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CLASS

FY21 Results Presentation

17th August 2021

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



Agenda

- ✓ Company Overview & Results Headlines
- FY21 Financial Highlights
- Strategy & Outlook
- Results Takeaways
- Q & A
- Appendix

Results FY21
(ASX:CL1)

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The Class value proposition is to simplify complexity, automate for efficiency and increase connection for our customers



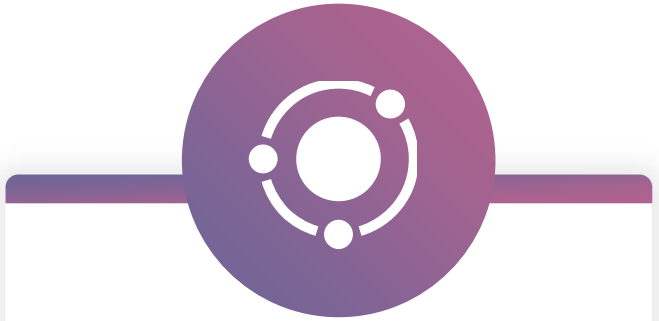
Simplify

Removing complexity and manual back-office processes



Automate

Automation that delivers efficiency at scale



Connect

Trusted technology partner for accountants, administrators and advisers

Our Vision

We will reimagine a simpler more automated world for our customers, and they'll love it.

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Our software delivers efficiency through back-office workflow automation across accounting, compliance and wealth

AccountTech

- SMSF Administration
- Trust Administration
- Portfolio Administration

DocTech

- Corporate Compliance
- Document Suite
- SMSF Compliance
- Trust Compliance

WealthTech

- Portfolio Reporting
- Portfolio Administration

Partner Integrations

- APIs
- Data services

Financial Data Aggregation and Connectivity

Banks / Investment Platforms
Brokers / Asset Managers

ATO / ASIC
Exchanges

Award-winning technology









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We continued to successfully execute to plan in Year 2 of our Reimagination Strategy

Revenue

Operating Revenue[2]

$54.9m

▲ Up 25%
Guidance 22%

Roll Forward Revenue[1]

$59.8m

▲ Up 21.5%

Investment & Cashflow

Product and Tech Investment

$16.9m

Guidance $18.1m

Free Cashflow[3]

$10.6m

19% of Operating Revenue

Profitability & Margin

Underlying EBITDA[2]

$21.9m

▲ Up 15%

Underlying EBITDA Margin[2]

40%

Guidance 40%

Customer

Class Retention[4]

99.1%

Maintained

Customer Base

6,387

▲ Up 123%

[1] Total roll forward revenue comprises $50.7m of subscription ARR and $9.1 of PAYG revenue based on Last Twelve Months (LTM) actual figures. Refer to slide 9&19
[2] Refer to slide 24
[3] Refer to slide 26
[4] Rate calculation methodology set out on slide 32. Current rate excludes AMP who had ~1,300 funds on Class as at 30 Jun 2021; if AMP's ~1,800 suspensions over the last 12 months were included retention rate would be ~98.2%

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We accelerated our growth, enhanced our capability and improved the scale of offerings to our customers

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Maintaining SMSF product leadership and launching Class Trust

- Growth in Class products
- Successful launch of Class Trust, ahead of schedule
- Multi industry awards in FY21, 'SMSF Software provider of the Year' – SMSF Adviser & Digital Technology Awards

Accelerating Growth through strategically aligned acquisitions

- Acquisition of Smartcorp, Reckon Docs and most recently, Topdocs
- FY21 acquisitions successfully integrated and organically outperforming

Growing the number of Wealth Accounting customer relationships

- Redesign of our customer engagement and sales strategy
- Segmentation / sell through strategy to drive increased product penetration and increased Customer Lifetime Value (LTV)

Rejuvenating the Technology Stack for Next Generation, World Class capabilities

- Fully ISO /27001 compliant
- ASAE3402 – security and audit review of data feeds and tax statements
- Material progress in tech and product capability transformation

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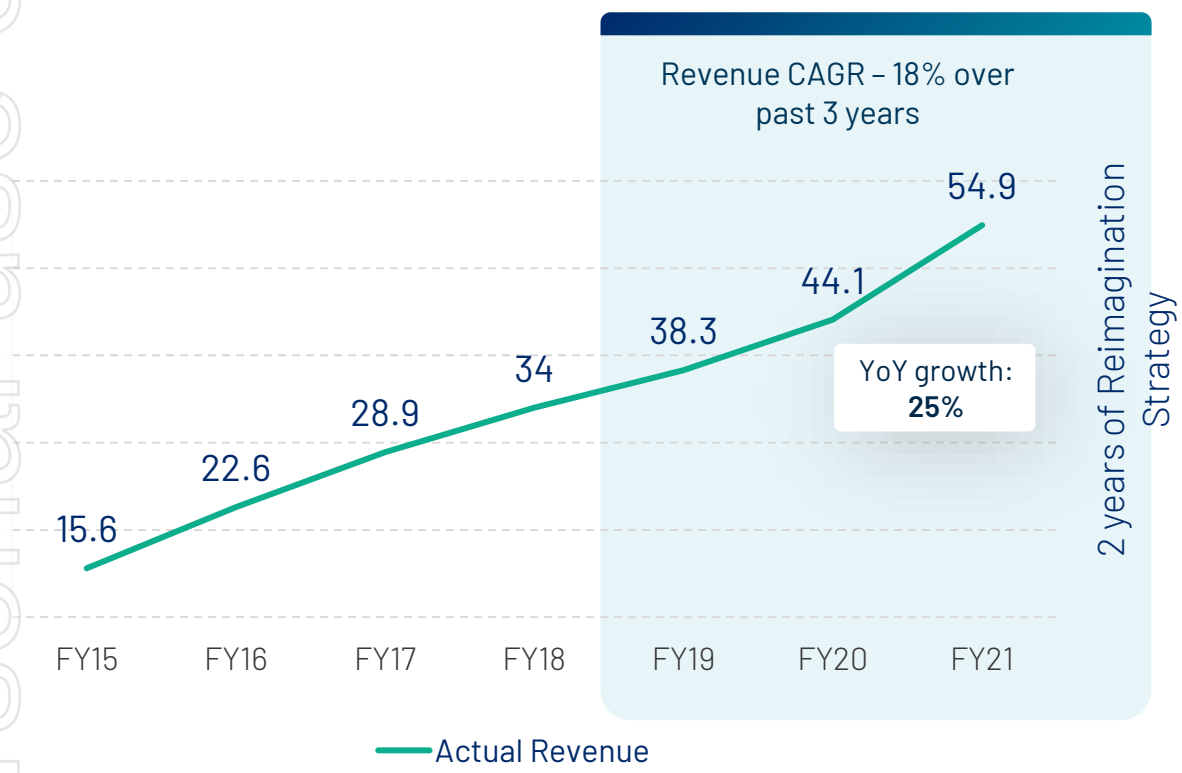
Results FY21
(ASX:CL1)

