

2019 Full Year Roadshow

Ended 30 September 2019

19 November 2019 Commercial in confidence

technologyone
Transforming business, making life simpler

Disclosure Statement

TechnologyOne Ltd Full Year Presentation – 19 November 2019

TechnologyOne Ltd (ASX: TNE) today conducted a series of presentations relating to its 2019 Full Year results.

These slides have been lodged with the ASX and are also available on the company's website: www.TechnologyOneCorp.com

The information contained in this presentation is of a general nature and has been prepared by TechnologyOne in good faith. TechnologyOne makes no representation or warranty, either express or implied, in relation to the accuracy or completeness of the information. This presentation may also contain certain 'forward looking statements' which may include indications of, and guidance on financial position, strategies, management objectives and performance. Such forward looking statements are based on current expectations and beliefs and are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of TechnologyOne. TechnologyOne advises that no assurance can be provided that actual outcomes will not differ materially from those expressed in this presentation.

Agenda

- Results
- Significant Achievements
- Outlook for Next Year
- Long Term Outlook




**Our global SaaS ERP solution
transforms our customers' business,
and makes life simple for them**



Any device, Anywhere, Anytime
Enabling a digital revolution

**This is what is driving our
continuing strong growth**



**Record FY19
Net Profit Before Tax
of \$76.4m**

10 consecutive years of Record Profit



**Top End of Full Year Guidance
of \$76.3m Achieved**

*Guidance provided at the H1 Results
presentation...*

**“We see strong continuing growth in 2019
Net Profit Before Tax of \$71.6m to
\$76.3m”**

¹Profit Guidance of \$76.3m is 15% growth on FY18 reported profit of \$66.5m
before the introduction of AASB15 Revenue from contracts with customers

Strong results as we transitioned the business to SaaS accounting

- ✓ Profit Before Tax up 208% on FY18 Statutory profit¹ of \$24.8m
- ✓ Profit Before Tax up 50% on FY18 Comparable profit² of \$50.8m

Positions us for strong growth going forward

¹ AASB15 statutory basis restates FY18 results applying the AASB15 standard.

R&D costs were not capitalised in FY18. As a SaaS company, R&D costs are capitalised from FY19 onwards, which is the common practice of our SaaS peers. Statutory basis sets a lower bar for the prior comparable period (FY18) and as such is not how we measure the performance of the business.

² Comparable method restates FY18 applying AASB15. It also assumes non-IFRS proforma capitalisation of R&D costs (50%, \$26m) for the FY18 year and is unaudited. As a SaaS company, R&D costs are capitalised from FY19 onwards, which is the common practice of our SaaS peers. We measure our performance using the comparable method because it is a better reflection of the performance of our business, setting a higher bar for the prior comparable period (FY18) than the statutory reporting. It allows for a 'like for like' comparison of the performance of the business, assuming R&D costs (50%, \$26m) were capitalised in FY18. The AASB15 Statutory Profit for FY18 is \$24.8m versus the Comparable Profit for FY18 of \$50.8m.



**TechnologyOne is a
successful SaaS company**

435 enterprise customers on TechnologyOne SaaS Up 25% from 347 enterprise customers pcp

Target 1000 enterprise customers by 2022



Our SaaS business continues to grow strongly

SaaS ARR¹ \$102m up 44%

¹ARR (Annual Recurring Revenue) was previously referred to as ACV (Annual Contract Value)

ARR is a non-IFRS financial measure and is unaudited

A man in a dark suit and tie is sitting at a desk, talking on a mobile phone with his right hand. He is looking at a laptop screen with his left hand. The background is a blurred office interior with large windows.

**Total Annual Recurring Revenues
will increase to \$500+m in FY24¹**

¹Total ARR in FY19 was \$202m

A man with glasses and a beard, wearing a dark suit and a white shirt, is standing in front of a bookshelf. He has his arms crossed and is looking directly at the camera.

SaaS continues to drive our growth

Outlook for FY20 is strong

Discussed later in more detail

Dividend up 8%

Full year dividend increased

Dividends for the 2019 year:

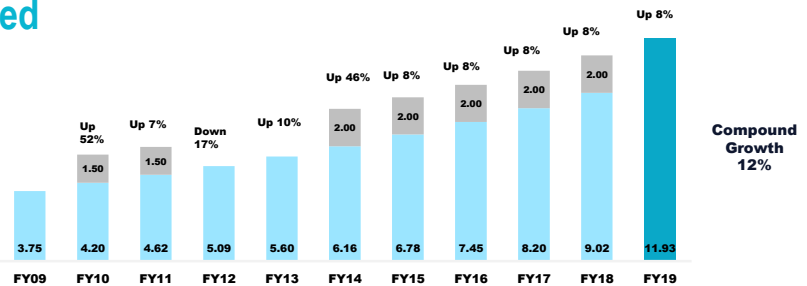
Half 1 3.15 cps up 10% (75% franked¹)

Half 2 8.78 cps up 43% (60% franked¹)

Total 11.93 cps, up 8%

Dividend payout ratio of 65%

Dividend last ten years



The Special Dividend is now rolled into the Final Dividend

Notes:

- ¹ Dividends are not fully franked as a result of tax benefits from the R&D Tax Concession and the TechnologyOne Share Trust
- We have continuously paid a dividend since 1996 (through Dot-Com and GFC)
- The Board considers the payment of a Special Dividend at the end of each year taking into consideration franking credits and other factors.
- The Board continues to consider other Capital Management initiatives including acquisitions

Results Summary

Statutory Reporting based on AASB15¹

AASB15 Mandatory reporting
This is how we are required to report
after the introduction of AASB15

