TECHNOLOGY ONE LIMITED

ABN 84 010 487 180

APPENDIX 4D

For the half-year ended 31 March 2025
(compared to the half-year ended 31 March 2024)

Information should be read in conjunction with the most recent Annual Report and Half-Year Financial Report.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results				**Mar-25 ($'000)**	**Mar-24 ($'000)**
Revenue from ordinary activities	Up	19%	to	**285,693**	240,826
Net profit from ordinary activities after tax	Up	31%	to	**62,971**	48,003
Net profit for the period attributable to members	Up	31%	to	**62,971**	48,003

Dividends	**Amounts per security (cents)**	**Franked amount per security (cents)**
Current period		
Interim dividend determined	6.60	4.29
Final dividend	N/A	N/A
Previous period [1]		
Interim dividend	5.08	3.30
Final dividend	17.37	11.29

The Record date for determining entitlements to the dividend is 30 May 2025.
[1] Year ended 30 September 2024.

Dividend Reinvestment Plan
There is no dividend reinvestment plan in operation.

Dividend Payable
Payment date of the dividend is 13 June 2025.

Interim dividend on all securities	**Current period ($'000)**	**Previous corresponding period ($'000)**
Total	21,606	16,544

The Directors' Report and the consolidated financial statements for the half-year ended 31 March 2025 provide additional information supporting the Appendix 4D disclosure requirements.

	Current period	Previous corresponding period
Earnings per share	**Mar-25 (cents)**	**Mar-24 (cents)**
Basic EPS	19.26	14.75
Diluted EPS	19.08	14.66
Weighted average number of ordinary shares outstanding during the period used in the calculation of the basic EPS	327,017,604	325,391,680
Weighted average fully diluted number of shares used in the calculation of the diluted EPS	330,006,455	327,445,132

	Current period	Previous period
NTA backing	**Mar-25 (cents)**	**Sep-24 (cents)**
Net tangible asset backing per ordinary share[1]	26.28	33.75

[1] The right-of-use asset and related lease liabilities under AASB 16 Leases are included in the NTA calculations above.

COMPLIANCE STATEMENT

This report is based on the attached half-year Financial Report which has been reviewed by the auditor of Technology One Limited. A report of the auditors' review appears in the half-year Financial Report.

Pat O'Sullivan
Chair

Brisbane
19 May 2025

Technology One Limited
Financial Report
for the half-year ended 31 March 2025

Directors' Report

Your Directors present their report on the consolidated entity (referred to hereafter as the Company, Group or TechnologyOne) consisting of Technology One Limited and the entities it controlled for the half-year ended 31 March 2025.

Directors

The following persons were Directors of Technology One Limited during the half-year and up to the date of this report:

Pat O'Sullivan – Chair
Edward Chung – Managing Director & CEO
Dr Jane Andrews – Non-executive Director
Sharon Doyle – Non-executive Director
Clifford Rosenberg – Non-executive Director
Peter Ball – Non-executive director
Paul Robson – Non-executive director
Richard Anstey – Non-executive Director (Retired 19 February 2025)

Stephen Kennedy is the Group Company Secretary.

Principal activities

The principal activity of the Group during the half-year was the development, marketing, sales, implementation and support of fully integrated enterprise business software solutions, including:

Products for our customers:

- Technology One Corporate Performance Management
- Technology One Enterprise Content Management
- Technology One Financials
- Technology One Performance Planning
- Technology One Business Analytics
- Technology One Enterprise Budgeting
- Technology One Property & Rating
- Technology One Human Resources & Payroll
- Technology One Supply Chain Management
- Technology One Student Management
- Technology One Enterprise Asset Management
- Technology One Spatial
- Technology One Timetabling and Scheduling
- Technology One Enterprise Cash Receipting
- Technology One App Builder
- Technology One Curriculum

Products for our community:

- Technology One DxP Student
- Technology One DxP Essentials
- Technology One DxP Local Government

Review of operations

The financial results for the half-year ended 31 March 2025 show record first-half profit, record revenues and record SaaS fees for the 16th consecutive year.

