



1

Disclosure Statement

TechnologyOne Ltd Annual General Meeting – 23 February 2022

Technology One Ltd (ASX: TNE) today conducted its Annual General Meeting at the Brisbane Convention & Exhibition Centre. 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.

This presentation includes the following measures used by the Directors and management in assessing the on-going performance and position of TechnologyOne: Profit before tax – Underlying, EBITDAR, EBITDA, EBIT, ARR, Churn, Cash Flow Generation. These measures are non-IFRS under Regulatory Guide 230 (Disclosing non-IFRS financial information) published by the Australian Securities and Investment Commission and have not been audited or reviewed.

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

2

Agenda

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



3

Record Profit NPBT of \$97.8m, up 19%



Guidance provided was Net Profit Before Tax of \$94.3m to \$98.6m

4

**SaaS continues
to drive our growth
\$192.3m up, 43%**

**Outlook for
FY22 is strong**



Discussed later in more detail

5

FY21 – Very Strong Result

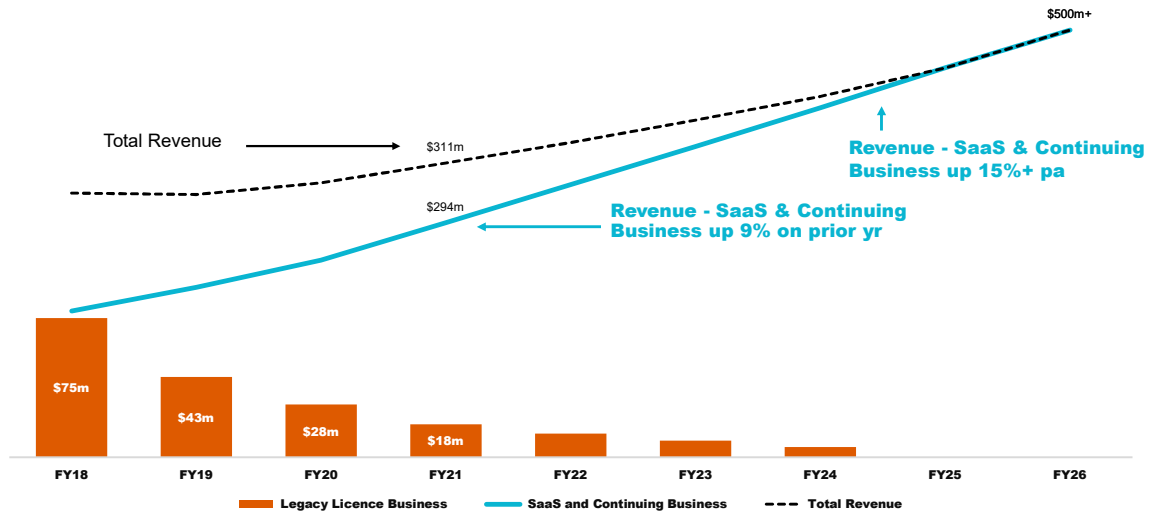
Continue to unwind our traditional Legacy Licences

**Legacy Licences¹ of \$16.8m, down 38% (\$10.8m) as planned
\$11m immediate P&L reduction in FY21**

Legacy Licence also referred to as Initial Licence, Perpetual Licence or On Premise Licence. \$16.8m in FY21 was ~\$75m at its peak a few years back

6

Our future state business expected to grow at 15%+ pa



7

Compelling value proposition of TechnologyOne Global SaaS ERP



One global code line



Massive economies of scale



2 releases each year providing new functionality



8 active data centres



Defence-in-depth security



Always on the latest release



Always on the latest technology



Fast migration for existing on-premise customers



Customers save 30%+ on their total cost



Take-on additional products quickly



" TRC's seamless move to SaaS allowed it to harness more advanced software features including automation and self-service. That means we can eliminate a lot of manual processes that take up so much time. It's an efficiency gain for the community: we can deliver services faster. "