	FY19	FY18 Statutory ¹	Var \$	Var %
Revenue	286,440	254,491	31,949	13%
SaaS Fees Recognised	81,466	58,110	23,356	40%
On Premise	141,929	131,682	10,247	8%
Initial Licence Fees	40,622	28,660	11,962	42%
Annual Licence Fees	101,307	103,022	(1,715)	(2%)
Consulting Services	61,599	63,197	(1,598)	(3%)
Other Revenue	1,446	1,502	(56)	(4%)
Expenses	210,051	229,674	19,623	9%
Variable Expenses	41,138	38,844	(2,294)	(6%)
Capitalised Costs – Commission	(2,162)	(2,448)	(286)	(12%)
Operating Expenses (Before Capitalisation)	202,665	193,278	(9,387)	(5%)
Capitalised Costs – Development ¹	(31,590)	0	31,590	100%
Profit Before Tax	76,389	24,817	51,572	208%
Profit margin	27%	10%		
Other				
Cash Flow Generation ^{2, 3}	44,689	51,869	(7,180)	(14%)
Cash and Cash Equivalents	105,046	104,322	723	1%
ARR Recognised	182,773	161,132	21,632	13%
ARR Total ³	202,480	173,912	26,568	16%
SaaS ARR ³	101,677	70,372	29,304	44%
Annual Licence ARR ³	100,803	103,540	(2,736)	(3%)

¹ AASB15 has been applied to restate FY18. R&D costs were not capitalised in FY18. As a SaaS company, R&D costs are capitalised from FY19 onwards.

² Cash Flow Generation is Operating cashflow less capitalised development costs.

³ Unaudited non-FRS financial measure.

“Comparable” is how we measure the real performance of the business

FY18 Comparable:

- Applies AASB15 to FY18 results
- Applies non-IFRS, unaudited, proforma capitalised R&D (50%, \$26m) to FY18 results

This sets a much higher bar to compare FY19 against

Results Summary Comparable Reporting¹

This is how we measure our business
Sets a much higher bar.
Eg Restated FY18 profit of \$50.8m

	FY19	FY18 Comparable ^{1, 3}	Var \$	Var %	
Revenue	286,440	254,491	31,949	13%	In line with expectations
SaaS Fees Recognised	81,466	58,110	23,356	40%	Our SaaS business continues to grow strongly
On Premise	141,929	131,682	10,247	8%	
Initial Licence Fees	40,622	28,660	11,962	42%	
Annual Licence Fees	101,307	103,022	(1,715)	(2%)	Expected as customers move from On premise to SaaS platform
Consulting Services	61,599	63,197	(1,598)	(3%)	In line with expectations Refer slide: Consulting Profit
Other Revenue	1,446	1,502	(56)	(4%)	
Expenses	210,051	203,684	(6,367)	(3%)	
Variable Expenses	41,138	38,844	(2,294)	(6%)	
Capitalised Costs – Commission	(2,162)	(2,448)	(286)	(12%)	As required by AASB15 acquisition costs to match revenue
Operating Expenses (Before Capitalisation)	202,665	193,278	(9,387)	(5%)	
Capitalised Costs – Development ¹	(31,590)	(25,990)	5,600	22%	In line with expectations. Refer slide: Total R&D Expenses
► Profit Before Tax	76,389	50,807	25,582	50%	At top end of guidance
Profit margin	27%	20%			
Other					
Cash Flow Generation ^{2, 3}	44,689	51,869	(7,180)	(14%)	Impacted by timing of deals and invoicing. Refer: Cashflow
Cash and Cash Equivalents	105,046	104,322	724	1%	
ARR Recognised	182,773	161,132	21,641	13%	ARR Recognised includes SaaS Fees & On Premise Annual Licence Fees
► ARR Total¹	202,480	173,912	28,568	16%	
SaaS ARR ³	101,677	70,372	29,304	44%	Our SaaS business continues to grow strongly
Annual Licence ARR ³	100,803	103,540	(2,736)	(3%)	Expected as customers move from On premise to SaaS Platform

¹ Comparable method restates FY18 applying AASB15. It also assumes non-IFRS proforma capitalisation of R&D costs (50%, \$26m) for the FY18 year and is unaudited. As a SaaS company, R&D costs are capitalised from FY19 onwards, which is the common practice by our SaaS peers. We measure our performance using the comparable method because it is a better reflection of the performance of our business, setting a higher bar for the prior comparable period (FY18) than the statutory reporting. It allows for a 'like for like' comparison of the performance of the business, assuming R&D costs were capitalised in FY18. The AASB15 Statutory Profit for FY18 is \$24.8m versus the Comparable Profit for FY18 of \$50.8m.

² Cash Flow Generation is operating cashflow less capitalised development costs.

³ Unaudited non-IFRS financial measure.

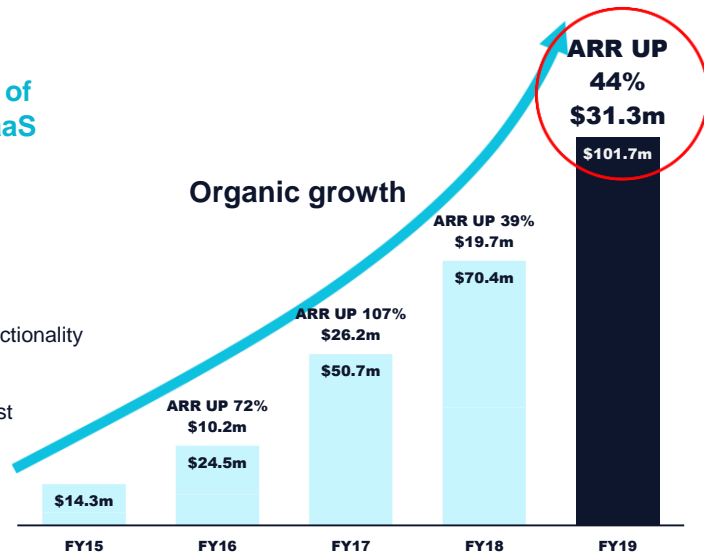
Our SaaS business is growing strongly

SaaS ARR¹ is growing at 44% per annum

Compelling value proposition of TechnologyOne Enterprise SaaS

- ✓ One global code line
- ✓ Massive economies of scale
- ✓ 8 active-active data centres
- ✓ Defence-in-depth security
- ✓ Always on the latest technology
- ✓ Always on the latest release
- ✓ 2 releases each year providing new functionality
- ✓ Fast migration for existing on-premise customers to TechnologyOne SaaS
- ✓ Customers save 30+% on their total cost
- ✓ Take-on additional products quickly