Key results were as follows:

- Profit Before Tax of $81.9m, up 33%
- Profit After Tax of $63.0m, up 31%
- Total Annual Recurring Revenue (ARR)[1] of $511.1m, up 21%
- Net Revenue Retention (NRR) of 118%, above our long-term target of 115%
- UK ARR[1] of $43.1m, up 50%
- Rule of 40 result of 49.4%[3]
- SaaS and Recurring Revenue of $265.0m, up 19%
- Total Revenue of $291.3m, up 19%
- Total Expenses of $209.4m, up 14%
- Free Cash Flow[2] (previously Cash Flow Generation) of $24.0m, up 100%+
- Cash and Investments of $211.9m, up 23%
- Record Interim Dividend of 6.6 cps, up 30%
- R&D Investment (before capitalisation) of $68.8m, up 21%, which was 24% of revenue[4]

[1] *ARR represents future contracted annual recurring revenue at period end. This is a non-IFRS financial measure and is unaudited.*
[2] *Free Cash Flow (previously Cash Flow Generation) is cash flow from operating activities less capitalised development costs, capitalised commission costs and lease payments. This is a non-IFRS financial measure and is unaudited.*
[3] *Rule of 40 is expressed as a percentage and defined as the sum of the ARR growth percentage and the 12-month rolling free cash flow margin percentage (free cash flow as a percentage of ARR). This is a non-IFRS financial measure and is unaudited.*
[4] *Revenue excluding interest and other income.*

TechnologyOne surpassed its goal of exceeding $500 million in ARR during the first half of FY25, eighteen months ahead of schedule. SaaS+ offering is fueling our growth enabling us to deliver a first half profit before tax of $81.9 million, underpinned by ARR growth of 21%.

We established our visionary SaaS+ offering two years ago, becoming the world's first SaaS+ ERP company. By combining our 19 mission-critical products in 6 vertical markets and implementation into one single fee, we have removed the need for the traditional, complex, long, risky and expensive consulting implementations. SaaS+ provides faster go-lives and therefore unlocks value for our customers more quickly.

SaaS+ delivers faster time to value as we continue to dramatically drive down implementation timeframes, with an ambitious goal of ERP in 30 days. Through the 'Power of One', TechnologyOne is the only SaaS ERP provider able to deliver on this compelling proposition as we own all parts of the value chain with mission-critical products, industry-specific IP built over 38 years and our highly skilled in-house consulting team.

We secured significant customer wins that fueled our organic growth in the first half, with particularly strong momentum in the local government sector globally, enabling 20% ARR growth. In the UK, these wins included Islington London Borough Council, our first London Borough, demonstrating our success in moving up to the larger-scale local governments in the UK. Our strategic focus in the UK has been on establishing our brand in the more complex and larger councils. Our success with Islington validates this strategy.

In the Education Sector, ARR grew 27% with strong wins including TasTAFE, demonstrating our strength in the TAFE sector. Our mission-critical Student Management product now powers TAFEs in every state, except SA and NSW. In our growing Government Sector, ARR grew 28%, including an industry-first win with The Australian Energy Regulator (AER), which became the first Federal Government agency to choose TechnologyOne's unique OneGovernment SaaS+ solution under the Digital Transformation Agency's new ERP panel. These organisations select TechnologyOne as their ERP provider due to our deep industry knowledge, local presence, innovative delivery models, and our focus on putting our customers and community first.

With the key customers we secured in the UK during the half, our UK business continues accelerating its growth. The first half total UK ARR was up 50%, and UK sales ARR was up 61% compared to the prior comparative period. Our UK business is the pioneer for our SaaS+ strategy, where the value proposition continues to resonate with the market. We have successfully delivered implementations to many customers quickly, driving the sales pipeline, and momentum continues to grow strongly.

Net Revenue Retention (NRR), the net amount of new ARR from existing customers, was 118% for the 12 months to 31 March 2025. This is an outstanding result given that best-in-class in the ERP market is considered between 115% and 120%. This NRR result shows the value our customers see in our SaaS ERP solutions and underpin our confidence in future growth. Churn remained low during the half at 0.3% and we are confident that we can maintain our low churn rate, around 1% over the year, given the mission critical nature of our products.