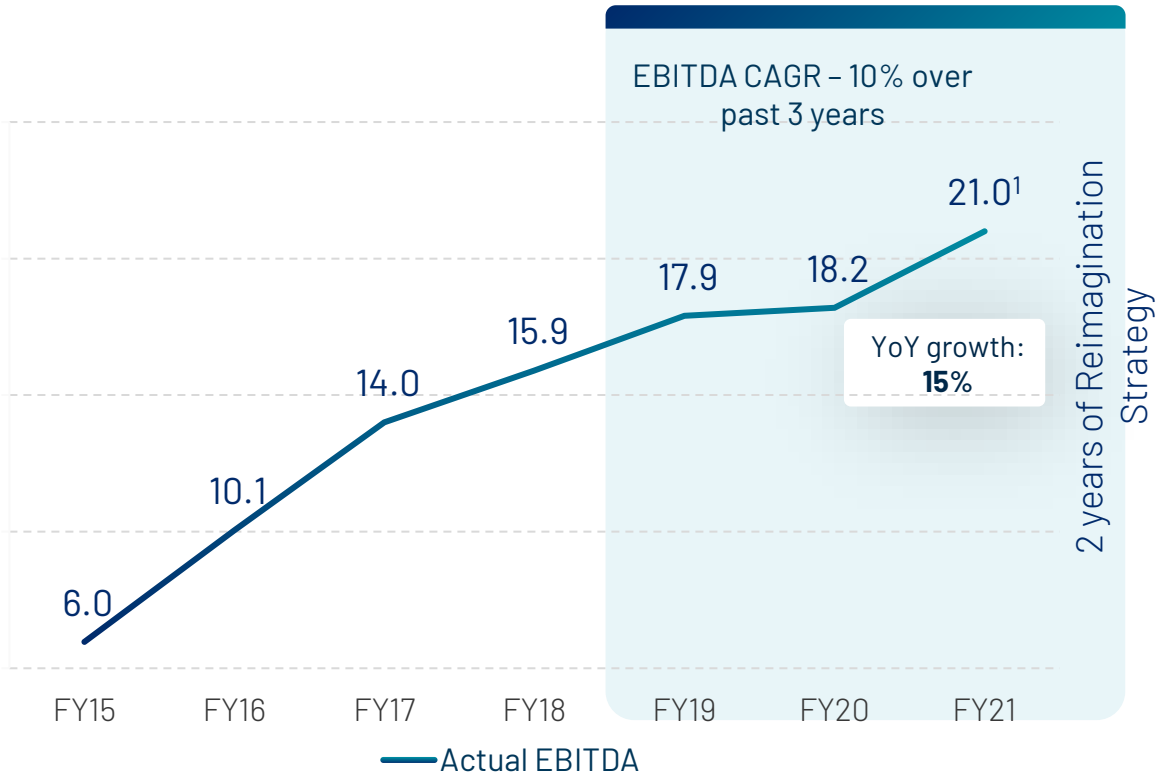
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We consistently grow Revenue and EBITDA

FY20 / Build Momentum		FY21 / Accelerate		FY22 / Make our Mark	
Reimagination Strategy announced	NowInfinity acquisition	Smartcorp and Reckon Docs acquisition: scaling our document business	Launch Class Trust	Acquisition of Topdocs	Horizon 2 Strategy Development

Delivering accelerated business transformation



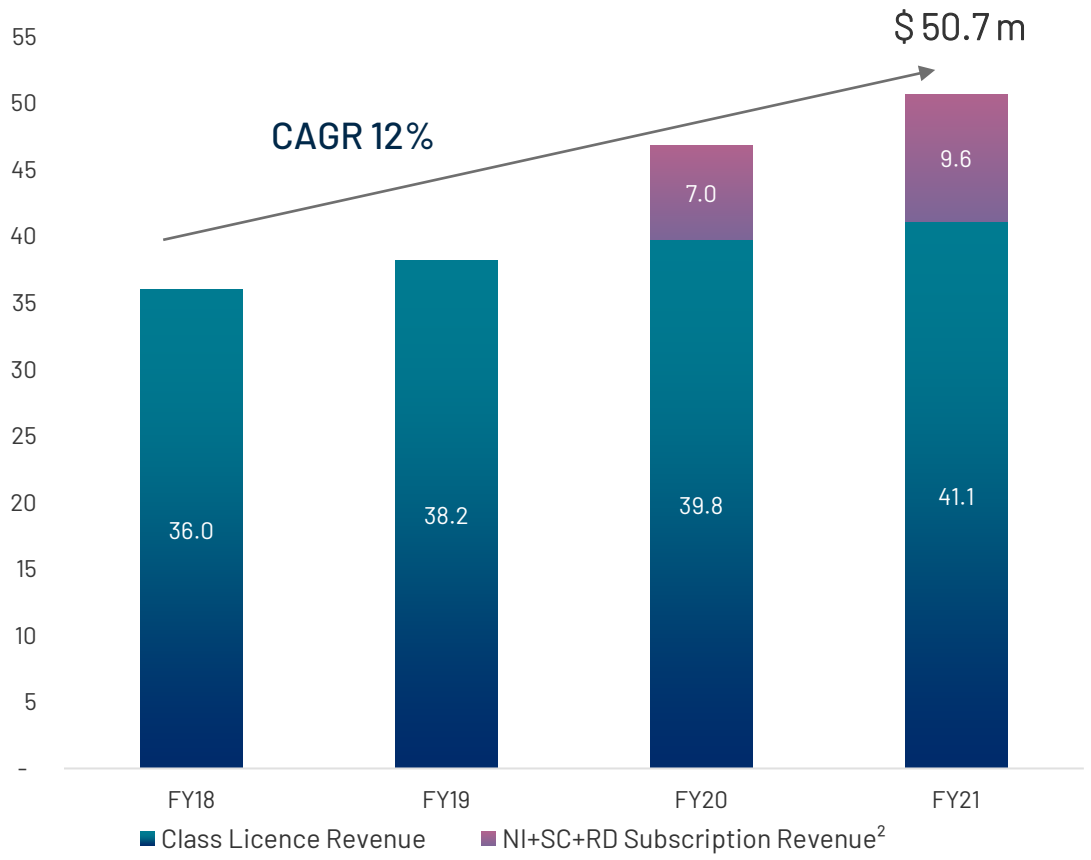


[1] Reflects EBITDA adjusted for one-off Philo investment costs

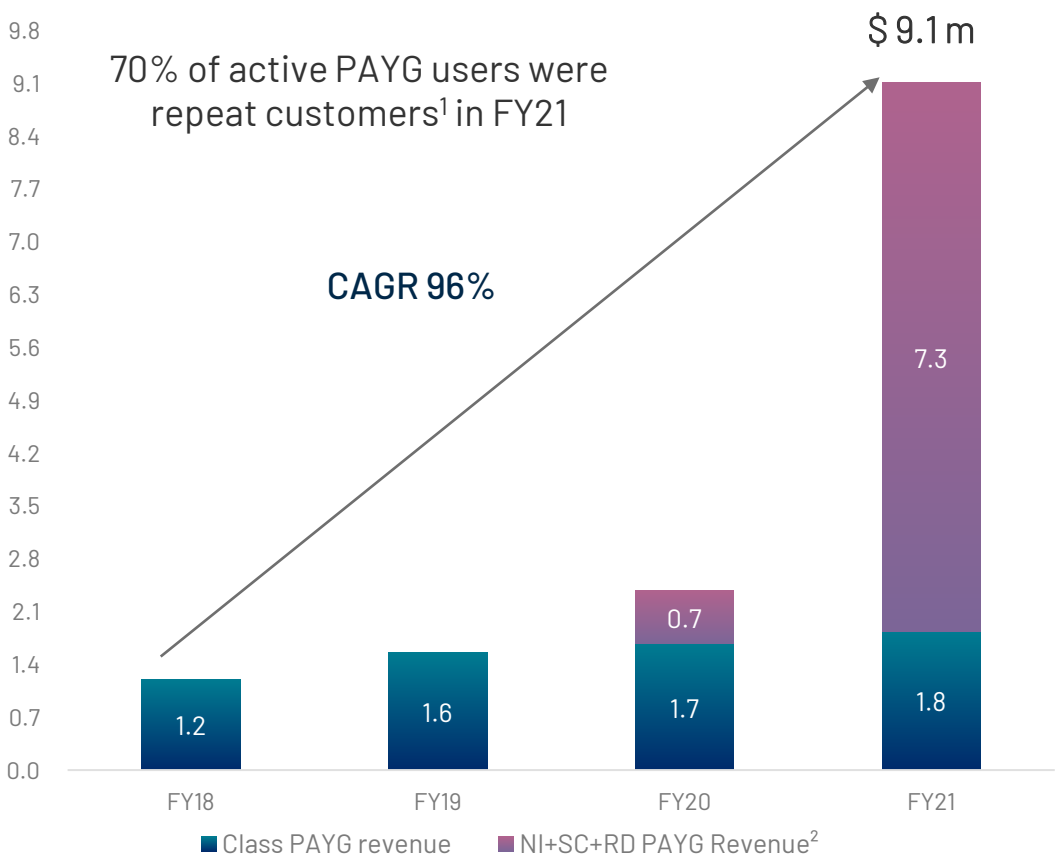
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Class has a balanced mix of subscription and recurring PAYG revenue streams

