

19 October 2020

Mr Ivan Tatkovich
Adviser – Listing Compliance
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Ivan,

Class Limited (CL1) 2020 Annual General Meeting

Class Limited's Annual General Meeting (AGM) will be held today, commencing at 3:00pm, Sydney time, Monday 19 October 2020.

Please find attached:

- 1) Chairman's address;
- 2) CEO update; and
- 3) Accompanying presentation slides.

Due to the continuing developments in relation to coronavirus (COVID-19), we are making some changes to our approach this year, with the health and safety of our shareholders and employees being of paramount importance.

In light of continuing restrictions on large gatherings, it is not feasible or advisable for shareholders to physically attend this year's AGM. Accordingly, we have adopted measures to allow shareholders to participate in the AGM online this year.

The AGM will be made accessible to shareholders, proxy holders and guests via an online platform (<https://agmlive.link/CL120>) which will include a webcast and the facility for shareholders and proxy holders to ask questions in relation to the business of the Meeting and to vote in real-time at the Meeting.

More information about how to use the online platform (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide, which is available on Class' website at <https://investors.class.com.au/Investors/> (under Company Information, Annual General Meetings).

The Directors of Class encourage shareholders to participate in the in Meeting via the online platform.

Yours sincerely,

Glenn Day
Company Secretary



Annual General Meeting

19 October 2020

We will reimagine a more simple, automated world for our customers and they will love it!

Our Agenda

- ✓ Chairman's address
- ✓ CEO update
- ✓ Formal business
- ✓ Q & A (via online platform)

AGM 2020
(ASX:CL1)

Chairman's Address

Matthew Quinn, Chairman, Class Limited



Our Agenda

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(ASX:CL1)

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CEO Update

Andrew Russell, Managing Director & CEO, Class Limited



FY20 dashboard

Delivering strong topline growth as the Class business transforms

Revenue

Operating Revenue

\$44.1m



Up 15%
Guidance 14%

ARR¹

\$46.8m



Up 22%

Investment and Margin

Product Investment

\$11.7m



Guidance \$12.7m

Underlying EBITDA Margin

42%



Guidance 40%

Profitability and Dividend

Free Cashflow²

\$9.8m

22% of Operating Revenue

Dividend

5 cents

Maintained

Customer

Customer base

2,866



Up 86%

Accounts

187,254



Up 4.6%

¹Subscription revenue only. Excludes circa \$2.4m of Pay As You Go (PAYG) revenue.

²Refer to page 22

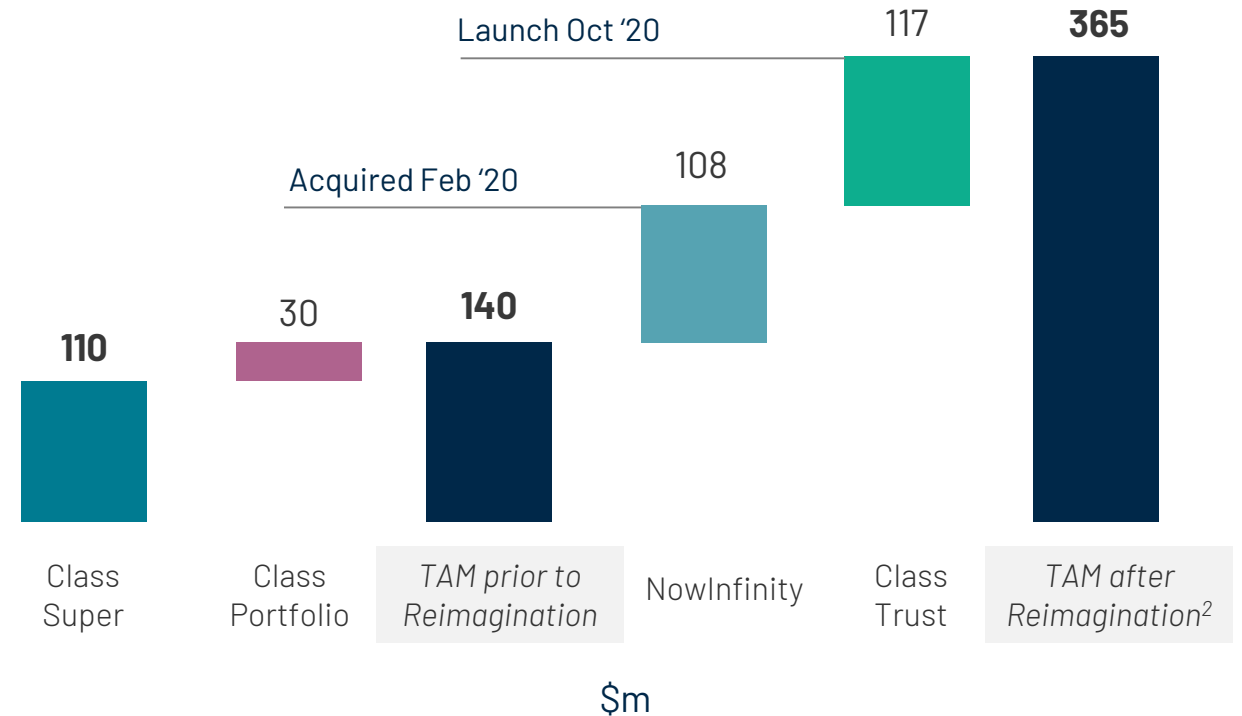
A Reimagined Class - a large and growing addressable market.