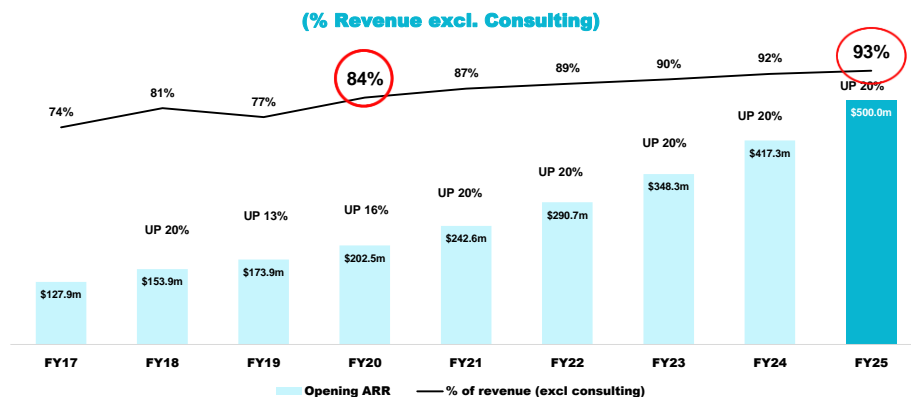
Making life simple for our Customers



¹ Unaudited non-IFRS financial measure

Recurring Revenue is increasing as a percent of Revenue

This is high quality revenue



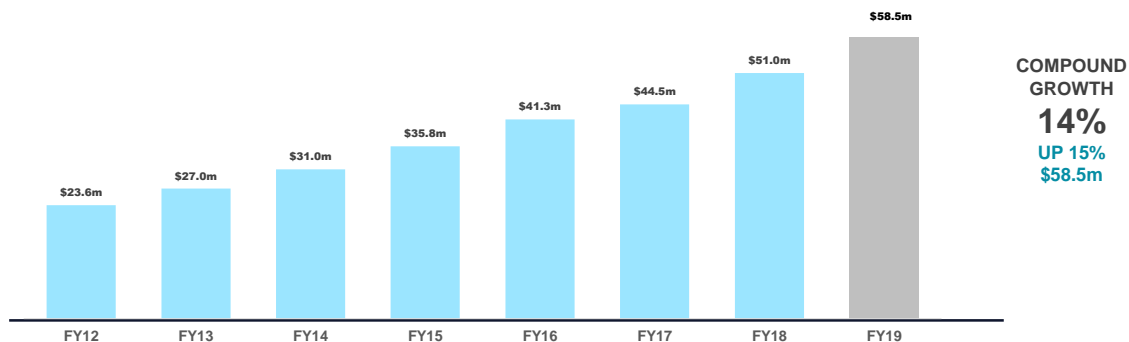
Total ARR as a % of Revenue will be 93% by FY25
Total ARR is growing at approx. 20% per annum and forecast to continue

Illustrative model only. Not to be used as guidance

We continue to double in size every 4 to 5 years

Reported Net Profit After Tax up 15%

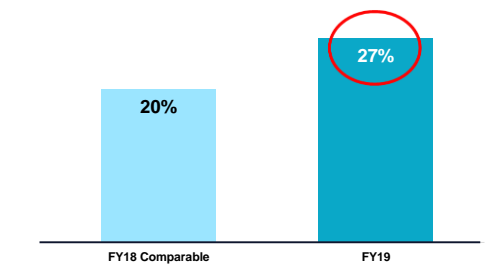
on FY18 reported results of \$51.0m, before introduction of AASB15



This table shows previously reported NPAT and has not been restated for AASB15

Profit margin to improve to 35% in the next few years

Profit Before Tax Margin now 27%



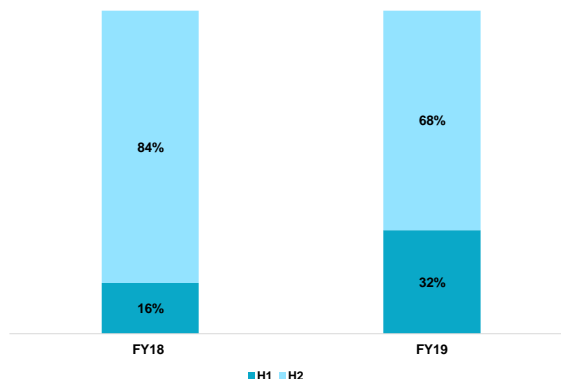
Driven by the significant economies of scale from our single instance global SaaS ERP solution

H1:H2 Profit Skew improves to 45% : 55% over next 5 years

The skew between H1 and H2 profit will continue to improve as our SaaS business recurring revenue base continues to grow

FY18 profit skew was 16%:84%

FY19 profit skew was 32%:68%



*FY18 Reported

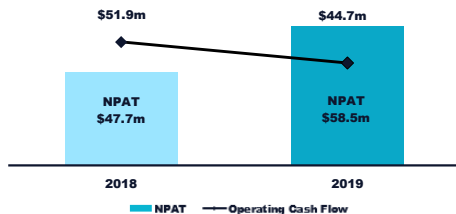
Cash Flow, FY19 Comparable

Cashflow generation of \$44.7m, down \$7.2m (14%)

- vs NPAT of \$58.5m
- Payments made to suppliers to secure additional discounts
- Large invoicing to customers late in the quarter
- Further \$12+m collected post year end above standard October collections

Cashflow generation will return to growth in line with NPAT in FY20

NPAT versus Cash Flow Generation



¹ Large invoicing to customers late in the quarter

² Further \$12m collected post year end above standard October collections

³ Includes Payments to suppliers to secure additional discounts

⁴ Non-refundable payments received in advance from customers for SaaS fees and on-premise annual licence fees which will be recognised as revenue in future periods. Our strategy is to progressively move anniversary dates to the start of our financial year

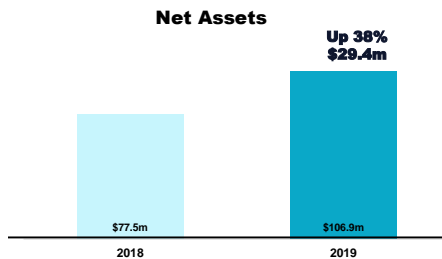
⁵ Payments of deferred consideration for acquisitions completed in FY16