Traditionally, TechnologyOne's free cash flow generation is weighted to the second half, aligned with customer anniversary payment dates. This half year, we delivered a strong free cash flow result (previously referred to as cash flow generation) of $24.0 million versus negative free cash flow of $3.8 million in H1 FY24, with cash and investments up 23% versus the prior corresponding period. This result was enabled by strong cash generation in FY24, which enabled us to bring forward payments to Creditors where it made commercial sense, and continued discipline in our collections team. Free Cash Flow generation is expected to be strong over the full year, and we expect it to align with full-year Net Profit After Tax.

TechnologyOne is in the top quartile globally of technology companies on the Rule of 40 metric

Strong profitable growth is nothing new to TechnologyOne and the Rule of 40 is a common metric used to assess and compare SaaS businesses globally. For the 12 months to 31 March 2025 TechnologyOne's Rule of 40 result was 49% which puts TechnologyOne in the top quartile globally against ERP peers.

The Rule of 40 is calculated as our rolling 12-month ARR growth percentage added to our rolling 12-month Free Cash Flow margin (post tax).

Acquisition of CourseLoop

In November 2024, TechnologyOne acquired CourseLoop, a company servicing the higher education sector with $9.1 million of ARR for a total investment of $60 million. This acquisition forms part of TechnologyOne's strategic focus to deliver the deepest functionality for the Higher Education market.

With the addition of CourseLoop's Curriculum Management product, TechnologyOne's OneEducation solution has become the world's first SaaS offering to encompass the entire student lifecycle – from course design to graduation – into a single unified ERP solution. Integrating a Curriculum Management capability with TechnologyOne's market-leading Student Management, Timetabling and Scheduling, Human Resource and Payroll, Enterprise Asset Management and Financials capabilities will provide, for the first time, complete visibility across the entire academic cycle.

Curriculum Management provides Higher Education institutions with data-driven insights via a single source of truth to create courses that meet market demands, that students want to study, that are financially sustainable and that deliver student success and institutional differentiation.

CourseLoop is delivering in line with our expectations and integration is tracking to the plan. More information on Coruseloop's impact on the Group accounts can be found in Note 8 Business Combinations.

Dividends

Considering the Group's strong financial results in the first half of FY25, the Board has determined to pay a dividend of 6.60 cents per share for the half year, up 30% from the prior year.

Dividends paid to members during the period were as follows:

	Mar-25 ($'000)	**Mar-24** ($'000)
Final dividend for the year ended 30 September 2024 of 17.37 cents per fully paid share paid in December 2024 (2023: 11.9 cents per fully paid share paid in December 2023)	56,865	38,588
Nil special dividend paid for the year ended 30 September 2024 (2023: 3 cents per fully paid share paid in December 2023)	-	9,728
	56,865	48,316

Matters subsequent to the end of the financial half year

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the Group's operations, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 22.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Report) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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

Pat O'Sullivan
Chair

Brisbane
19 May 2025

	Notes	**Mar-25**	**Mar-24**
		($'000)	($'000)
Revenue - SaaS and continuing business		**285,693**	240,554
Revenue from contracts with customers	3	**285,693**	240,554
Other income	3	**5,595**	4,217
Variable costs		**(13,164)**	(11,204)
Variable customer SaaS costs		**(27,532)**	(22,597)
Total variable costs		**(40,696)**	(33,801)
Occupancy costs		**(1,639)**	(1,998)
Corporate costs		**(17,469)**	(16,920)
Depreciation and amortisation	4	**(38,863)**	(32,622)
Computer and communication costs		**(6,401)**	(5,241)
Marketing costs		**(4,909)**	(10,161)
Employee costs		**(91,096)**	(76,969)
Share-based payments		**(6,489)**	(4,574)
Finance expense		**(1,807)**	(956)
Total operating costs		**(168,673)**	(149,441)
Profit before income tax		**81,919**	61,529
Income tax expense		**(18,948)**	(13,526)
Profit for the period		**62,971**	48,003
		Cents	Cents
Basic earnings per share		19.26	14.75
Diluted earnings per share		19.08	14.66

The above Consolidated income statement should be read in accordance with the accompanying notes.

	Mar-25 ($'000)	Mar-24 ($'000)
Profit for the period (from previous page)	**62,971**	48,003
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	**745**	93
Other comprehensive income for the period, net of tax	**745**	**93**
Total comprehensive income for the period	**63,716**	**48,096**

The above Consolidated statement of comprehensive income should be read in accordance with the accompanying notes.