Class' market penetration is only ~9.9%
of potential customers

We have a significant opportunity to
grow organically and by acquisition



Class has already increased its TAM over 2.5
times through the Reimagination strategy



1. Frost & Sullivan independent market report 2020

2. TAM includes accounting practices, SMSF administrators, lawyers, and financial planners/advisers

Key achievements in FY20

Reimagination strategy building momentum in year 1 – Class delivered on guidance provided to the market



Technology Investment

Progressed with improvements to our technology capability that will realise scalability and speed efficiency dividends as our data platform grows in FY21 and beyond

13 new modules were added in 2020



New Management

Class is attracting best in market talent
Class has reset the executive leadership team

Class has hired key new talent at the senior leadership and operational levels



Lift in growth in existing market

Super Market Share – 28.9% -growth 3.1%, 1.8X system

Class Portfolio accounts increased by 21.2%



New Markets

NowInfinity acquisition completed
Class grows addressable market by \$108m by entering the document and corporate compliance segment



New Products

Trust pilot grows to 23 customers as of today with promising feedback from users
Class grows addressable market by \$117m launching Class Trust
Class Trust will launch ahead of schedule in – October 2020







Customer Satisfaction

Customer Retention Rate of 99.1%
Class maintains NPS leadership and fastest growing SMSF software provider¹

¹ 2020 Investment Trends Report findings

Class' product suite and technology investment

Our FY20 investment has focused on maintaining Super leadership, Trust development, upgrading our Class technology platform and integrating NowInfinity