	FY19	Comparable FY8	Var	Var
	\$'000	\$'000	\$'000	%
Profit Before Tax	76,389	50,807	25,582	50%
Depreciation & Amortisation	6,127	5,102	(1,025)	(20%)
Changes in working capital:				
▶ (Increase) / Decrease in Receivables ^{1,2}	(12,206)	(6,669)	(5,537)	(83%)
(Increase) / Decrease in Prepaid Expenses	(1,958)	(6,465)	4,508	70%
▶ Increase / (Decrease) in Payables ³	8,363	18,083	(9,720)	(54%)
▶ Increase / (Decrease) in Prepaid Subscription Revenue ⁴	11,001	24,746	(13,745)	(56%)
Increase / (Decrease) in Staff Entitlements	(93)	1,793	(1,886)	(100%)
Net Interest Received	610	340	270	79%
Income Taxes Paid	(11,534)	(11,187)	(347)	(3%)
Other	136	2,600	(2,464)	(95%)
Operating Cash Flow	76,835	79,150	(2,315)	(3%)
Payments for Capitalised development	(32,145)	(27,280)	(4,865)	(18%)
▶ Cash Flow Generation	44,690	51,870	(7,180)	(14%)
Payments for Property, Plant & Equipment	(2,350)	(2,948)	598	20%
Payments for Capitalised Commission	(3,782)	(3,274)	(508)	(16%)
Payments for Purchase of Businesses ⁵	(4,059)	(2,721)	(1,338)	(49%)
Free Cash Flow	34,499	42,927	(8,428)	(20%)
Dividends Paid	(35,850)	(33,002)	(2,848)	(9%)
Repayment of Finance Lease	(0)	(5)	5	100%
Proceeds from Shares Issued	2,075	1,019	1,056	100%
Increase in Cash & Cash equivalents	724	10,939	(10,215)	(93%)
Cash at the end of the period	105,046	104,322	723	1%

Balance Sheet, Statutory*

Net Assets: \$106.9m up \$29.4m (38%)

- Cash & Equivalents \$105.0m, up 700k (1%)
- Net Cash: 33.2cps vs 32.9cps
- We have no debt



¹ Caused by large invoicing late in the quarter

² Intangible asset associated with an acquisition was reduced based on an assessment at the end of the earnout period.

³ Payments received in advance from customers for SaaS fees and on-premise annual licence fees which will be recognised as revenue in future periods. These are non-refundable, and the operating costs to deliver these services are not significant. Our strategy is to progressively move anniversary dates to the start of our financial year

*AASB15 has been applied to restate FY18. As a SaaS company, R&D is capitalised from FY19 onwards

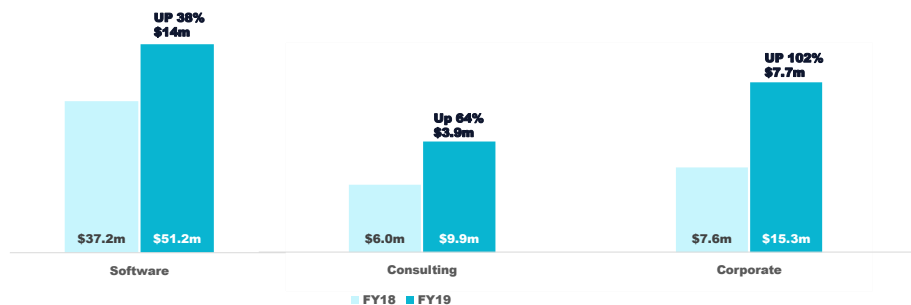
	Sep-19 \$'000	Sep-18 \$'000	Var \$'000	Var %
Cash & cash equivalents ¹	105,046	104,322	724	1%
Prepaid expenses	12,810	10,852	1,958	18%
Trade and other receivables ¹	73,639	61,433	12,206	20%
Other current assets	2,567	2,316	251	11%
Current tax assets	6,783	1,574	5,209	100%
Current assets	200,845	180,497	20,348	11%
Property, plant and equipment	10,900	12,280	(1,380)	(11%)
Intangible assets ²	42,936	49,011	(6,075)	(12%)
Capitalised development	31,590	-	31,590	100%
Deferred tax assets	32,153	42,278	(10,125)	(24%)
Non-current assets	117,579	103,814	13,765	13%
Total Assets	318,424	284,311	34,113	12%
Trade and other payables	47,295	52,622	(5,327)	(10%)
Provisions	12,261	13,257	(996)	(8%)
Prepaid subscription revenue ³	147,558	136,557	11,001	8%
Current liabilities	207,114	202,436	4,678	2%
Provisions	3,616	3,144	472	15%
Other non-current liabilities	837	1,241	(404)	(33%)
Non-current liabilities	4,453	4,385	68	2%
Total Liabilities	211,567	206,821	4,746	2%
Net Assets	106,857	77,490	29,367	38%
Issued capital and reserves	90,779	64,732	26,047	40%
Retained earnings	16,078	12,758	3,320	26%
Equity	106,857	77,490	29,367	38%

Profit by Segment Analysis

Net Profit Before Tax \$76.4m, up 50% \$25.6m

As a SaaS company we now manage our business in 3 operating segments:

- The **Software Segment** consolidates Sales, R&D, SaaS Platform and Support. This segment also includes capitalised development costs.
- The **Consulting Segment** is responsible for implementation of our software
- The **Corporate Segment** includes the corporate functions

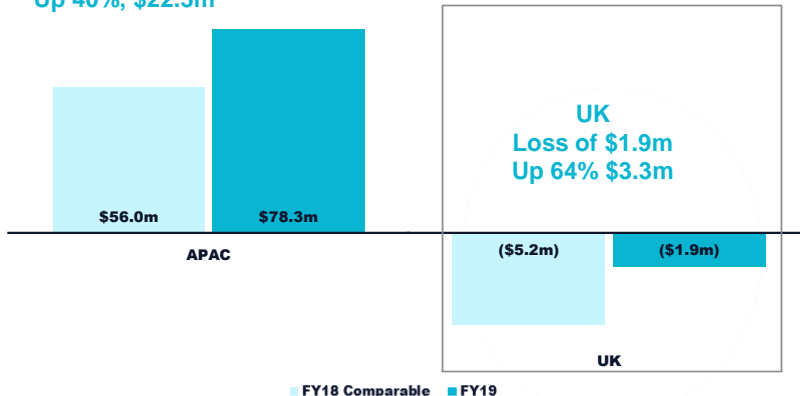


- 1) Software Profit up 38%: Driven by SaaS growth of 44%
- 2) Consulting Profit up 64%: Driven by improved execution. Refer slide: Consulting Profit
- 3) Corporate Profit up 102%: Driven by strong profit growth in Software and Consulting segments