Tablelands Regional Council

Making life simple for our customers

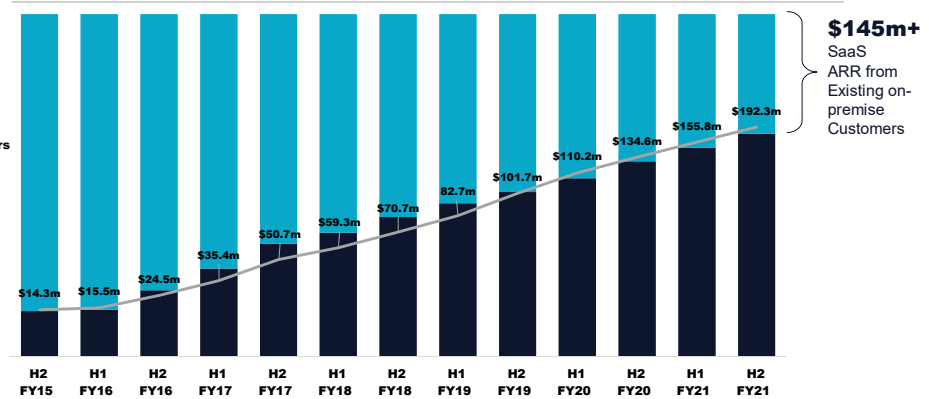
8

\$145m ARR Runway moving on-premise to SaaS by FY26

We expect
90%+
of on-premise
to move to
SaaS by FY26

■ % of on-premise customers
■ % of SaaS customers
— SaaS ARR

SaaS ARR vs on-premise



9

Quality of SaaS Revenue is very high

Recurring contractual nature, combined with our very low churn rate of ~1%

Today, 90% of Revenue is recurring

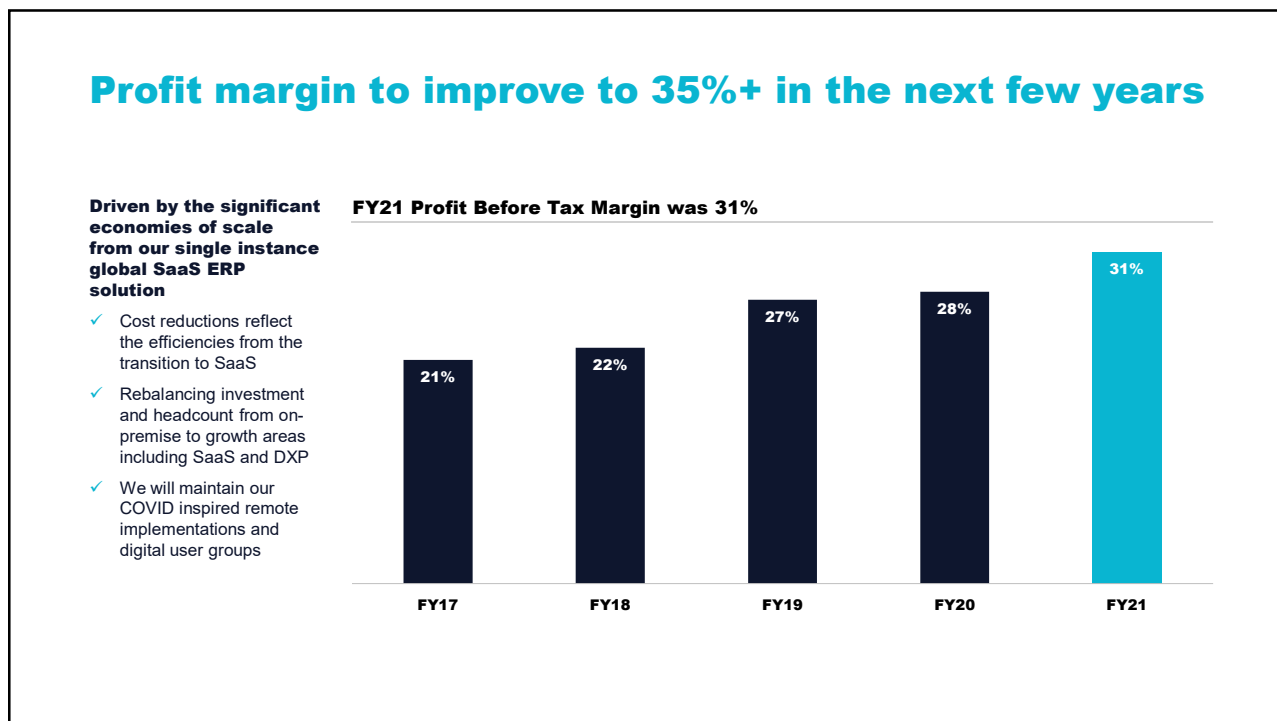
Target is 95% of Revenue recurring by FY27