Subscription Revenue (ARR)[3] ($m)



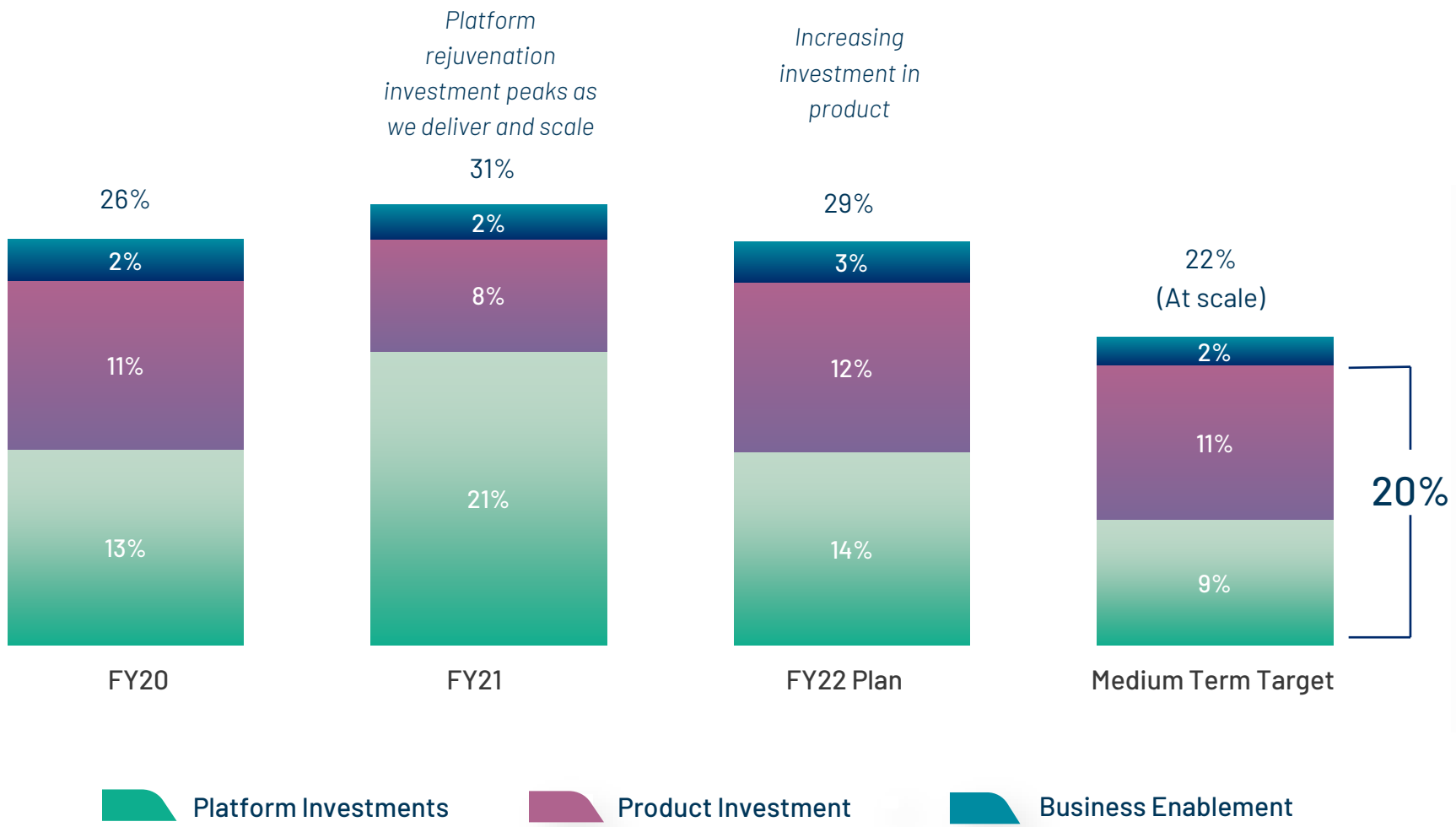
Recurring PAYG Revenue LTM[3] ($m)



[1] Refers to active PAYG customers (those who have transacted in Last Twelve Months - LTM); repeat customers refers to at least 2 transactions
[2] Refers to NowInfinity, SmartCorp and Reckon Docs
[3] Roll forward revenue comprises both Subscription Revenue and Recurring PAYG Revenue - $ 59.8m

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As we scale, Product and Technology investment as a % of revenue is normalising



$16.9m[1] was invested in FY21 to fast-track transformation of the platform and delivery of new product features[2]

Total spend as a % of revenue will continue to trend downward as we scale

[1] Refer to slide 25
[2] Product investment relates to delivery of new features and product enhancements; platform investment relates to upgrades and uplifts to existing enabling platforms

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Results FY21
(ASX:CL1)

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Our targeted acquisitions are complementing and driving growth in our core business

Establishment

Documentation Suite

Entity Management

Super Comply and Trust Register

Corporate Compliance

Corporate Messenger

Administration

Class Super
Class Portfolio
Class Trust

19.6%[1] of all new SMSFs in Q3 FY21 were established on the Class NowInfinity platform

31,000 Trusts were established on Class NowInfinity in the past 2 years

[1] Based on current ATO establishment figures for quarter ending 31/03/21. 14.6% in calendar year 2020

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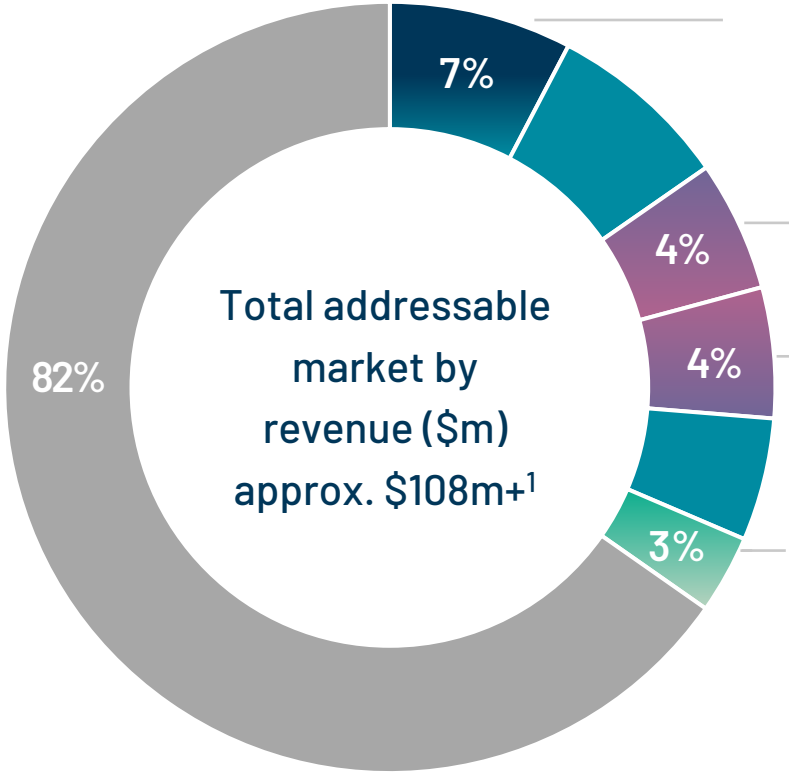
Our latest acquisition of Topdocs further drives scale and enhances our capability, while positioning us as market leader