FY18 is comparable profit

FY19 Profit Contribution APAC and UK

APAC
Profit of \$78.3m
Up 40%, \$22.3m



Refer slide: UK

Results Analysis and Key Metrics, FY18 Comparable

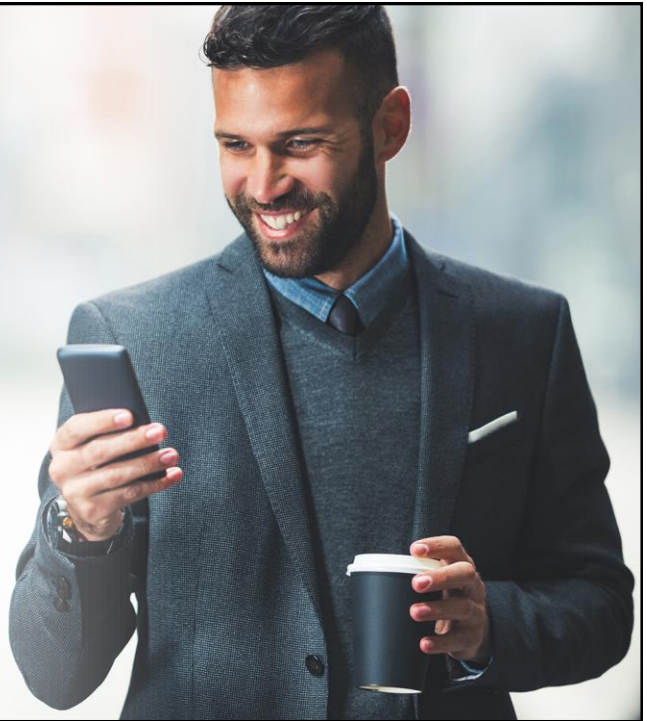
2019 v 2018 Comparable	2019	2018	Var%	2019 v 2018 Comparable	2019	2018	Var%
Revenue excl interest	285,806	253,756	13%	EPS (cents)	18.43	15.10	22%
Expenses (excl R&D, interest, D & A)	175,366	170,135	3%	Dividends (cents)			
EBITDAR	110,440	83,621	32%	Standard	11.93	9.02	32%
EBITDAR Margin	38%	33%		Special	-	2.00	
R&D Expenditure (before capitalisation)	60,124	54,042	11%	Total dividends paid (cents)	11.93	11.02	8%
R&D as % of Total Revenue ¹	21%	21%		Dividend Payout Ratio	65%	73%	
EBITDA	81,906	55,569	47%	ROE	55%	46%	
EBITDA Margin	29%	22%		Balance Sheet (Statutory)			
Depreciation	3,710	3,896	(5%)	Net Assets	106,857	77,490	38%
Amortisation	2,417	1,206	100%	Cash & Cash Equivalents	105,046	104,322	1%
EBIT	75,779	50,467	50%	Cashflow Generation ²	44,690	51,870	(14%)
Net Interest Income	610	340	79%				
Profit Before Tax	76,389	50,807	50%				
Net Profit Before Tax Margin	27%	20%					

¹R&D as % of total revenue based on R&D expenditure before capitalisation

²Cashflow Generation is Cash flow from operations less capitalised development costs. A non IFRS financial measure

Agenda

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- Long Term Outlook



Vertical Market Analysis ARR of \$202.5m up 16%

99% customer retention
across all markets

**Our APAC market
penetration in any
single vertical does not
exceed 15%.
Significant room to
grow in future years.**

Local Government \$71.7m, 35%

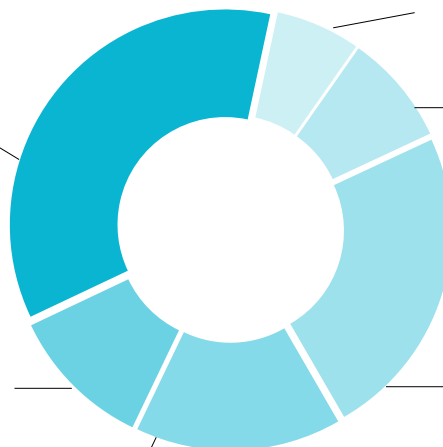
Other* \$12.9m, 6%

Asset & Project Intensive
\$16.9m, 8%

Health & Communities \$22m, 11%

Education \$47.8m, 24%

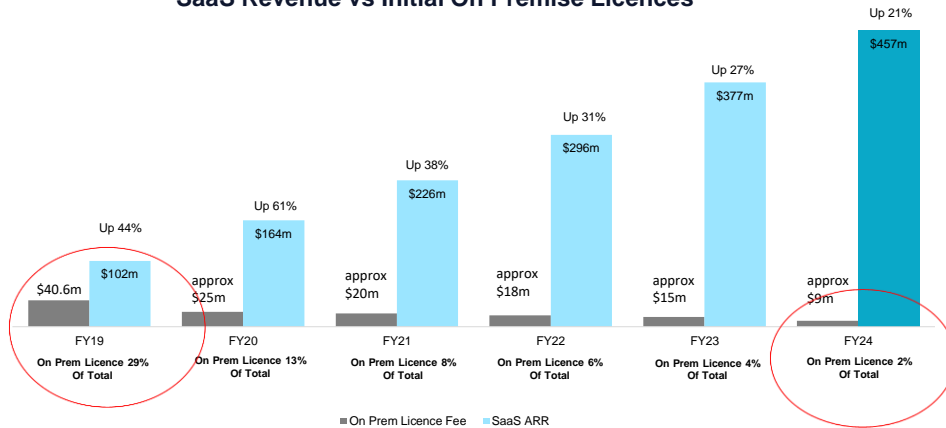
Government \$31.3m, 16%



*Other includes Financial, Corporate vertical markets

On premise licence business is reducing over time allowing a smooth transition to SaaS SaaS - High quality annual recurring revenue

