

# Investor Fact Sheet

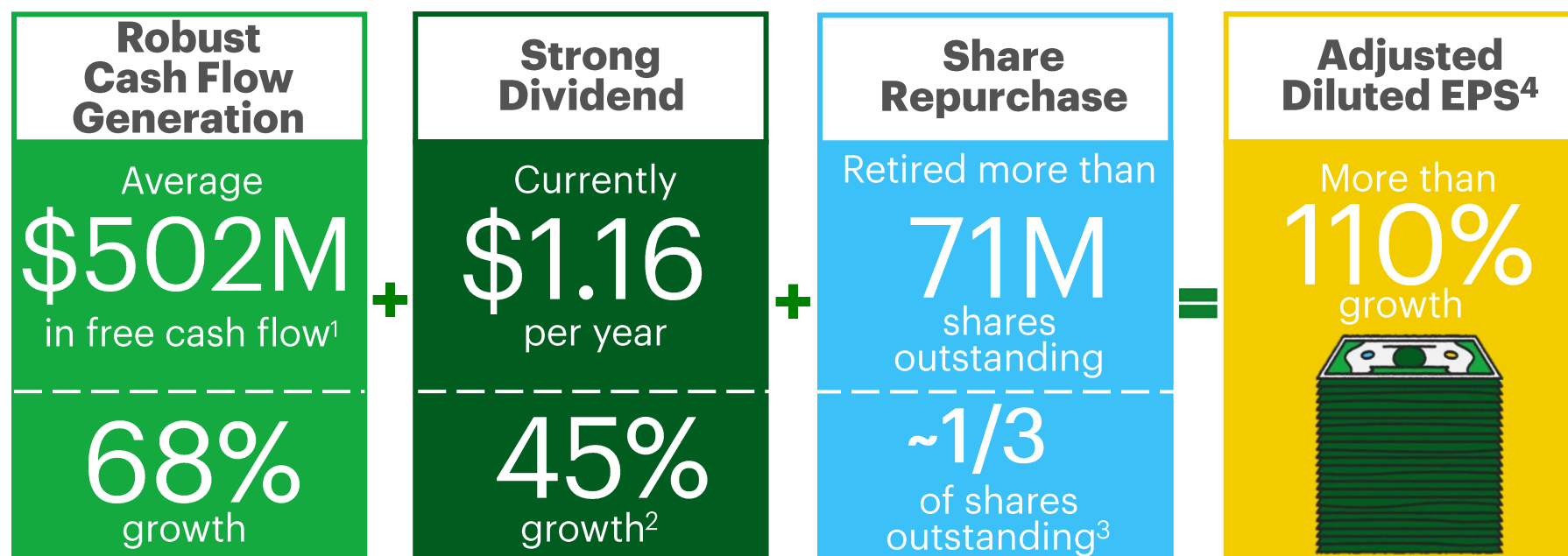
- H&R Block provides help and inspires confidence in its clients and communities through global tax preparation, financial services, and small business solutions
- We are a leading Assisted and DIY tax software provider, with nearly 10k locations and 14% market share
- Operates under H&R Block, Block Advisors, Wave, and Spruce brands



Acquired in 2019, Wave provides financial services and software for small businesses. It operates as a standalone entity and is growing revenue ~20%.

## Strong Track Record of Capital Allocation

Since 2016:



## Block Horizons 2025

Block Horizons is our next phase of strategic growth and transformation, driven by three imperatives:

- **Small Business** – Build direct, valuable relationships with small business owners through Block Advisors and Wave
- **Financial Products** – In January 2022, launched Spruce, a customer-centric, mobile banking platform for the underbanked
- **Block Experience** – Make tax easier, faster, and more personalized by blending digital tools with human expertise and care

Multiple Levers to Reach Long-Term Revenue Growth Target of 3-6%:



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## Where We've Been: Significant Value Creation Throughout the Pandemic

Since 2019, the last normal year prior to the pandemic, we have:

- Grown total clients 868K
- Grown Assisted market share
- Grown revenue and EBITDA more than 12% each
- Reduced shares outstanding by 21%
- Grown adjusted EPS nearly 50%
- Grown the dividend



## Where We Are Going: Total Shareholder Return

Double digit earnings per share growth annually through 2025:

<b>Revenue</b>	3 - 6%	Steady industry growth, low single digit price increases, franchise acquisitions, and Wave; Block Horizons as upside
<b>EBITDA<sup>6</sup></b>	Can grow up to ~1.5x revenue	Leverage our fixed cost structure
<b>Share Repurchase</b>	\$1.25B authorization through 2025	Opportunistic share buybacks are a core element of capital allocation strategy
<b>Adjusted EPS<sup>6</sup></b>	Double digit growth	Annually through 2025
<b>Dividend</b>	\$0.29/share quarterly	7% dividend increase announced in August 2022
<b>Free Cash Flow<sup>6</sup></b>	>100% FCF generation relative to net income	13% Free Cash Flow Yield <sup>1</sup> in FY22

<sup>1</sup>Free Cash Flow is a non-GAAP financial measure; a reconciliation of Free Cash Flow to its most comparable GAAP measure can be found at the [website appendix](#).

<sup>2</sup>Dividend growth is calculated as percentage growth from our March 2016 dividend to our August 2022 dividend.

<sup>3</sup>Represents shares repurchased from April 30, 2016 to present; shares outstanding calculated as of April 30, 2016.

<sup>4</sup>Adjusted Diluted EPS is a non-GAAP financial measure; a reconciliation of Adjusted Diluted EPS to its most comparable GAAP measure can be found at the [website appendix](#).

<sup>5</sup>Excluding Free File Alliance returns.

<sup>6</sup>EBITDA, Adjusted EPS, Free Cash Flow, and Free Cash Flow Yield are non-GAAP financial measures. Please see the prior slide for additional information on EBITDA, Adjusted EPS, and our future period non-GAAP outlook. Free Cash Flow Yield is defined as free cash flow divided by the market value of equity (market capitalization). Free cash flow is defined as net cash provided by operating activities less capital expenditures. The Company believes Free Cash Flow Yield is useful to investors as an indication of the strength of the Company and its ability to generate cash and to evaluate the Company's cash generation ability relative to competitors. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures. A reconciliation of Free Cash Flow Yield to Cash Flow from Operating Activities can be found in the [website appendix](#).