Strategic Rationale

- Topdocs is a leading market player in the industry
- Accelerates the path of scaling NowInfinity[2]
- Enables acquisition of document and corporate compliance distribution that serves an additional ~1,600 accountants, advisors and other professional service providers

Transaction Details

- Acquisition for $13m
- $11.7m cash, $1.3m Class shares escrowed for 18 months
- Target Completion date of 1 September 2021
- ~$3m revenue contribution in FY22 ($4m(f) annualised)
- EPS accretive in FY22

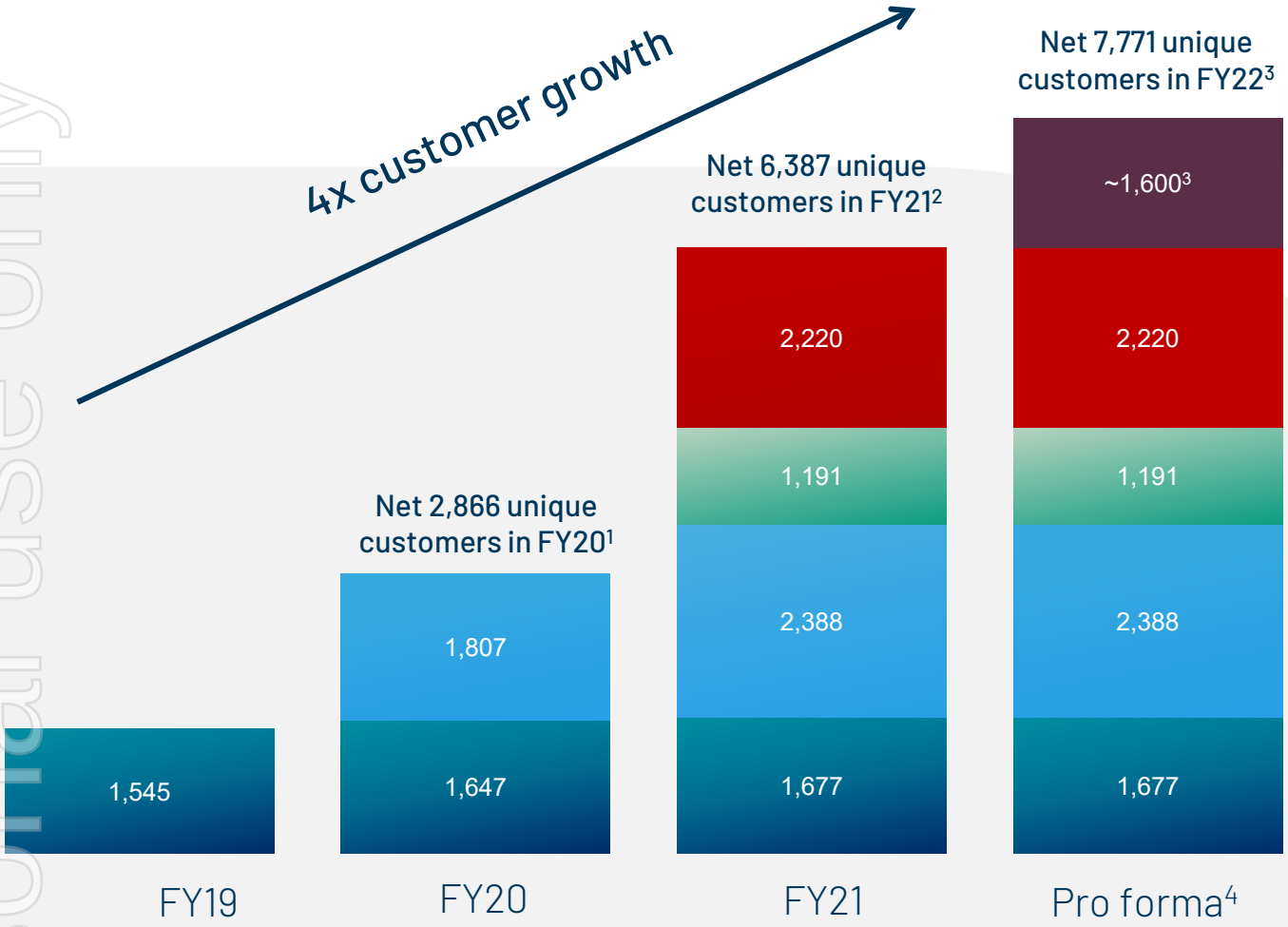


Fragmented market that is ripe for consolidation as the Class brand and capability extends market leadership credentials

[1] Frost & Sullivan independent market report 2020, TAM includes accounting practices, SMSF administrators, lawyers, and financial planners/advisers
[2] All customers from acquisitions have been migrated to the NowInfinity platform and the Reckon Docs and Smartcorp brands have been retired. Future branding decisions will be assessed in FY22

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We continue to rapidly grow our wealth accounting customer base