SaaS Revenue vs Initial On Premise Licences



Illustrative model only. Not to be used as guidance

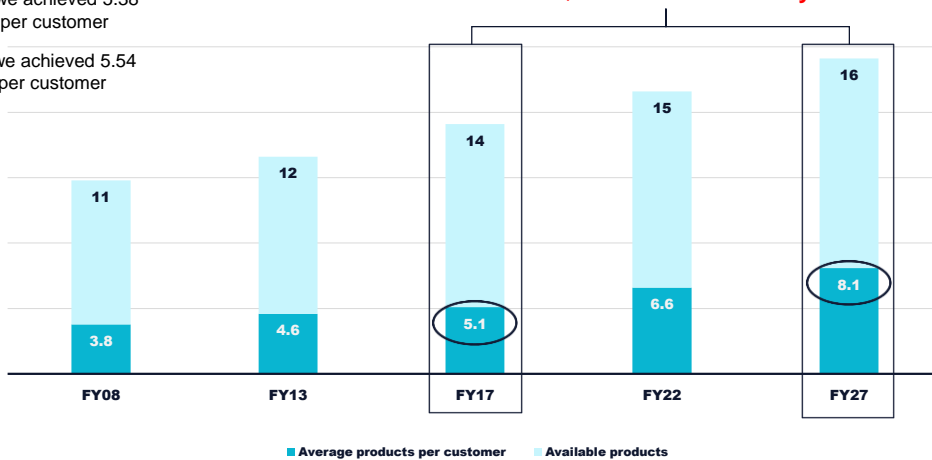
Harvest substantial opportunities in our customer base

Illustrative model only
Not to be used as guidance

In FY18 we achieved 5.38
products per customer

In FY19 we achieved 5.54
products per customer

Estimate \$420m of new ARR by FY2027



Only 50%
Product
Penetration
In FY27

If we were to add one more product to our customer base, this will generate additional \$140+m of revenue per year recurring¹. In FY17, on average, our customers had 5.1 out of 14 products. We expect this to increase to an average of 8.1 products per customer by FY27 which will generate \$420m ARR

¹ Based on 1,000 SaaS Customers

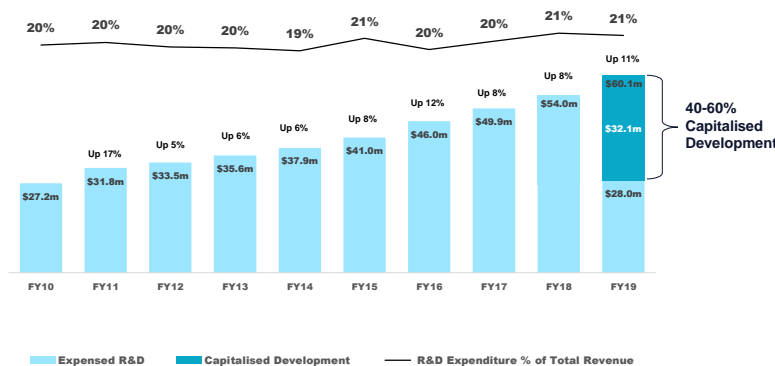


R&D Investment up 11% v 8% target

Highly Disciplined approach to R&D.

We expense maintenance and research. We capitalise development based on actual timesheets for eligible projects. Capitalisation is independently audited with financial statements.

- ✓ \$400+m invested in R&D over the last 10 years to maintain our leadership in innovation
- ✓ We provide 2 releases per year
- ✓ Delivered 2019B to the market, with 240 product enhancements across our enterprise suite
- ✓ Under development is 2020A release for early 2020
- ✓ We continue to extend our SaaS platform
- ✓ Delivering on AI and machine learning
- ✓ Delivering our new generation DXP – Digital Experience Apps



R&D Expense growth will return to 8% going forward

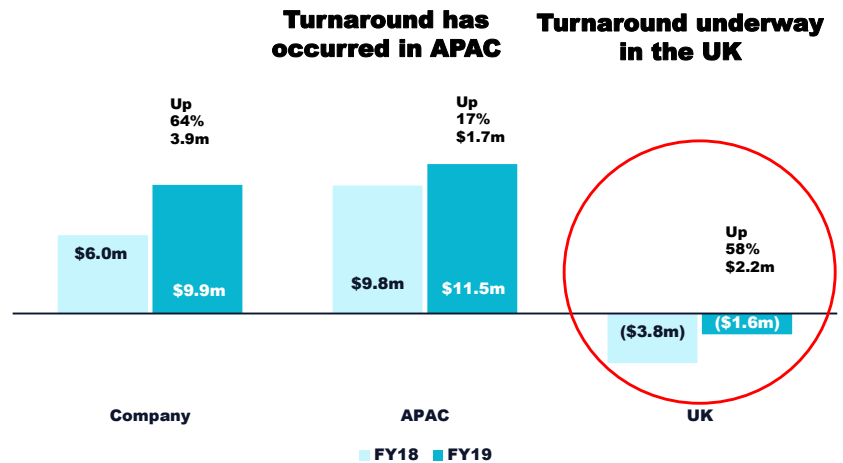
¹Given tight expense control across the group at 3%, we made additional investments in SaaS solution and DXP

Consulting Profit of \$9.9m, up 64%

Consulting is responsible for implementation of our software

Turnaround driven by:

- ✓ New leadership
- ✓ Two focussed divisions
 - New Projects
 - Applications Managed Services for our existing customers
- ✓ Improvement in systems and processes
- ✓ Improvements in culture
- ✓ Disciplined use of new implementation methodology