Based on FY21 opening ARR (\$221.9m) as percentage of total revenue excluding Consulting Revenue, which follows from business wins (\$312m - \$64.5m = \$247.5m).
Recurring subscription revenue includes SaaS Fees and Annual Licence Fees

10



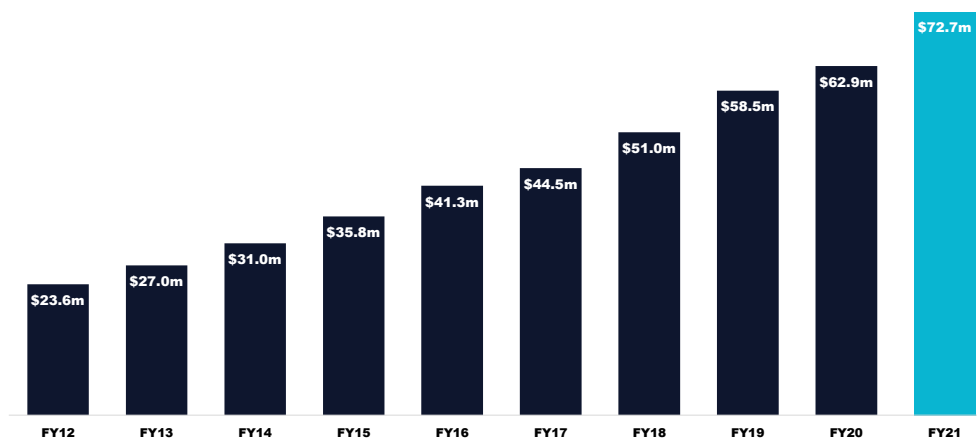
11



12

We expect to double in size every 5 years

FY21 NPAT was \$72.7m Up 15% on FY20 NPAT



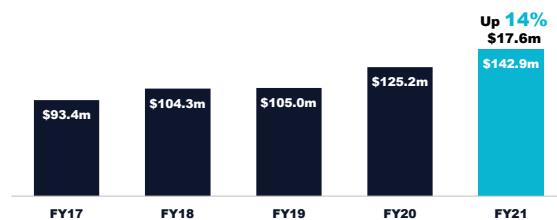
13

Balance Sheet Strong

Cash & Equivalents \$142.9m, up 14%

- After initial payment for Scientia acquisition of \$11.6m
- Net Cash: 44.4 cps vs 39.2 cps, up 14%
- Net Assets: \$190.2m vs \$142.2m, up \$48.1m, up 34%
- We have no debt

Cash and Equivalents \$142.9m



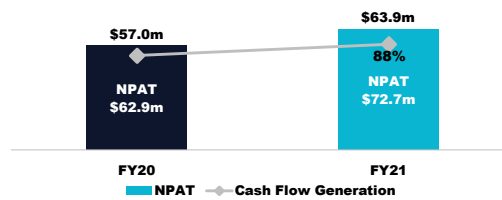
14

Cash Flow

Cash Flow Generation of \$63.9m, up \$6.9m, up 12%

- ✓ 88% of NPAT of \$72.7m v Expectation set of 80% of NPAT
- ✓ Strong and disciplined cash collection
- **Note: Cash Flow Generation at H1 FY21 was -\$3m**

NPAT versus Cashflow Generation



15

Significant investment for future growth

R&D investment of

\$77.0m¹

24%
of Revenue

UP **13%**

Current

- \$500m+ invested in R&D over the last 10 years to maintain our leadership in innovation
- We provide 2 releases per year
- Delivered 2021B to the market, with 308 product enhancements across our enterprise suite
- Under development is 2022A release for early 2022
- We continue to extend our SaaS platform
- Delivering on Artificial Intelligence and machine learning
- Delivering our new generation DXP *Digital Experience Apps*

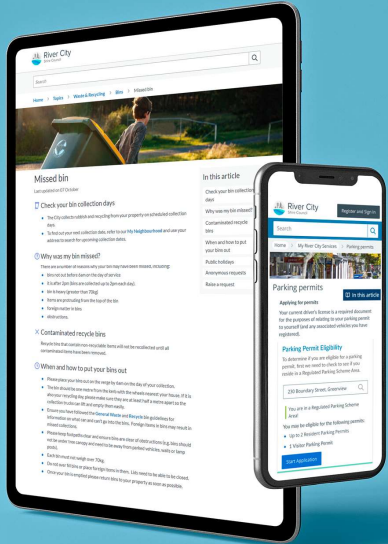
Future




R&D growth will revert to 8% over the next few years

¹R&D expenditure before capitalisation

16






DXP 2.0

Excellent feedback

- LG DXP – First customer live on phase one
- Student DXP – In research stage



"My feedback is nothing but great!
 I see that there have been some
 thought that's gone into make our
 work easier for both ourselves and
 our customers. Super excited.
 Can't wait"
 City of Canning