	Notes	Mar-25	Sep-24
ASSETS		**($'000)**	($'000)
Current assets			
Cash and cash equivalents		**68,540**	55,208
Financial assets		**143,332**	223,481
Prepayments		**22,616**	26,793
Trade and other receivables		**54,942**	67,546
Contract assets		**25,062**	20,818
Other current assets		**4,255**	1,457
Current tax assets		**10,202**	-
Contract acquisition costs	5	**12,335**	11,790
Total current assets		**341,284**	**407,093**
Non-current assets			
Property, plant and equipment		**14,283**	15,520
Right-of-use assets		**48,750**	51,645
Intangible assets	5	**106,370**	57,995
Capitalised development	5	**184,925**	173,035
Deferred tax assets		**19,146**	23,202
Contract assets		**3,041**	2,556
Contract acquisition costs	5	**26,048**	26,394
Total non-current assets		**402,563**	**350,347**
Total assets		**743,847**	**757,440**
LIABILITIES			
Current liabilities			
Trade and other payables		**33,284**	33,172
Provisions		**25,149**	23,694
Deferred revenue	6	**207,742**	246,335
Current tax liabilities		**-**	12,489
Lease liability		**7,295**	7,096
Total current liabilities		**273,470**	**322,786**
Non-current liabilities			
Provisions		**5,470**	2,779
Other non-current liabilities		**29**	42
Lease liability		**49,183**	52,571
Total non-current liabilities		**54,682**	**55,392**
Total liabilities		**328,152**	**378,178**
Net assets		**415,695**	**379,262**
EQUITY			
Contributed equity		**88,643**	77,321
Other reserves		**102,071**	118,099
Retained earnings		**224,981**	183,842
Total equity		**415,695**	**379,262**

The above Consolidated statement of financial position should be read in accordance with the accompanying notes.

	Contributed equity	Retained earnings	Dividend reserve	Forex reserve	Share option reserve	Total equity
	($'000)	($'000)	($'000)	($'000)	($'000)	($'000)
Balance as at 1 October 2024	**77,321**	**183,842**	**56,639**	**2,635**	**58,825**	**379,262**
Profit for the period	-	62,971	-	-	-	62,971
Exchange differences on translation of reserves	-	-	-	745	-	745
Total comprehensive income for the period	**-**	**62,971**	**-**	**745**	**-**	**63,716**
Dividends paid	-	-	(56,865)	-	-	(56,865)
Transfer to dividends reserve	-	(21,832)	21,832	-	-	-
Exercise of share options	11,322	-	-	-	-	11,322
Employee share-based compensation	-	-	-	-	1,166	1,166
Share based payments	-	-	-	-	5,323	5,323
Tax impact of share trust	-	-	-	-	11,771	11,771
	11,322	**(21,832)**	**(35,033)**	**-**	**18,260**	**(27,283)**
Balance at 31 March 2025	**88,643**	**224,981**	**21,606**	**3,380**	**77,085**	**415,695**
Balance as at 1 October 2023	**67,466**	**138,936**	**48,377**	**2,262**	**48,965**	**306,006**
Profit for the period	-	48,003	-	-	-	48,003
Exchange differences on translation of reserves	-	-	-	93	-	93
						-
Total comprehensive income for the period	**-**	**48,003**	**-**	**93**	**-**	**48,096**
Dividends paid	-	-	(48,316)	-	-	(48,316)
Transfer to dividends reserve	-	(16,483)	16,483	-	-	-
Exercise of share options	5,733	-	-	-	-	5,733
Employee share-based compensation	-	-	-	-	1,064	1,064
Share based payments	-	-	-	-	3,431	3,431
Tax impact of share trust	-	-	-	-	1,436	1,436
	5,733	**(16,483)**	**(31,833)**	**-**	**5,931**	**(36,652)**
Balance at 31 March 2024	**73,199**	**170,456**	**16,544**	**2,355**	**54,896**	**317,450**

The above Consolidated statement of changes in equity should be read in accordance with the accompanying notes.