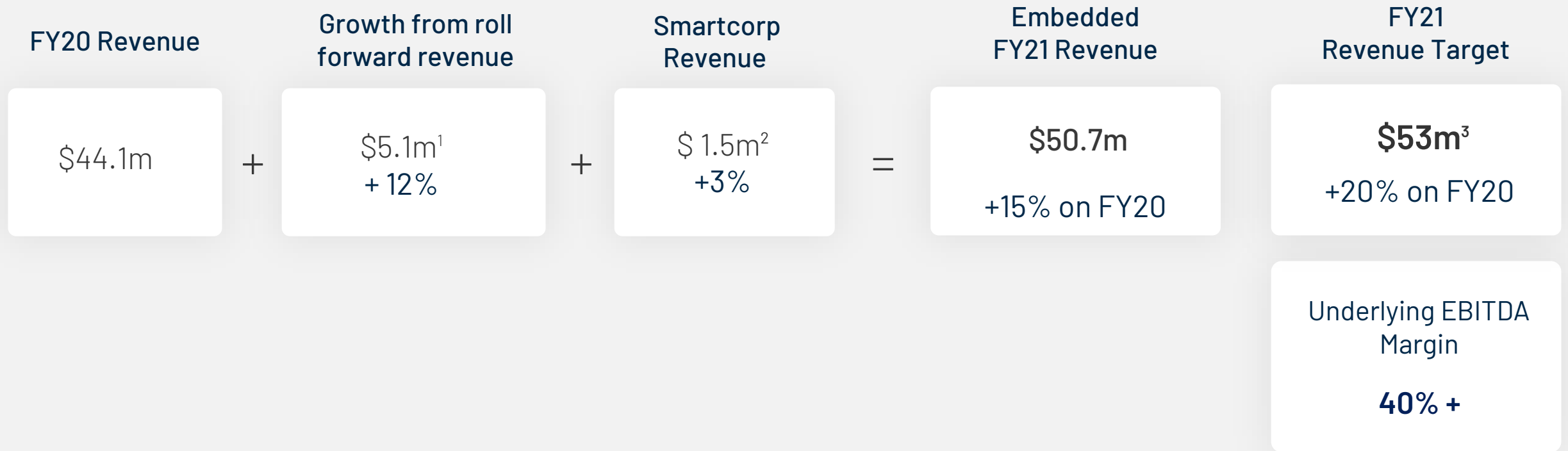
			
<ul style="list-style-type: none"> Tax Statement Automation & OCR Bulk Income Generate & Automatch Covid 19 Legislation Updates CloudOffis SMSF Sorted integration Class to XPLAN Integration Digital Signatures Enhanced Managed Account datafeed 	<ul style="list-style-type: none"> Portfolio Fees Investment Reports Class to XPLAN Integration Digital Signatures 	<ul style="list-style-type: none"> Unit Trust - buys and sells Financial Statements including Current & Non-Current classification Trust Accounting (capital works & revaluation reserves) Trust Accounting Reconciliation Report Trust Tax Reports (Statement of Net Income & Statement of Distribution) Trust Tax Lodgment (via Class and Xero/MYOB/APS) Digital Signatures 	<ul style="list-style-type: none"> Class and NowInfinity integration Documentation Suite Corporate Messenger Trust Register (Beta)

13 new modules were added in **2020**

Class Trust will be launched in October and Class will continue to invest **in all products in FY21**

FY21 targets

Our targets for FY21 for our accelerate year of Reimagination Strategy.



¹ Includes full year of subscriptions from accounts added in FY20 and full year contribution from NowInfinity

² Smartcorp revenue recognition - part year only Sept-June. Annualised revenue \$1.8m

³ Embedded FY21 revenue plus reasonable expectation of organic growth. Excludes acquisitions

Summary and Outlook

-  **FY20** results delivered to our strategy promise with **15% revenue growth**
-  Class has expanded its **Total Addressable Market by 2.5X**, from \$140m to **\$365m** to position Class for accelerated growth in FY21 and beyond
-  We are targeting **revenue growth of 20% for FY21** with more than **95% of the revenue target already embedded from roll forward revenue and Smartcorp acquisition**
-  Managing our investment expenses astutely to **our underlying EBITDA margin target of 40% + in FY21**
-  We have made good progress with our technology development and will launch **Class Trust ahead of schedule** in **October 2020**

Our Agenda

- ✓ Chairman's address
- ✓ CEO update
- ✓ Formal business**
- ✓ Q & A (via online platform)

AGM 2020
(ASX:CL1)

Formal Business

	Item	For	%	Open	%	Against	%	Abstain
1	ELECTION OF MR ROBERT BAZZANI	66,651,297	99.57	241,272	0.36	46,800	0.07	127,114
2	ELECTION OF MR SIMON MARTIN	66,495,982	99.57	239,472	0.36	46,800	0.07	284,229
3	RE-ELECTION OF MS NICOLETTE RUBINSZTEIN	66,543,979	99.54	239,472	0.36	65,518	0.10	217,514
4	REMUNERATION REPORT	64,614,980	99.34	239,472	0.37	192,215	0.30	417,492
5	GRANT OF PERFORMANCE RIGHTS AND DEFERRED RIGHTS TO ANDREW RUSSELL, MANAGING DIRECTOR AND CEO	64,919,481	99.23	231,927	0.35	271,852	0.42	40,899
6	PROVISION OF FINANCIAL ASSISTANCE BY NOWINFINITY	66,740,342	99.60	236,127	0.35	33,211	0.05	76,803
7	PROVISION OF FINANCIAL ASSISTANCE BY SMARTCORP	66,746,546	99.60	236,127	0.35	28,711	0.04	75,099

Based on forms received as at 3pm on Saturday, 17 October 2020.