topdocs

ReckonDocs

smartcorp

NowInfinity
A CLASS TECHNOLOGY COMPANY

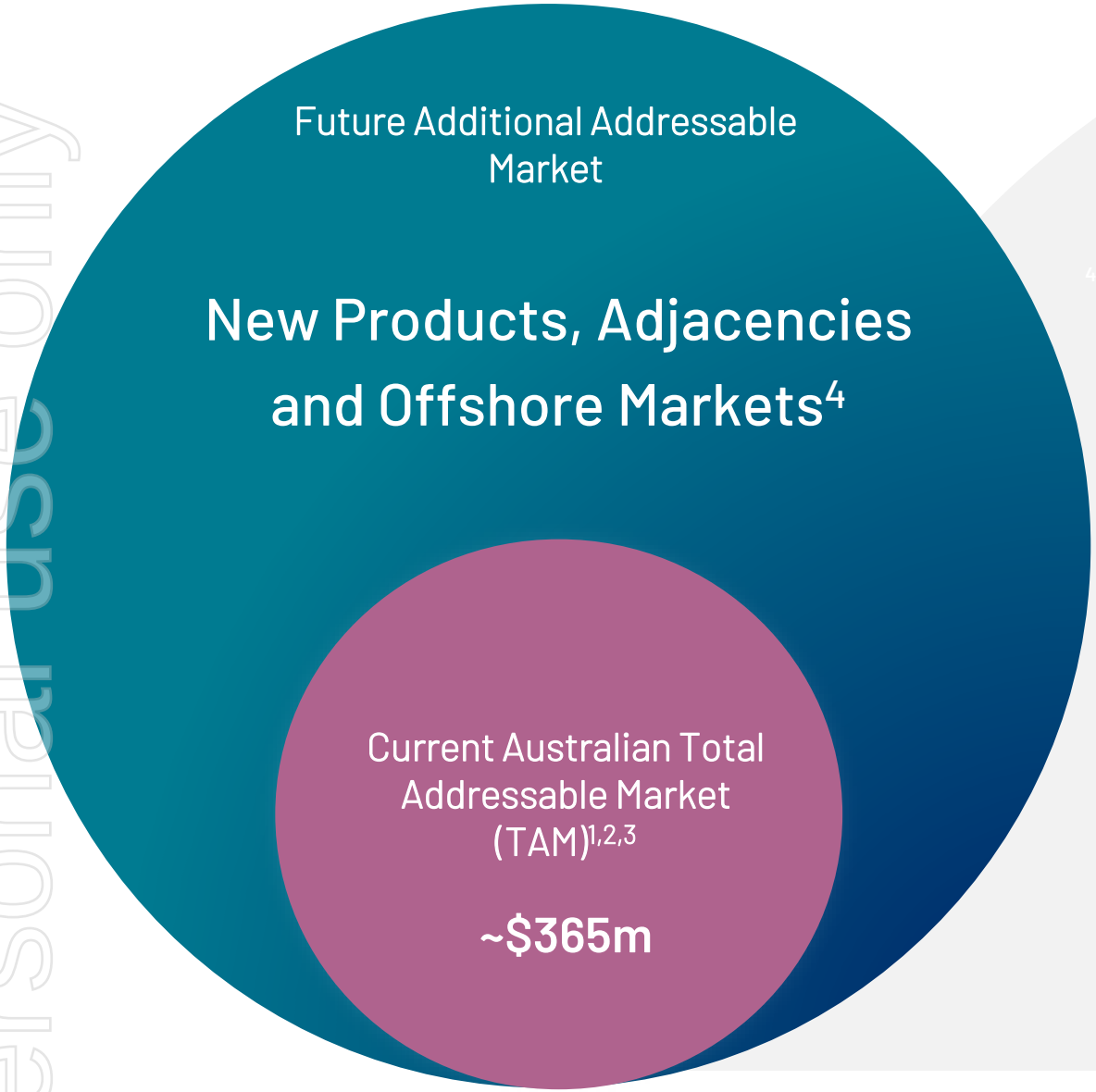
CLASS

Unique
~7,800
Customers[1,2,3]

[1] 588 customers using multiple products equals 2,866 net unique customers
[2] 1,089 customers using multiple products equals 6,387 net unique customers
[3] FY21 net unique customers of 6,433 plus estimated unique Topdocs customers of 1,384 (based on DD findings) equals 7,771 unique customers
[4] Proforma using FY21 numbers plus addition of Topdocs customer base

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Our strategy is focused on continued growth of our total addressable market through new products, adjacencies and offshore markets



We are exploring opportunities to grow our TAM in FY22 and beyond:

1. **New product categories** where complex administration rules exist and can be automated by technology and complement our product suite
2. **New adjacencies** where complex administration rules exist and can be automated by technology and CL1 core competencies can be replicated
3. **Offshore markets** where analysis proves CL1 product suite can differentiate and grow shareholder value

[1] Frost & Sullivan independent market report 2020
[2] TAM includes accounting practices, SMSF administrators, lawyers, and financial planners/advisers
3 $365m = (Super/Portfolio $140m + Leg Doc and CC $108m + Trust $117m)
4 Horizon 2 strategy development work currently in progress

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We will review our capital management strategy to fund future investment and M&A

Dividend decision rationale

- CL1 funded $54.4m of EPS accretive acquisitions with minimal equity dilution
- These will generate in excess of ~$20m[1] in revenue in FY22 from the new vertical
- Gearing is low (Net Debt/EBITDA post Topdocs is 1.0x[2])
- As part of Horizon 2, we are building an acquisition pipeline in addition to TAM expansion strategies in adjacent verticals and offshore
- **We have maintained the FY21 dividend at 5 cents. 2.5 cents per share will be paid in September 2021**
- **We will be reviewing the capital management strategy in 1H22** including the dividend payout policy to ensure it maximises total shareholder returns vs retaining capital for reinvestment

		Funded by		
	EV	Cash	Debt	Equity
NowInfinity (A CLASS TECHNOLOGY COMPANY) *Acquired February 20*	$ 24.1 m	$ 4.1 m	$ 10 m	$ 10 m
smartcorp *Acquired August 20*	$ 4.8m	$0.2m	$2.7	$ 1.9 m
ReckonDocs *Acquired March 21*	$ 12.5 m	$ 3.4 m	$9.1 m	$ 0
topdocs *Acquired August 21*	$ 13.0 m	$ 0 m	$11.7 m	$ 1.3 m
Total	$ 54.4 m	$ 7.7 m	$ 33.5 m	$ 13.2 m
		76%		24%

[1] FY22 revenue plus estimated $3m part year contribution from Topdocs
[2] Based on Net Debt post Topdocs / FY21 EBITDA for Class & Topdocs but excluding Philo; illustrative and based on estimates only

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Results FY21
(ASX:CL1)

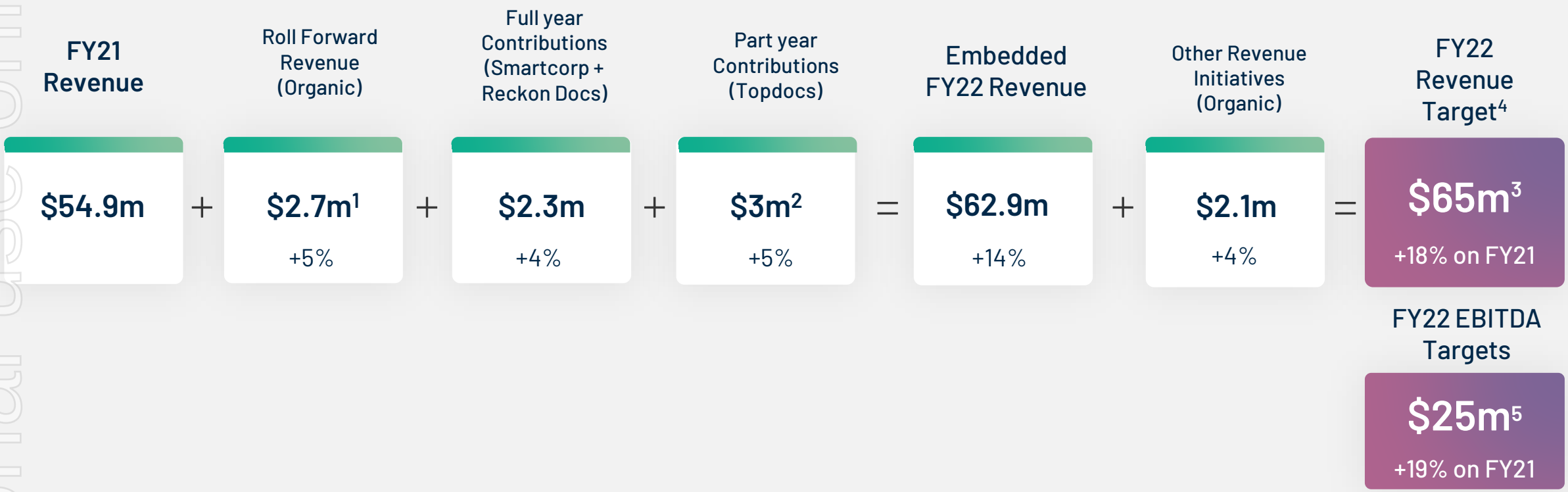
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We have delivered an impressive Reimagination Strategy scorecard in FY21

	FY19 Class	FY21 CLASS
Products in market	2	7
Tech Capability	Limited investment	Investing and building a Next Gen Tech Stack
Total Addressable Market (TAM)	$140m	$365m+
Revenue	$38m	$55m (18% CAGR (3 year))
Underlying EBITDA Margin	47%	40%
Female Employee Mix	41%	54%
Employee Advocacy	eNPS at -2.2	eNPS at +34
Compliance	ASAE 3402 - Data Feeds	ASAE 3402 - Data Feeds & Tax Statements ISO/27001 - Class and NI

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We are well positioned to achieve our FY22 targets for the 'Make our Mark' Year of the Reimagination Strategy