	Notes	Mar-25	Mar-24
		($'000)	($'000)
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**274,035**	220,748
Payments to suppliers and employees (inclusive of GST)		**(182,027)**	(167,735)
Interest received		**5,444**	3,817
Net income taxes paid		**(24,767)**	(19,478)
Interest paid		**(1,807)**	(956)
Net cash inflow / (outflow) from operating activities		**70,878**	**36,396**
Cash flows from investing activities			
Payments for property, plant and equipment		**(972)**	(4,834)
Payments for development expenditures and intangibles		**(43,991)**	(36,009)
Payments for businesses acquisition net of cash acquired	8	**(43,748)**	-
Receipts / (payments) for investment in short-term deposits		**80,149**	(43,787)
Net cash inflow / (outflow) from investing activities		**(8,562)**	**(84,630)**
Cash flows from financing activities			
Proceeds from the exercise of share options		**11,322**	5,733
Principal repayments of lease liabilities		**(3,441)**	(4,235)
Dividends paid to shareholders		**(56,865)**	(48,316)
Net cash inflow / (outflow) from financing activities		**(48,984)**	**(46,818)**
Net increase / (decrease) in cash and cash equivalents		13,332	(95,052)
Cash and cash equivalents at the beginning of the period		55,208	198,265
Cash and cash equivalents at the end of the period		**68,540**	**103,213**

The above Consolidated statement of cash flows should be read in accordance with the accompanying notes.

1. Basis of preparation

(a) Corporate information

The financial report of Technology One Limited (the Group) for the half-year ended 31 March 2025 was authorised for issue in accordance with a resolution of directors on 19 May 2025.

Technology One Limited (the Group) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

(b) Basis of preparation

This condensed interim financial report for the half-year reporting period ended 31 March 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

This half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full-year financial report. It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2024 and considered together with any public announcements made by Technology One Limited during the half-year ended 31 March 2025 in accordance with the continuous disclosure obligations of the ASX listing rules and Corporations Act 2001.

Certain comparative amounts in the financial report have been reclassified to conform to the current half-year's presentation. These reclassifications were made to improve the clarity and consistency of presentation and did not affect the Group's previously reported profit, net assets or equity.

(c) New standards, interpretations and amendments

The accounting policies adopted are consistent with those followed in the preparation of the previous annual financial report and the corresponding interim financial period, except for the adoption of new standards effective as of 1 October 2025, unless otherwise stated.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Any new standards, interpretations and amendments that are effective as of 1 October 2025 do not have a material impact on the condensed interim financial report of the Group.

2. Segment information

The Group's chief operating decision maker, the Chief Executive Officer, makes financial decisions and allocates resources based on the information received from the Group's internal management system. Sales are attributed to an operating segment based on the type of product or service provided to the customer.

Segment information is prepared in conformity with the accounting policies of the Group as discussed in note 1 in the annual report ending 30 September 2024 and Accounting Standard AASB 8 Operating Segments.

The Group's reportable segments are:

- Software – incorporates Sales and Marketing, Product and SaaS Platform.
- Consulting – responsible for services in relation to our software.
- Corporate – includes all corporate functions.

Intersegment revenues/expenses are where one operating segment has been charged for using another's expertise.

Royalties are a mechanism whereby each segment pays or receives funding for its contribution to TechnologyOne's ongoing success. For example, Software pays Corporate for the use of corporate services. There is an inter-segment royalty charged by Consulting to the Software segment for recurring revenue related to Consulting costs.

The chief operating decision maker views each segment's performance based on revenue post royalties and profit before tax. No reporting or reviews are made of segment assets, liabilities, and cash flows and as such this is not measured or reported by segment.

Period ended 31 March 2025	**Software ($'000)**	**Consulting ($'000)**	**Corporate ($'000)**	**Total ($'000)**
Revenue from contracts with customers				
SaaS fees[1]	239,005	-	-	**239,005**
Annual licence fees[1]	4,077	-	-	**4,077**
Consulting services[1]	-	42,611	-	**42,611**
Intersegment revenue	(283)	349	(66)	**-**
Intersegment royalty	(49,660)	3,551	46,109	**-**
Total revenue from contracts with customers	**193,139**	**46,511**	**46,043**	**285,693**
Other income	**371**	**-**	**5,224**	**5,595**
Expenses				
Employee and share-based payments costs	(41,618)	(34,162)	(21,805)	**(97,585)**
Depreciation and amortisation	(36,445)	(494)	(1,924)	**(38,863)**
Variable costs	(33,385)	(2,223)	(5,088)	**(40,696)**
Corporate and other costs	(8,570)	(3,746)	(15,000)	**(27,316)**
Marketing costs	(4,899)	-	(10)	**(4,909)**
Total external expenses	**(124,917)**	**(40,625)**	**(43,827)**	**(209,369)**
Profit before tax	**68,593**	**5,886**	**7,440**	**81,919**
Income tax expense				**(18,948)**
Profit for the half-year				**62,971**