17

United Kingdom

Significant investment for future growth


Completing "customer first/remediation" phase, and focus is now on growth

FY21 Achievements




UK profit of \$1.6m v profit of \$0.1m pcp, an improvement of 100%+

Consulting profit of \$1.0m vs \$50k pcp loss - 100%+ improvement




ARR of \$9m up 21%



Closed 8 new logos


7 Local Government and 1 Higher Education



Closed 2 Unitary Councils


Which pushes up into the next tier of larger Councils

Outlook




Pipeline is strong for FY22

Many new logos and increasing ARR




UK STM & HRP Regionalisation

on track for FY22 completion



Appointed new Executive Vice President for UK

with proven track record and a focus on growth



Acquired Scientia

Provides additional brand recognition, customers and scale in the UK

We see significant upside in the UK in the coming years

Total addressable market in the UK is 3 x APAC

18

9

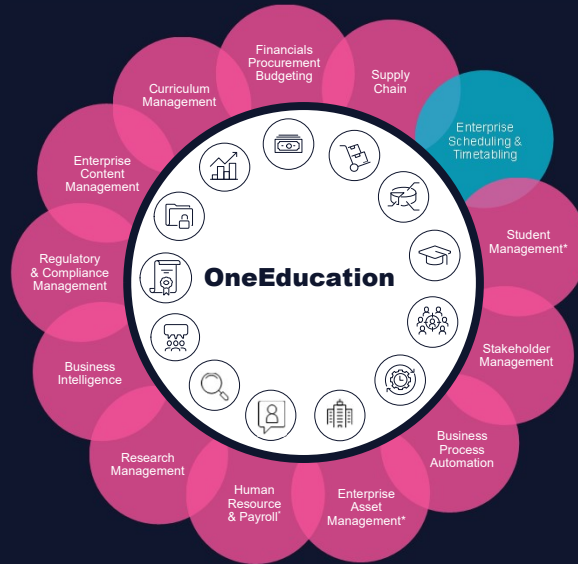
Scientia Expands Enterprise Solution for OneEducation



"The one thing that students care most about is their timetable. Being able to fully integrate a schedule into the full student experience is very important, and an exciting step for those universities that use TechnologyOne's student management system."

Swinburne University

- ✓ A mission critical sticky product
- ✓ Provides deeper functionality in our Higher Education vertical market
- ✓ Higher Education is a key global vertical market
- ✓ In a key growth region - UK
- ✓ Demonstrates our deep commitment to both Higher Education and the UK



19

People and Culture

Recognized as Employer of Choice

Award winning programs

one.
TALKS

technologyone
Buddy

technologyone
GRADS
Your Future Starts Here.

technologyone
HACKDAY
Ideas. Create. Celebrate.

CKO.

technologyone
eNPS
Shape our future

technologyone
MARVEL
Celebrating the extraordinary.

technologyone
O WEEK
Get Involved. Get Inspired.

Town
Halls

Regional
Days

Strong culture of creativity and innovation

20

technologyone | foundation

unite | donate | participate

"TechnologyOne has more than exceeded my expectations through the Foundation and 1% Pledge focused on youth.

Now as an employed graduate with TechnologyOne I am still able to not only continue my own avenue of volunteering with the youth through the 1% of paid time they allow for such, but also proudly work for a company that is also strongly committed to giving back to at-risk and underprivileged youth by donating 1% of their annual profit and 1% of product license fee revenue to the Foundation Charities all around the world."