Consulting profit is always stronger in H2

United Kingdom

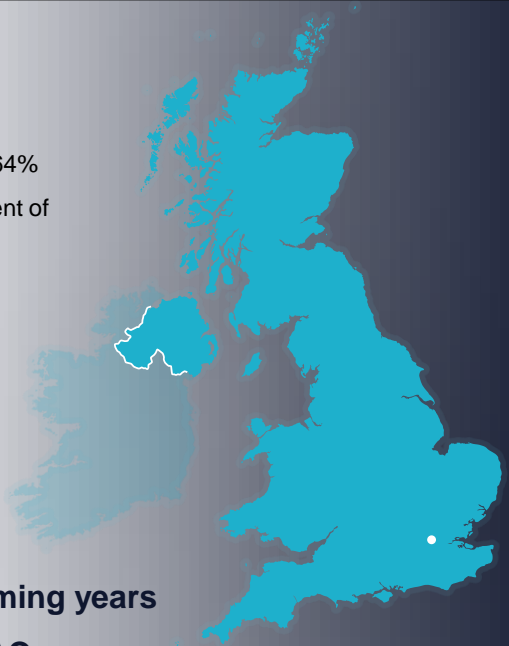
Significant investment for future growth

UK loss \$1.9m vs loss \$5.2m restated pcp, an improvement of 64%

- Consulting loss of \$1.6m vs loss of \$3.8m pcp, an improvement of 58%. This has turned around substantially
- Customer First Strategy
 - Red projects have been addressed and majority of customers live
 - Reference-ability has improved
- 6 new customers signed in the year
- New sales management to drive the next stage of growth
- Pipeline is strong for FY20

We see significant upside in the UK in the coming years

Total addressable market in the UK is 3 x APAC



FY19 Full Year Summary

- ✓ SaaS is driving our business growth
- ✓ Record profit, record SaaS ARR³
- ✓ Top end of guidance achieved, 15% growth FY18 before AASB15
- ✓ Profit \$76.4m, up 50% on FY18 comparable profit¹
 - ✓ Profit \$76.4m, up 208% on FY18 statutory profit²
- ✓ SaaS ARR³ of \$102m up 44% pcp
- ✓ Total ARR³ of \$202m, up 16%
- ✓ Total ARR³ to increase to \$500+m in FY24
- ✓ Total Consulting profit \$9.9m, up 64% pcp
- ✓ Full year dividend up 8%

We continue to double in size every 4 to 5 years

¹ Comparable method restates FY18 applying AASB15. It also assumes non-IFRS proforma capitalisation of R&D costs (50%, \$26m) for the FY18 year and is unaudited. As a SaaS company, R&D costs are capitalised from FY19 onwards, which is the common practice of our SaaS peers. We measure our performance using the comparable method because it is a better reflection of the performance of our business, setting a higher bar for the prior comparable period (FY18) than the statutory reporting. It allows for a 'like for like' comparison of the performance of the business, assuming R&D costs (50%, \$26m) were capitalised in FY18. The AASB15 statutory profit for FY18 is \$24.8m versus the Comparable Profit for FY18 of \$50.8m.

² AASB15 has been applied to restate FY18. As a SaaS company R&D is capitalised from FY19 onwards.

³ Unaudited non-IFRS financial measure.

Agenda

- Results
- Significant Achievements
- Outlook for Next Year
- Long Term Outlook



Outlook for 2020 Year

Continuing strong growth

- SaaS is driving our continuing strong growth
- The enterprise software market is accelerating its move to SaaS
- TechnologyOne key markets remain strong: Local government, higher education, government and government related businesses
- The pipeline for 2020 is strong



Outlook for 2020 Year

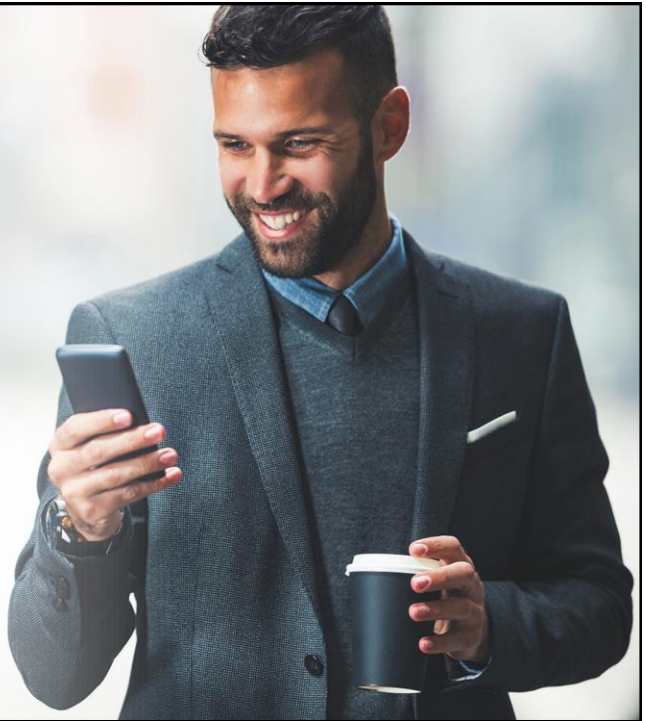
Full Year - Strong Profit growth to once again continue in 2020

- We expect to see continuing strong growth in SaaS ARR and profit
- We will provide further guidance at both the Annual General Meeting and with the first half results

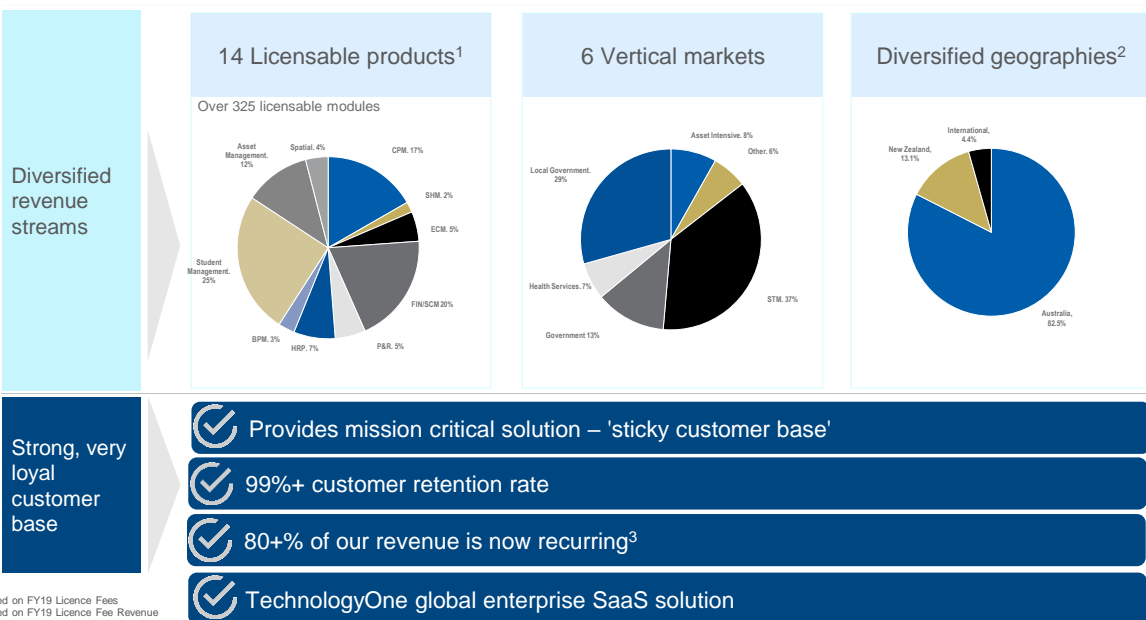
We continue to double in size every 4 to 5 years