[1]*Recognised over time / as services are rendered*

2. Segment information (continued)

Period ended 31 March 2024	Software ($'000)	Consulting ($'000)	Corporate ($'000)	Total ($'000)
Revenue from contracts with customers				
SaaS fees[1]	193,940	-	-	**193,940**
Annual licence fees[1]	10,364	-	-	**10,364**
Consulting services[1]	-	36,250	-	**36,250**
Intersegment revenue	(222)	283	(61)	**-**
Intersegment royalty	(41,851)	(722)	42,573	**-**
Total revenue from contracts with customers	**162,231**	**35,811**	**42,512**	**240,554**
Other income	**421**	**-**	**3,796**	**4,217**
Expenses				
Employee and share-based payments costs	(40,510)	(24,986)	(16,047)	**(81,543)**
Depreciation and amortisation	(30,891)	(317)	(1,414)	**(32,622)**
Variable costs	(28,000)	(1,708)	(4,093)	**(33,801)**
Corporate and other costs	(6,235)	(2,697)	(16,183)	**(25,115)**
Marketing costs	(10,041)	(24)	(96)	**(10,161)**
Total external expenses	**(115,677)**	**(29,732)**	**(37,833)**	**(183,242)**
Profit before tax	**46,975**	**6,079**	**8,475**	**61,529**
Income tax expense				**(13,526)**
Profit for the half-year				**48,003**

[1]*Recognised over time / as services are rendered*

3. Revenue

	Mar-25 ($'000)	Mar-24 ($'000)
Revenue from contracts with customers		
SaaS fees[1]	**239,005**	193,940
Annual licence fees[1]	**4,077**	10,364
Consulting services[1]	**42,611**	36,250
Total revenue from contracts with customers	**285,693**	**240,554**

Other income	Mar-25 ($'000)	Mar-24 ($'000)
Foreign exchange gains / (losses)	**(14)**	(23)
Interest earned	**5,234**	3,817
Other	**375**	423
Total other income	**5,595**	**4,217**
Total	**291,288**	**244,771**

[1] *Recognised over time / as services are rendered*

4. Expenses

	Mar-25 ($'000)	Mar-24 ($'000)
Depreciation of plant and equipment	**(2,312)**	(1,944)
Amortisation of right-of-use assets	**(3,149)**	(3,090)
Amortisation of contract acquisition	**(6,526)**	(4,753)
Amortisation of capitalised development	**(25,265)**	(21,447)
Amortisation of other intangibles	**(1,611)**	(1,388)
Depreciation and amortisation	**(38,863)**	**(32,622)**