[1] Includes full year of subscriptions from accounts added in FY21
[2] Topdocs revenue recognition – annnualised revenue $4m
[3] Embedded FY22 revenue plus reasonable expectation of additional organic growth. Excludes acquisitions
[4] Approximately ~9% organic growth
[5] 39% EBITDA margin target, 19% increase on Philo Capital adjusted FY21 EBITDA

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FY21 Results Takeaways



Delivered business reimagination and accelerated growth including record Revenue



Acquisitions are delivering double digit organic revenue growth



Class is well positioned for ongoing sustainable revenue and TAM growth



We are targeting 18% revenue growth and 19% EBITDA growth for FY22



We are exploring new products, adjacencies and offshore expansion to drive accelerated growth

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Q&A

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Results FY21
(ASX:CL1)

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Our Australian Technology Platform is Significant

CLASS

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Customers

6,387

Investor Accounts and Entities over

750,000

Feeds and Partner Integrations

250

Assets on Platform over

$300b

Registered Companies Established[1]

1 in 4

Top 100 AU Firms[2]

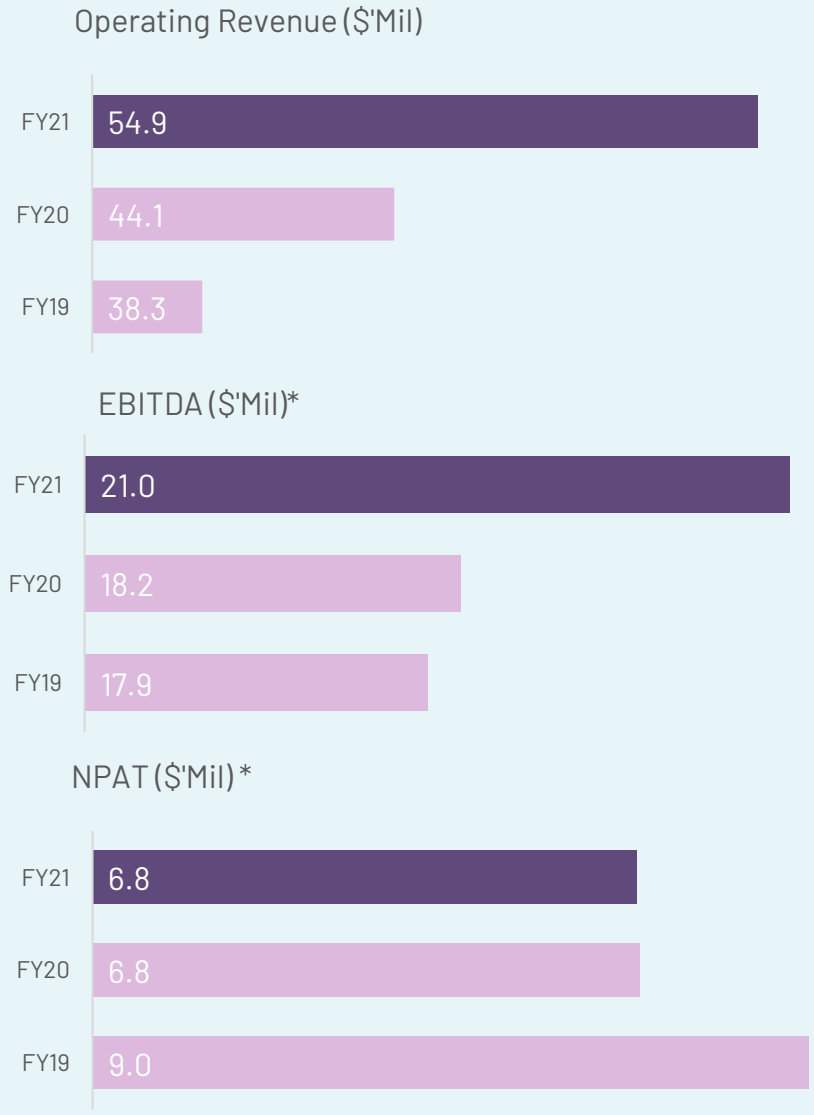
81

[1] Run rate since Reckon Docs acquisition
[2] AFR Top 100 Accounting Firms 2020

Financial Operating Results

$m	FY20	FY21	
Operating Revenue	**44.1**	**54.9**	**+25%**
Employee costs	(18.5)	(24.0)	
Costs of undertaking business	(6.6)	(9.0)	
Underlying EBITDA	**19.0**	**21.9**	**+15%**
Underlying EBITDA margin	43%	40%	
Acquisition and corporate advisory costs	(0.8)	(0.9)	
Net loss on financial assets at fair value through profit or loss (Philo Capital FY21)	-	(3.2)	
EBITDA	**18.2**	**17.7**	**-3%**
Depreciation	(1.3)	(1.8)	
Amortisation	(6.3)	(7.9)	
Amortisation from business combinations	(0.5)	(1.8)	
Net interest expense	(0.0)	(0.4)	
NPBT	**10.1**	**5.8**	**-42%**
Income tax expense[1]	(3.3)	(2.2)	
Statutory NPAT[2]	**6.8**	**3.7**	**-46%**
Amortisation from acquisitions net of tax	0.4	1.4	
NPATA	**7.2**	**5.1**	**-29%**
Dividend per share (cents)	5.0	5.0	

[1] Includes $1.1m of R&D incentives in FY21 relating to claim in FY20
[2] Includes one-off net loss of $3.2 for Philo Capital for FY21



* FY21 excludes the impact of the Philo revaluation

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Investing in Product

	FY20	FY21
Total investment in product & development – Class	11.0	14.9
Total investment in product & development – NowInfinity	0.7	2.0
Development costs / Operating Revenue	*26.5%*	*30.8%*
Less: Development recognised as expenditure	(4.4)	(5.8)
Capitalised Product & Development Costs	**7.3**	**11.1**
Other Intangibles	0.4	0.3
Computer and Office Equipment & Other	0.8	0.5
Capitalised Acquisition Costs & New Leasing Standard	1.4	1.7
Total Capital Expenditure	**9.9**	**13.7**
Less: Leasehold Improvements & Fit-out/Furniture	*(0.3)*[1]	*0.0*
Adjusted Capital Expenditure	**9.6**	**13.7**
Capex / Operating Revenue	*21.9%*	*24.9%*
Capex / EBITDA[2]	*53.0%*	*65.2%*
Depreciation & Amortisation	6.4	9.5
Depreciation & Amortisation - AASB15	0.8	0.9
Depreciation & Amortisation – AASB16	0.8	1.1

[1] FY20 Leasehold Improvements & Fit-out/Furniture are from assets acquired on consolidation.
[2] FY21 EBITDA excluding the impact of the Philo revaluation

Estimated FY22 D&A

$m	FY21	FY22
Product Development	6.7	9.2
Contractual Rights	0.3	0.5
AASB 15 Customer Acquisition	0.9	0.8
Business Combination Amortisation	1.8	2.4
AASB 16 Leases Depreciation	1.1	1.1
Property, Plant & Equipment	0.7	0.7
Total	**11.4**	**14.9**

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Summary Cash Flow

$m	FY20	FY21	Movement
EBITDA	18.2	17.7	(0.5)
Non-Cash Items & changes in working capital	1.3	3.4	2.1
Non-Cash revaluation of Philo Capital Investment	-	3.2	3.2
Capitalised product related development & PPE	(8.2)	(11.9)	(3.7)
Capitalised lease and customer acquisition costs	(1.5)	(1.8)	(0.3)
Free cash flow (excl. Financing & tax)	**9.8**	**10.6**	**0.8**
FCF (% of operating revenue)	22%	19%	(3%)
Taxes Paid	(1.6)	(3.9)	(2.3)
Net Interest Received/(Paid)	0.0	(0.4)	(0.4)
Investments (net of financing)	(4.0)	(3.9)	0.1
Loan Repayments	-	(1.7)	(1.7)
Dividends	(6.0)	(6.2)	(0.2)
Share-related proceeds/on market acquisitions	0.8	(0.6)	(1.4)
Net cashflow	**(1.0)**	**(6.1)**	**(5.1)**