Q & A (via online platform)

AGM 2020
(ASX:CL1)

Important Information

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Certain statements in this presentation may constitute forward-looking statements or statements about future matters (including forecast financial information) that are based upon information known and assumptions made as of the date of this presentation. These statements are subject to internal and external risks and uncertainties that may have a material effect on future business. Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this presentation. As such, undue reliance should not be placed on any forward looking statement. Past performance is not necessarily a guide to future performance. Nothing contained in this presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future by Class or any other person.

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Class has not independently verified any of the contents of this presentation (including, without limitation, any of the information attributed to third parties).

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This presentation contains non-IFRS measures which are used internally by management to assess the performance of the business and have been extracted or derived from the Annual Report for the period ended 30 June 2020.

All currency amounts are in AUD unless otherwise stated.

CHAIRMAN'S ADDRESS & CEO UPDATE
2020 ANNUAL GENERAL MEETING OF CLASS LIMITED
19 OCTOBER 2020 (ONLINE)

[Slide 2-3: Chairman's address slide]

Good afternoon ladies and gentlemen. I am Matthew Quinn, Chairman of Class Limited and it is my pleasure to welcome you to our 2020 AGM.

It is now 3pm and, as the necessary quorum is present, I declare the Meeting open.

I would like to begin by welcoming our two new directors Simon Martin and Rob Bazzani and to introduce Kathryn Foster, Nicolette Rubinsztein and Andrew Russell, who is also the CEO.

I would also like to welcome Conor Farley from Grant Thornton, our auditors, who will be available to answer any questions on the audit.

Voting Procedures

Information about how to use the online platform (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide which is available on Class' website at <https://investors.class.com.au/Investors/> (under Company Information, Annual General Meetings.)

If you haven't already done so, please register to vote now. Once you have registered, your voting card will appear with all the resolutions to be voted on by Shareholders at this Meeting.

You may cast your votes at any time from now until the close of the on-line poll.

Asking questions

We will take questions from shareholders on all resolutions and general business using the online platform and you can ask a question after you have registered to vote.

Questions submitted prior to this Meeting are on the online platform.

Not all questions are guaranteed to be answered during the AGM but we will do our best to answer as many as possible.

If your question has been answered and you would like to exercise your right of reply, you can do so by submitting another question via the online platform during the AGM.

I will give a short overview of the FY20 financial year and then hand over to our CEO.

I am pleased to report that FY20 was a successful and transformational year for Class. The three-year Reimagination strategy, launched in 2019 by our new CEO Andrew Russell, is taking shape and the Board is very satisfied with progress in the first year.

In FY20, Class delivered strong revenue growth of 15% and a record EBITDA result, while investing heavily in product development and improved technology. With the development of our new product, Class Trust and our move into the document automation market, facilitated by the acquisition of NowInfinity, our total addressable market has expanded considerably, positioning the business for accelerated growth in the coming years. Furthermore, even with the increased investment in the business, we are able to maintain payment of a dividend of five cents per share.

The NowInfinity acquisition was the first step in evolving Class to an integrated multi-product offering to our professional services customers, thus reducing our sole reliance on the SMSF market. The business has been integrated well into Class and we look forward to growing NowInfinity into a market-leading position in this new segment. We have further strengthened our position since the end of the financial year with the acquisition of SmartCorp.

During FY20 we appointed two new independent non-executive directors, Rob Bazzani and Simon Martin, who both bring a wealth of experience and expertise.

Rob was formerly a partner with KPMG, where he served in multiple leadership roles, including as a member of its National Executive Committee.

Simon has more than 30 years' experience in finance, including as the CFO of MYOB, as well as significant operational experience in software companies in Australia and internationally.

The Board recommends that shareholders vote in favour of their election. This year, Nicolette Rubinsztein is standing for re-election and the Board recommends that you vote in favour. We will be screening a short presentation for each director standing for election / re-election.

Chris Cuffe and Rajarshi Ray retired as directors in FY20 and, on behalf of the Board, I would like to thank them for their contribution to Class.

I would like to thank all Class employees and my fellow Board members for what we have achieved together in FY20, particularly given the challenges of remote working during COVID.

Class is well positioned to create sustainable revenue and earnings growth as a leading Australian technology business. I would like to thank our shareholders for your ongoing support, and we look forward to creating value for you in the coming years.