TechnologyOne graduate

500,000 children and their families out of poverty

21

technologyone | Foundation

unite | donate | participate

THE BIG ISSUE

The Smith Family

World Vision

ykip

PLAN INTERNATIONAL

22

FY21 Summary

✓ Record profit and revenue, record SaaS ARR

✓ Revenue for our SaaS and continuing business of \$293.6m, up 9%

✓ UK profit \$1.6m, up 100%+

✓ Cash Flow Generation \$63.9m, up 12%

✓ SaaS ARR of \$192.3m, up 43%

✓ Profit Before Tax of \$97.8m, up 19%

✓ Consulting profit of \$15.6m, up 14%

✓ Total ARR of \$257.5m, up 16%

✓ Profit before tax margin of 31%, up from 28%

✓ Cash and Cash Equivalents of \$142.9m, up 14%

We will double in size every 5 years

We are on track to hit \$500m+ ARR by FY26

23

Agenda

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

24

Outlook for 2022 Year

Strong Profit growth to continue in 2022

- The markets we serve are resilient. TechnologyOne provides mission critical software with deep functionality for the markets we serve
- Our Global SaaS ERP allows our customers to innovate and meet the challenges ahead with greater agility and speed, without having to worry about underlying technologies, making life simple for them
- SaaS is creating significant opportunities for us. The pipeline for 2022 is strong
- We expect to see strong continuing growth in SaaS ARR and profit
- We will provide further guidance with our first half results

**Double in
size every
5 years**

We are on track for \$500m+ ARR by FY26

25

Agenda

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



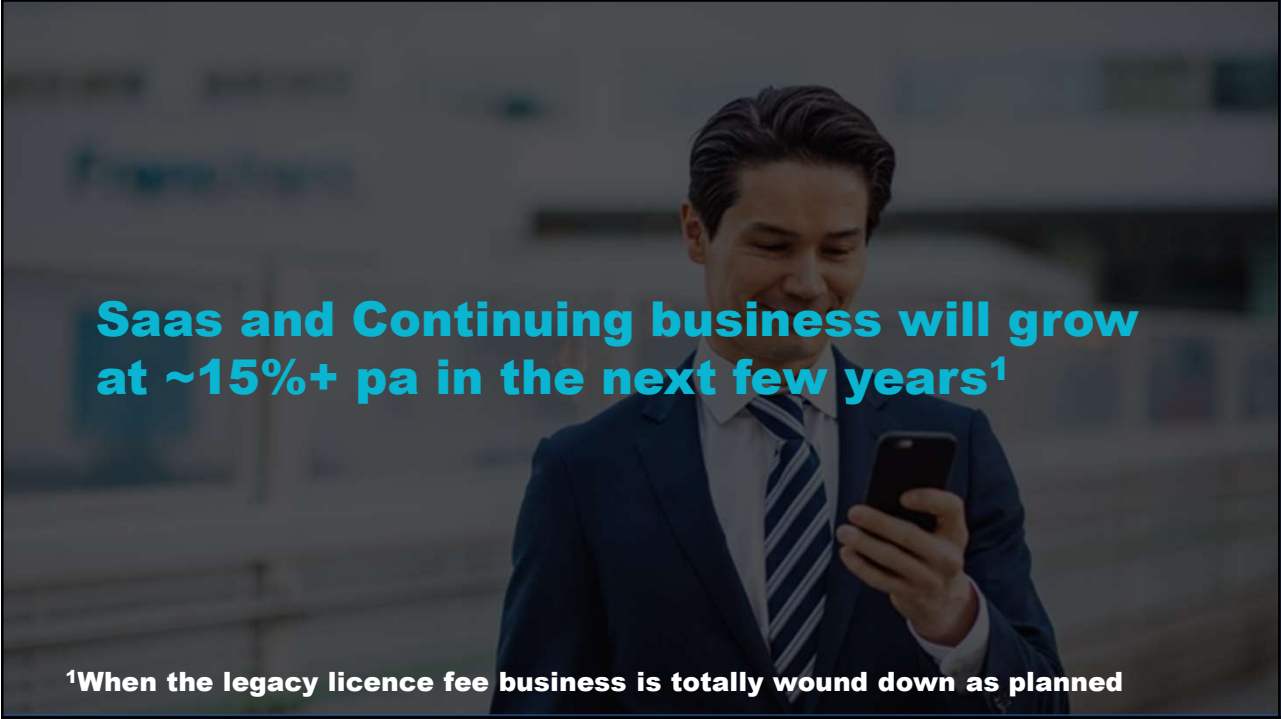
26



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

- SaaS continues to grow strongly
- 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

27



SaaS and Continuing business will grow at ~15%+ pa in the next few years¹

¹When the legacy licence fee business is totally wound down as planned

28

Our People



29

technology**one**
transforming business, making life simple

30