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Balance Sheet

($m)	30-June-20	30-June-21
Current Assets		
Cash and cash equivalents	16.5	10.4
Trade and other receivables	4.0	5.0
Income tax receivable	-	2.0
Other current assets	1.1	1.7
Total Current Assets	**21.6**	**19.1**
Investments[1]	3.3	0.2
Property and equipment	1.0	0.9
Right-of-use assets[2]	1.0	6.8
Intangible assets	35.1	58.9
Customer acquisition costs	2.1	1.8
Total Non Current Assets	**42.5**	**68.5**
Total Assets	**64.1**	**87.6**

($m)	30-June-20	30-June-21
Current Liabilities		
Trade and other payables[3]	4.9	9.0
Contract liabilities	0.6	0.2
Borrowings	1.0	4.9
Lease Liabilities	0.8	1.1
Provisions	1.3	1.8
Tax liabilities	0.7	-
Deferred Consideration	0.5	-
Total Current Liabilities	**9.9**	**17.1**
Borrowings	9.0	15.2
Lease Liabilities[2]	0.1	5.3
Deferred Tax	3.0	0.9
Provisions	0.4	7.5
Total Non Current Liabilities	**12.5**	**28.9**
Total Liabilities	**22.4**	**46.0**
Net Assets	**41.7**	**41.6**

[1] FY21 variation due to $3.2m Philo revaluation
[2] FY21 increase due to new lease in accordance with AASB16
[3] FY21 increase due to a combination of factors including increased accruals and higher payables associated with the larger business

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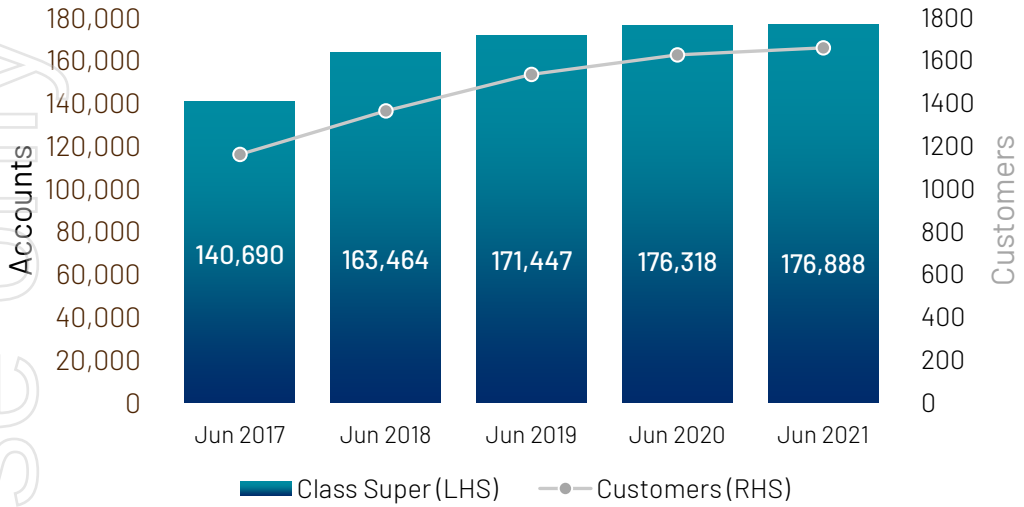
Key Operating Metrics

	FY19	FY20	FY21
Class Customers	1,545	1,647	1,677
NowInfinity, SmartCorp and Reckon Docs Customers	n/a	1,807	6,193
Shared Customers	n/a	(588)	(1,427)
Total Customers	**1,545**	**2,866**	**6,387**
Class Super accounts	171,447	176,318	176,888
Class Portfolio accounts	7,635	9,253	10,307
Class Trust accounts	n/a	1,683	3,271
Total accounts	**179,082**	**187,254**	**190,466**
ARPU - Super ($) - Licence Fee	217	217	221
ARPU - Portfolio ($) - Licence Fee	132	127	127
ARPU – Trust ($) – License Fee (discounted for early adopters)			139

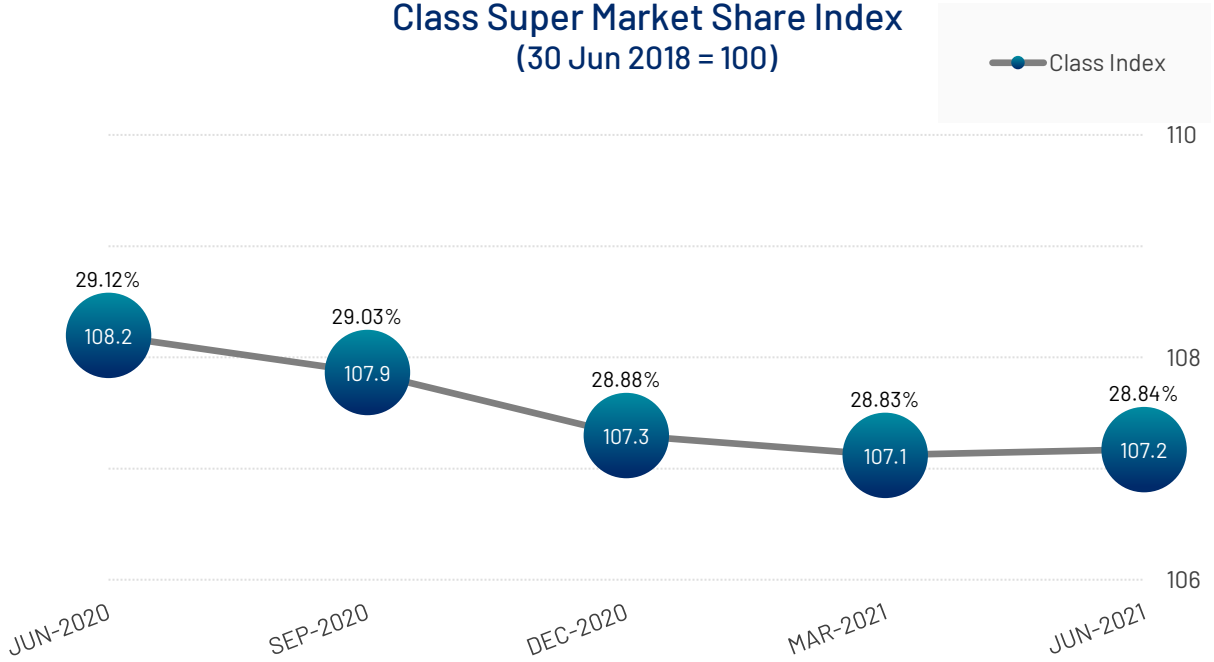
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Class Super

Class Super Growth

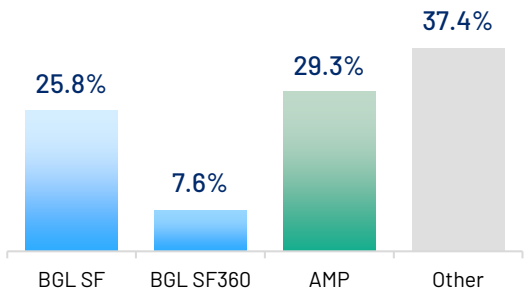


Class Super Market Share Index
(30 Jun 2018 = 100)



