Utilised/paid	(394)	(5,696)	(4,298)	(10,388)
Exchange difference	(44)	(229)	-	(273)
At 31 December 2023	3,458	16,244	7,611	27,313
Current	-	13,437	7,611	21,048
Non-current	3,458	2,807	-	6,265
Closing balance at 31 December 2023	3,458	16,244	7,611	27,313

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

10 CONTRIBUTED EQUITY

	31 DECEMBER 2023	30 JUNE 2023	31 DECEMBER 2023	30 JUNE 2023
	SHARES	SHARES	\$'000	\$'000
Share capital				
Total	448,354,002	448,354,002	432,867	432,867

(a) Movements in ordinary share capital

Ordinary shares issued and fully paid	SHARES	\$'000
At 1 July 2022	248,354,002	357,581
Issued shares	200,000,000	75,286
At 30 June 2023	448,354,002	432,867
At 31 December 2023	448,354,002	432,867

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of Bravura Solutions in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

The number of authorised ordinary shares is the same as the number of fully paid ordinary shares. There are no changes in the number of issued ordinary shares in the half-year ended 31 December 2023 (half-year ended 31 December 2022: nil).

11 DIVIDENDS

No dividends have been paid or declared during the half-year ended 31 December 2023. In FY23, the FY22 dividend of 3.2c per share was paid (\$8.0m). The Dividend Reinvestment Plan has been suspended.

12 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent liabilities

The Consolidated Entity had contingent liabilities at 31 December 2023 in respect of:

Bank guarantees

Guarantees given in respect of office leases of subsidiaries amounting to \$1.5 million are cash collateralised (30 June 2023: \$1.3 million secured).

(b) Contingent assets

The Consolidated Entity had no contingent assets at 31 December 2023 (30 June 2023: \$nil).

(c) Commitments

The Consolidated Entity had no commitments as at 31 December 2023 (30 June 2023: \$nil).

13 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no additional matters or circumstances since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) The Interim Financial Statements and notes of Bravura Solutions Limited for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001*, including:
 - (i) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) Giving a true and fair view of the Consolidated Entity's Financial Position as at 31 December 2023 and of its performance and financial position for the half-year ended on that date; and
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



MATTHEW QUINN
CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Sydney
20 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT



EY

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Independent auditor's review report to the members of Bravura Solutions Limited

Conclusion

We have reviewed the accompanying interim financial report of Bravura Solutions Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the interim financial report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Graham Leonard
Partner
Sydney
20 February 2024

CORPORATE DIRECTORY

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Independent Chairman

Russell Baskerville

Independent Non-executive Director

Sarah Adam-Gedge

Independent Non-executive Director

Damien Leonard

Non-executive Director

Charles Crouchman

Independent Non-executive Director

Andrew Russell

Group CEO and Managing Director

Shezad Okhai

Chief Commercial Officer and Executive Director

COMPANY SECRETARY

Melissa Jones

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