5. Intangible assets

	Goodwill	Intellectual property / Source code	Customer contracts	Contract acquisition costs	Software under development	Software - in use	Total
	($'000)	($'000)	($'000)	($'000)	($'000)	($'000)	($'000)
Period ended 31 March 2025							
Opening net book amount as at 1 October 2024	48,212	5,719	4,064	38,184	19,744	153,291	269,214
Additions[1]	34,640	13,040	1,050	6,346	37,115	-	92,191
Transfers to software - in use	-	-	-	-	-	-	-
Amortisation charge	-	(829)	(782)	(6,526)	-	(25,265)	(33,402)
Exchange difference	1,033	(2)	225	379	-	40	1,675
Closing net book amount	**83,885**	**17,928**	**4,557**	**38,383**	**56,859**	**128,066**	**329,678**
At 31 March 2025							
Cost	90,638	29,192	8,981	79,478	56,859	281,197	546,345
Accumulated amortisation	-	(7,671)	(4,424)	(41,095)	-	(148,109)	(201,299)
Accumulated derecognition	(6,753)	(3,593)	-	-	-	(5,022)	(15,368)
Net book amount	**83,885**	**17,928**	**4,557**	**38,383**	**56,859**	**128,066**	**329,678**
Period ended 31 March 2024							
Opening net book amount as at 1 October 2023	47,951	6,123	5,436	32,803	43,127	105,491	240,931
Additions	-	59	-	5,388	30,562	-	36,009
Transfers to software - in use	-	-	-	-	(33,094)	33,094	-
Amortisation charge	-	(421)	(603)	(5,118)	-	(21,446)	(27,588)
Exchange difference	307	(4)	93	36	-	19	451
Closing net book amount	**48,258**	**5,757**	**4,926**	**33,109**	**40,595**	**117,158**	**249,803**
At 31 March 2024							
Cost	55,011	16,004	7,719	61,771	40,595	221,151	402,251
Accumulated amortisation	-	(6,654)	(2,793)	(28,662)	-	(98,971)	(137,080)
Accumulated derecognition	(6,753)	(3,593)	-	-	-	(5,022)	(15,368)
Net book amount	**48,258**	**5,757**	**4,926**	**33,109**	**40,595**	**117,158**	**249,803**

[1] *Intellectual property addition of $12m from the CourseLoop acquisition has a useful life of 12 years.*

6. Deferred revenue

	Mar-25 ($'000)	**Sep-24 ($'000)**	**Mar-24 ($'000)**
Carrying Amount at beginning of period	246,335	214,495	214,495
Carrying amount at end of period	**207,742**	**246,335**	**171,939**
Revenue recognised from the opening balance during the period	171,791	211,839	147,572

Deferred revenue represents payments received or receivable in advance from customers for SaaS Fees and Annual Licence Fees which will be recognised as revenue in future periods, generally over the next 12 months. These amounts are a contract liability under AASB15 Revenue from contracts from customers.

7. Fair value

Contingent consideration

A provision for contingent consideration has been recognised from the acquisition of CourseLoop (Note 8 – holdback for warranties and indemnities) in the Consolidated Statement of Financial Position as a Provision and is classified as a Level 3 liability, given that it cannot be fair valued using observable market inputs. A release of the contingent consideration that does not represent a payment is recognised within the other income line of the consolidated income statement.

The initial fair value of the contingent consideration determined at the acquisition date was $2.7m and fair value changes were recognised in profit or loss during the half-year. A reconciliation of the fair value of the contingent consideration liability is provided below:

	Mar-25 ($'000)
Initial fair value of the contingent consideration at acquisition date	2,706
Unrealised fair value changes recognised in profit or loss during the half-year	82
Contingent consideration	**2,788**

Other assets and liabilities

Due to their short-term nature, the carrying value of current trade and other receivables and trade payables are assumed to approximate their fair value.

8. Business combinations

On 1st November 2024, TechnologyOne acquired 100% of the shares in CourseLoop Pty Ltd and the underlying assets and liabilities of CourseLoop's business. CourseLoop is a cloud-based Curriculum Management software provider, whose customers are predominantly universities in Australia and the United Kingdom.

The Courseloop acquisition forms part of the Group's strategic focus to deliver deeper software functionality for the Higher Education industry and will support the Group's competitive position in the UK and increase the product set in the Australian Higher Education market.

Purchase consideration

The fair value of consideration related to the acquisition is $47.2m, represented by:

- $44.5m upfront in cash consideration. This component had a fair value of $44.5m.
- $3.0m contingent consideration as holdback for warranties and indemnities, released 18 months after the Completion Date. This payout is conditional on there being no warranty or indemnity claims against CourseLoop related to the transaction, and any claims made by TechnologyOne would reduce the payment. This component had a fair value of $2.7m.

8. Business combinations (continued)

Compensation components not classified as purchase consideration

Two additional material compensation components have been awarded to employees in connection with future deliverables. These are not considered part of the purchase consideration under AASB 3 *Business Combinations*.

- A $5.0m contingent earn-out payment that is linked to the delivery of product roadmap items, including integration with TechnologyOne's product suite and code line. The earn-out will be accounted for over a 2-year period and is payable as follows:
  - $2.5m released 12 months after the Completion Date, contingent on the delivery of the 2025 Deliverables, and
  - $2.5m released 24 months after the Completion Date, contingent on the delivery of the 2026 Deliverables.
- A $7.5m award of options in Technology One shares under the LTIP plan for selected key staff - tied to compounding ARR growth targets over 3 years. These options had a fair value of $7.3m.

