

4 July 2019

CLASS LIMITED (CL1) - QUARTERLY UPDATE

Welcome shareholders to the update for the quarter ended 30 June 2019.

From the CEO

Commencing as CEO in May I have found both a general level of excitement at the opportunities present in the market and an energised and talented team who are all focussed on driving the success of Class.

Undoubtedly, the June quarter growth levels have remained under pressure. Now, with a clearer picture on franking credits policy and a renewed focus on product, marketing and sales, we have a platform on which to build momentum for growth.

Earlier this week we announced that we have signed wealth accounting group Findex to provide a trust accounting solution for their family office clients. As part of this agreement, Class will develop a range of features that will fully automate and simplify complex trust accounting requirements and deliver unprecedented efficiencies for Findex. These new trust accounting features will deliver these same benefits to other Australian accounting firms managing these complex investment entities.

It is pleasing to see that we continue to sign integration partners. As our integration capabilities increase, combined with product focus, we are moving towards having a suite of Class products and services.

We will deliver on these and other exciting opportunities by bringing executive talent in to the business in the areas of technology, product, marketing and sales, and we have made a number of senior appointments:

Dan Coutts has been appointed Chief Technology Officer. Formerly Chief Technology Officer with Visual Risk in Sydney, Dan is a senior IT executive with international multi-team leadership skills in business application development, infrastructure, cloud delivery and digital transformation. Dan is a master at overcoming barriers to promote growth, efficiency and quality.

Jason Wilson has been appointed Chief Product and Marketing Officer. Jason was previously the General Manager Digital and most recently, Customer Remediation at the Commonwealth Bank of Australia (CBA). An accomplished leader of digital teams and start-ups centred on solving customer problems through great user experiences, Jason has a proven track record across a range of industries including retail banking, wealth management, online broking and ecommerce.

James Delmar has been appointed Chief Sales Officer. Previously with Salesforce, James has 16 years' experience in IT and telecommunications. He has worked in engineering, management and sales and held positions giving him a unique perspective on the business and tech value propositions shaping today's businesses in the fourth industrial revolution.

Dan has been with us in an acting capacity for some time and Jason and James will join the business in late July.

We now have a full Executive Leadership Team who are tasked with delivery. Our first milestone will be formulating a vision and strategy which we look forward to communicating to the market during the results presentation in August.

Key June Quarter Highlights

Investment Trends Awards

Accountants have again rated Class Super #1 for Highest Overall Client Satisfaction for the 5th year in a row and #1 Value for Money for the 3rd year in a row¹.

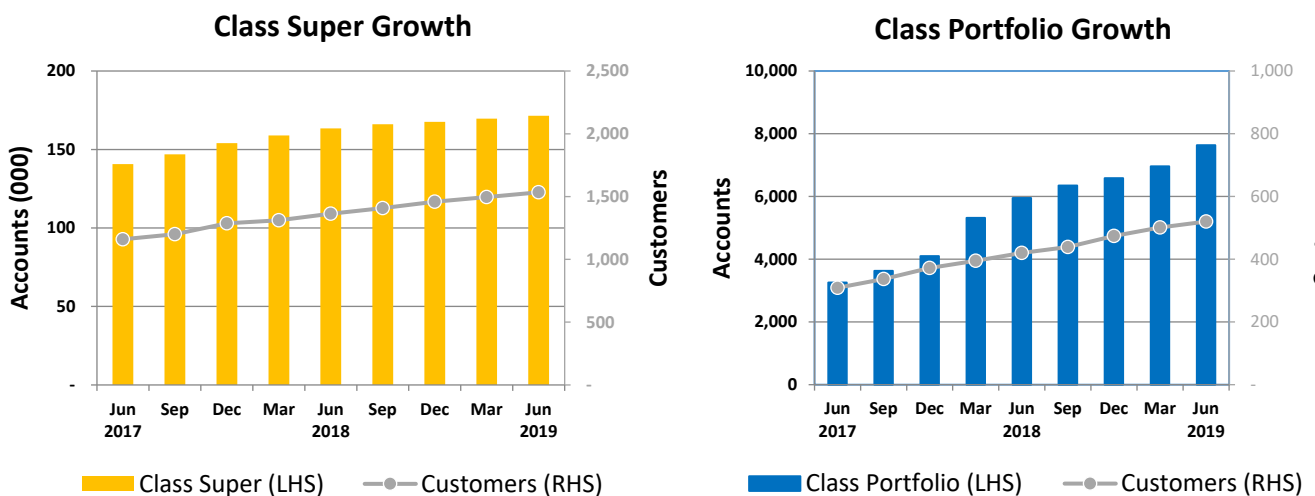
¹ Source: Investment Trends 2019 SMSF Accountant Report, based on a survey of 644 accountants in public practice.

What these awards highlight is that our customers consistently rate Class Super as the best solution in the market. This continues to drive our strong retention rate and recurring revenue.

Account Growth

The result this quarter:

- Total accounts increased by **2,461** to **179,082**
- Total Class customers increased by **39** to **1,545**
- Class Super grew by **1,787** accounts (net of ~300 AMP suspensions) to **171,447**
- Class Portfolio grew to **7,635** accounts (2nd largest recorded growth) and **33%** of Class Super customers now use Class Portfolio



Philo Update

In early March, Class announced an investment in Philo Capital Advisers (Philo), a leader in the provision of services to the rapidly growing managed discretionary account (MDA) sector.

We invested in Philo based on our belief that there will be strong growth in the MDA sector as well as this transaction resulting in a change in our earnings profile. Philo continues to perform well and we are pleased with their progress to date.

We're excited by this investment as it supports our strategy to be a leading technology provider as well as providing an opportunity to participate in the value chain.

Annual Report & AGM

Class expect to release our FY19 Annual Report on 20 August 2019. Details of the results teleconference will be released shortly.

Thank you for your continued support.



Andrew Russell, Managing Director & CEO
Class Limited

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