I will now invite Andrew Russell to provide an overview of our FY20 performance and some insights on our progress so far in FY21.

[Slide 4 - 5: CEO update]

Good afternoon ladies and gentlemen and thank you for joining us for the for 2020 AGM.

I am now just 17 months into my role as CEO of Class and I am satisfied to see the speed of progress we are making in our transformation.

Just over a year ago, we announced our 3-year Reimagination strategy to transform Class to a multiproduct software as a service provider, with the ambition to become a world class technology solutions business.

On behalf of the Class team it is pleasing to stand here today at the Class AGM and make the following comments:

- Class / CL1 continues to generate double-digit topline growth
- Class has materially expanded its total addressable market in a short period of time
- Class continues to produce strong free cashflow
- Class is profitable
- Class has a healthy balance sheet which provides optionality for further acquisitions
- Class continues to pay a dividend and
- Class has resilient and predictable earnings for the year ahead as the country faces uncertain economic headwinds as a result of COVID-19.

[Slide 6 - Results Summary - Our FY20 Dashboard]

Turning to our financial results - the business boldly set out our key financial targets for FY20 in August 2019.

The business performed well against those financial targets.

Our highlights are:

- Revenue of \$44.1 million, up 15% on the prior year
- Annualised Recurring Revenue (ARR) of \$46.8million, up 22%
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of \$18.2 million, up 1%
- Our underlying EBITDA margin was 42%. This exceeded our target of 40%
- Class has strong free cashflow of \$9.8 million
- Our balance sheet strength continues to grow year on year. We are in solid position to fund further acquisitions.
- We have invested \$11.7m over the past year to upgrade our technology and product development capability and to build Class Trust.
- We have grown our net accounts by 4.6% over the past year as well as grown our customer base impressively to over 2800 unique customers including NowInfinity
- The board has declared a final fully franked dividend of 2.5 cents and our annual dividend remains unchanged at 5 cents per share.

In summary - the financial results are solid, and, as importantly we are executing well to our 3-year plan.

[Slide 7 - The Class expanded TAM]

To achieve and drive future sustained growth, as per our Reimagination strategy, Class must also grow its total addressable market or (TAM). Our strategy is to grow through a combination of both new products and acquisitions that will complement our core offerings to create a transformed multiproduct technology business.

The acquisitions of NowInfinity and of Smartcorp grow our business into an adjacent market space.

The launch of our Class Trust this month grows Class into a new market segment.

Our commissioned independent research by Frost and Sullivan indicates that in the past 12 months Class has increased its TAM over 2.5 times

Prior to the Reimagination strategy our TAM was \$140m

Class now has a marketplace of over \$365m. Our expanded addressable market provides Class with an expanded runway to grow revenue and cement leadership positions in Super, Portfolio, Documents/Corporate Compliance and Trust products.

Reimagination Strategy Recap to deliver our Transformation Aspirations

The essence of the Reimagination strategy is to bring laser focus to our key priorities;

- re-energise the business in terms of culture and innovation,
- bring new talent into the organisation and build momentum for accelerated growth in FY21/22 and beyond.

Our commitment for FY20 was:

- To invest in our core technology platform and product development capability to ensure that we can develop customer validated products and deliver them at quality
- To seek accreditive acquisitions that will complement our core offering and
- To invest in people and build a world class culture

Our progress so far has been positive and fast paced

[Slide 8 – Key achievements for FY20]

In addition to growing our TAM, there are some other important achievements to note for the past year;

- We have progressed our technology innovation investment.
- This progress positions the business to begin to realise technology efficiency dividends in the coming years.
- The pool of talent has grown as our Re-imagination strategy has excited potential candidates and we are attracting best in market talent.
- Over the past year Class has reset the executive leadership team and we now have good balance of domain specialists as well as operational experience in technology, product, strategy, sales and people & culture.
- We continue to grow our market share in our existing products – Super and Portfolio.
- We have delivered on our intentions to execute acquisitions to drive our growth.
- It is pleasing to see NowInfinity already performing well, resonating with our existing customers and consequently will be a key pillar for Class growth in FY21. The Smartcorp integration is meeting our project timelines and we are on track to migrate the Smartcorp customers successfully on to the NowInfinity platform by the end of November.
- Our reputation for being the market leader as the SMSF software provider has been once again validated this year by the industry leading Investment Trends 2020 research report. According to the findings Class continues to be number 1 in terms of NPS and being the fastest growing SMSF software provider
- We thank our customers for their ongoing support of the Class business.