Current period impact of the acquisition

Acquisition costs of $0.3m have been incurred during the half-year ended 31 March 2025. A total of $0.8m was incurred during the prior year ended 30 September 2024.

The inclusion of the Courseloop Group in the Consolidated Statement of Comprehensive Income at 31 March 2025 resulted in a $0.6m increase in the continued operations profit before tax ($1.4m reduction in profit before tax inclusive of acquisition accounting impacts) for the Technology One Group.

From the date of acquisition, Courseloop Group has contributed $4.7m of revenue. If the acquisition had taken place at the beginning of the period, revenue from continuing operations would have been $0.9m higher and the profit from continuing operations for the period would have been $0.1m higher.

Assets and liabilities assumed

The fair values of the identifiable assets and liabilities assumed as of 31 March 2025 are provisional in accordance with AASB 3 *Business Combinations*.

	01-Nov-25 ($'000)
Purchase consideration	
Cash paid	44,500
Contingent consideration at FV on acquisition date	2,706
Total purchase consideration	**47,206**
Assets acquired	
Cash and cash equivalents	752
Accounts receivable	1,034
Prepayments	953
Security bond	8
Other current assets	354
R&D claim receivable	1,400
Intellectual property	12,000
Brand	410
Customer contracts and relationships	1,050
Deferred tax asset	1,762
Total assets	**19,723**

8. Business combinations (continued)

Assets and liabilities assumed (continued)

Liabilities assumed	
Accounts payable	(1,065)
Provisions (current)	(593)
Deferred revenue	(4,849)
Provisions (non-current)	(100)
Deferred tax liability	(550)
Total liabilities	**(7,157)**
Goodwill arising on acquisition	**34,640**

9. Critical accounting estimates

The Group has considered whether there are any additional critical accounting estimates to be disclosed within this interim set of Financial Statements that were not required at 30 September 2024.

As part of the accounting for the acquisition of Courseloop during the half-year, the Group has recognised identifiable assets and liabilities based on their estimated fair values at the acquisition date (Note 8), in accordance with AASB 3 *Business Combinations*. The determination of fair values requires the use of valuation techniques and management judgement.

Valuation of intangible assets

The fair value of intangible assets acquired was estimated using a discounted cash flow (DCF) valuation model method. This valuation involves significant estimates, including future cash flows, customer attrition rates, discount rates, growth rates, and royalty rates. These inputs are based on observable market data where possible, but in certain cases, management judgement is required to develop estimates that reflect the economic benefits of the assets.

Contingent consideration

Contingent consideration, resulting from the acquisition of Courseloop, is measured at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is remeasured to fair value at each reporting date with changes recognised in profit or loss. The determination of the fair value is based on management's estimate of the amount expected to be paid under the holdback, discounted back to the completion date using the estimated cost of debt.

10. Events occurring after the reporting period

On 19 May 2025, the directors of Technology One Limited determined to pay an interim dividend on ordinary shares of 6.60 cents per share in respect of the first half of the 2025 financial year. The total dividend amount is $21.6m and is 65% franked.

No other matters or circumstances have arisen since the half-year end that have 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.

In accordance with a resolution of the directors of Technology One Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes set out on pages 8 to 20 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 March 2025 and of its performance for the half-year ended on that date.

(ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; 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.

On behalf of the Board

Pat O’Sullivan
Chair

Brisbane
19 May 2025

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Technology One Limited

As lead auditor for the review of the half-year financial report of Technology One Limited for the half-year ended 31 March 2025, 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 Technology One Limited and the entities it controlled during the financial period.

Ernst + Young

Ernst & Young

John Robinson
Partner
19 May 2025

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's review report to the members of Technology One Limited

Conclusion

We have reviewed the accompanying half-year financial report of Technology One Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 March 2025, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes 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 half-year 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 March 2025 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 half-year 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 half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year 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 half-year financial report

Our responsibility is to express a conclusion on the half-year 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 half-year 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 March 2025 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*.

A review of a half-year 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

Ernst & Young

John Robinson
Partner
Sydney
19 May 2025