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Drivers for long term growth



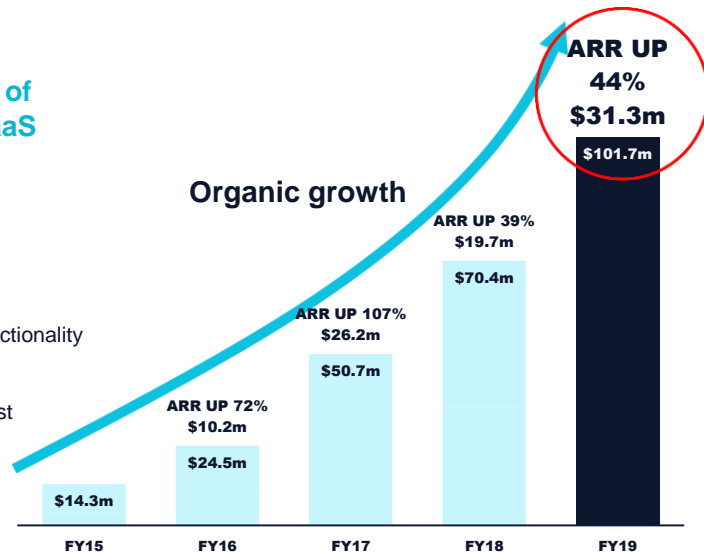
Our SaaS business is growing strongly

SaaS ARR¹ is growing at 44% per annum

Compelling value proposition of TechnologyOne Enterprise SaaS

- ✓ One global code line
- ✓ Massive economies of scale
- ✓ 8 active-active data centres
- ✓ Defence-in-depth security
- ✓ Always on the latest technology
- ✓ Always on the latest release
- ✓ 2 releases each year providing new functionality
- ✓ Fast migration for existing on-premise customers to TechnologyOne SaaS
- ✓ Customers save 30+% on their total cost
- ✓ Take-on additional products quickly

Making life simple for our Customers



¹ Unaudited non-IFRS financial measure

Total Annual Recurring Revenues will increase to \$500+m in FY24

¹ Total ARR in FY19 was \$202m. ARR is a non-IFRS financial measure and is unaudited.

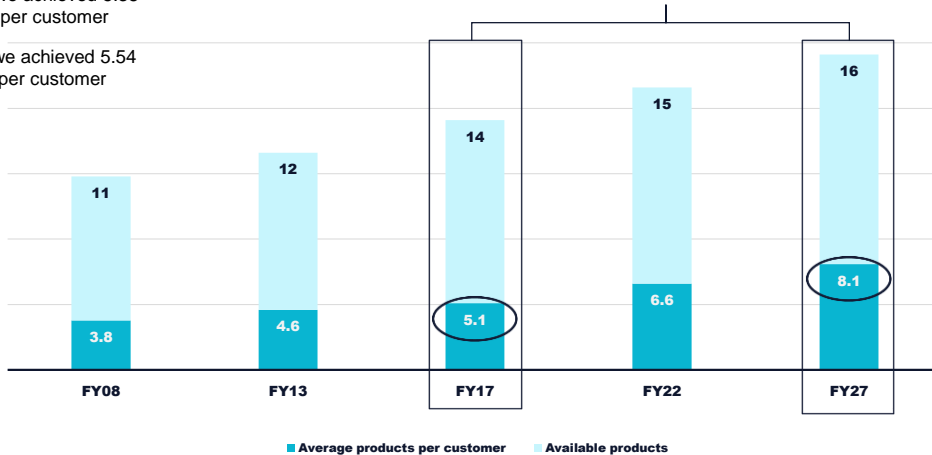
Harvest substantial opportunities in our customer base

Illustrative model only
Not to be used as guidance

In FY18 we achieved 5.38 products per customer

In FY19 we achieved 5.54 products per customer

Estimate \$420m of new ARR by FY2027



Only 50%
Product
Penetration
In FY27

If we were to add one more product to our customer base, this will generate additional \$140+m of revenue per year recurring¹. In FY17, on average, our customers had 5.1 out of 14 products. We expect this to increase to an average of 8.1 products per customer by FY27 which will generate \$420m ARR

¹ Based on 1,000 SaaS Customers

Continuing growth in APAC

Our APAC market penetration does not exceed 15%. Significant room to grow in future years

- ✓ Local Government
- ✓ Education
- ✓ Government
- ✓ Health & Community Services
- ✓ Asset & Project Intensive Industries
- ✓ Financial Services & Corporates



Continuing growth in the UK


The UK market is 3x the size of Australian market for our enterprise system

Approaching critical mass



Profit margin to grow to 35+%

Driven by the significant economies of scale from our single instance global SaaS ERP solution



Positioned well for the future and to continue to double in size every 5 years

- ✓ SaaS continues to grow strongly
- ✓ Annual recurring revenues to increase to \$500+m in FY24
- ✓ Harvest substantial opportunities in our customer base
- ✓ Continuing growth in APAC
- ✓ Continuing growth in the UK
- ✓ Profit margins to grow to 35%, through significant economies of scale

technologyone
transforming business, making life simple