Turning to Strategy Update and FY21 Outlook

[Slide 9 – Our Product Development and Trust update]

Our FY20 investment has focused on upgrading our Class technology platform, maintaining our SMSF product leadership, developing Class Trust, and integrating the NowInfinity products deeper into the Class business.

There will be further investment in our technology innovation and product development in FY21 of circa \$16m.

This ongoing investment is critical to ensure we continue to innovate our core technology platform and build a product roadmap.

Class added 13 new modules in FY20 to our pre-existing product suite.

Class is determined to drive new feature and product innovation in FY21, and our investment will ensure Class is well positioned compared to the competition. Class will continue to invest **in ALL** products in FY21.

In terms of our new product, Trust – our market research indicated that there is a key pain point for trust administration, as there was for the self-managed superannuation for our customers.

As with the SMSF space, to simplify and automate the trust administration process requires complex, rules-based coding to develop a software solution. This is our core technology capability.

We believe the market is currently underserved.

Combining the learnings from our portfolio product entry with our new product development capability, Class has been running a pilot with an ever-growing number of customers. The feedback has been invaluable, and the product is taking great shape to deliver material cost and efficiency savings for our customers.

Consequently, we launched officially to our current Class customers on 14th October, (last week) many months ahead of schedule. The response for our customer network has been very positive. All the Class team contributed to the successful launch and the team are now busy demonstrating the new product and highlighting the results of the year long pilot and the benefits realised to the pilot customers businesses.

[Slide 10 – FY21 Targets and update]

In terms of outlook for FY21 we are mindful of the dynamic COVID-19 environment. Class transitioned quickly and efficiently to remote working before March 23rd this year.

Productivity, development velocity and customer service metrics remain or are above our long-term business averages.

With the recent restrictions affecting our Victorian customers, in addition to potential ongoing economic headwinds right across Australia, Class continues to monitor the impacts on our customers in the coming months and indeed the financial year. Undoubtedly the sales cycle is longer, and businesses are prudently monitoring their technology investment spend to their cashflow

Notwithstanding the unknowns of COVID-19, we continue to stand by the FY21 outlook we provided the market at our FY20 results in August.

The Class revenue for FY21 is combination of:

- Our ongoing existing customer revenue, plus
- Roll forward revenue derived from growth in our new customers, including our Nowinfinity acquisition, AND
- Our Smartcorp acquisition revenue. Smartcorp will contribute part year revenue of \$1.5m in FY21 with full year contributions in FY22.

We refer to our revenue as embedded, given **95% of the revenue is derived from the roll forward revenue and the Smartcorp acquisition.**

We would like to re-iterate our previous comments – we are not forecasting any material contribution for revenue from Class Trust in FY21.

Notwithstanding, based on our reasonable expectation of additional organic revenue growth, we are targeting **FY21 revenue of \$53m which is a 20% uplift** from our FY20 results announced in August.

We will continue to target an underlying EBITDA margin of 40%+.

[Slide 11 – FY20 Result Headlines]

I would like to conclude with several headlines:

1. The FY20 financial results were solid, and as importantly, we are executing well to our Re-imagination strategy.
2. We achieved **15% revenue growth**, which was above our target
3. We have expanded our **Total Addressable Market by 2.5X**, from \$140m to **\$365m in the past year**

Our outlook for FY21:

1. We are targeting **revenue growth of 20%** with more than **95% of the target already embedded**
2. We will continue to manage our technology, product investment and other expenses astutely to an underlying EBITDA margin of 40% + in FY21
3. We have successfully launched our new Class Trust product ahead of schedule, adding to our growing suite of Class products

In closing,

- Class is well positioned for accelerated growth
- We have built a moat for earning resilience and have strong roll forward revenue
- We will continue at speed, successfully executing our Reimagination Strategy.

I would like to thank the Chair – Matthew Quinn and the board for their ongoing support, guidance and good counsel.

I would like to thank you, the shareholders for your ongoing support and interest in Class. The future looks very exciting as our vision comes alive, and as we deliver accelerated results in FY21.

Thank you, I will now hand back to Matthew for the Formal Business part of the Meeting.