Source of SMSF Accounts by previous software provider

1 Jul 2020 - 30 Jun 2021



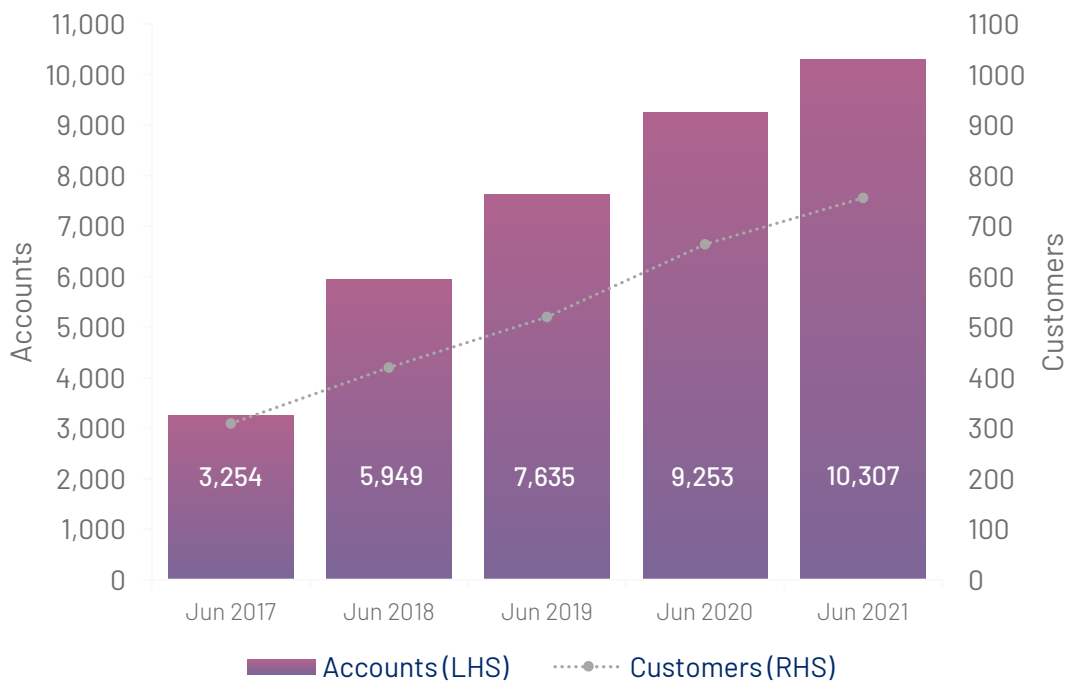
- Class Super continues to show modest growth despite a flat SMSF system trajectory[1]
- Customer retention by accounts remains high at 99.1%[2] (rolling 12 months)

[1] June 2021 ATO stats for SMSF establishments aren't released yet, with the latest market release covering establishments up until March 2021.
[2] Rate is ex-AMP who had ~1,300 funds on Class as at 30 Jun 2021; if AMP's ~1,800 suspensions over the last 12 months were included retention rate would be ~98.2%

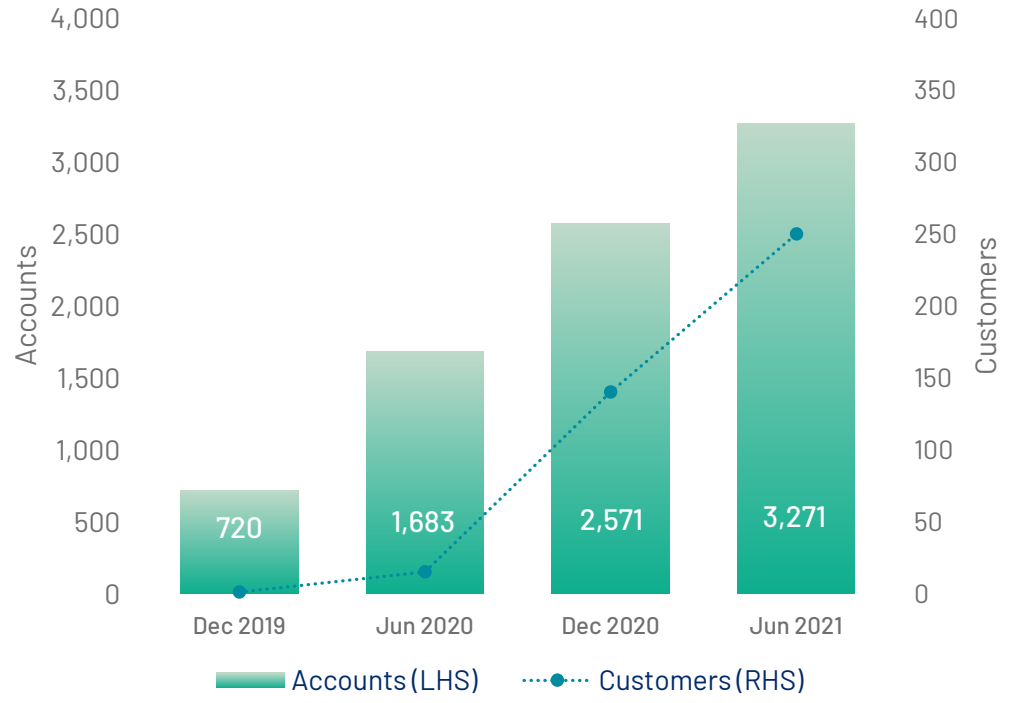
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Class Portfolio and Class Trust

Class Portfolio



Class Trust



- Class Trust has grown by 94% in the last 12 months, which is 10% higher than Class Portfolio's growth in its first year
- Both products continue to grow to expected targets

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Glossary

Accounts
Class Super funds, Class Trust and Class Portfolio entities.

Accounts Lost
the maximum number of Accounts the customer had in the 12 months prior to terminating.

API
Application programming interface.

ARPU
Average Revenue Per Unit: monthly licence fee assuming any sales promotions have ended and other factors such as pricing remain unchanged.

ARR
Annualised Recurring Revenue: number of Accounts/Subscriptions at the end of period multiplied by ARPU, multiplied by 12.

CAGR
Compound Annual Growth Rate

Customer Retention Rate
Average accounts for the period less Accounts Lost/average Accounts for the period.

NPATA
Net profit after tax adjusted to add back amortisation from business combinations (net of tax benefit).

PAYG Revenue
Revenue earned from adjacent products that are recurring in nature such as audit and actuarial certificates, PAYG documents (such as company statements, trust deeds) i.e., non-subscription based revenue.

Roll Forward Revenue
Revenue that is recurring in nature calculated as ARR + PAYG Revenue for last 12 months (LTM).

Subscription License fees
Includes Class Super, Portfolio & Trust and NowInfinity subscription fees.

TAM – Total Addressable Market
A measure of the potential market opportunity for a product or service, assuming 100% penetration of the potential client base.

Underlying EBITDA Margin
EBITDA margin excluding acquisition and corporate advisory costs

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Methodology

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Class Market Share Calculation

Numerator to be based on total Class Super accounts LESS the following:

- Duplicate ABNs (i.e. only one SMSF will be counted per ABN)
- SMSFs with cancelled, non-complying, or indeterminate status
- ABNs (including blanks) not validated as belonging to an SMSF

Denominator to be based on ATO SMSF first-release figures for the end of quarter (i.e. no back-revision for subsequent ATO releases)

- Prior to first-release figures being available, estimates will be used
- After first-release figures become available, actuals will be used (with interpolation for intra-quarter months)

Class Market Share Index

- 30 June 2018 = 100 (base)

Important Information

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All currency amounts are in AUD unless otherwise stated.

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Good morning and thank you for joining us for the presentation of the Class Limited full-year results for 2021.



My Name is Andrew Russell, and I am the CEO of Class. I am joined today by Group Financial Controller – Damien Smith, and our Investor Relations Officer – Zoe Wise.

Slide 2 - Today I will present to the following agenda:



1. Company Overview and Results Headlines
2. FY21 Financial Highlights
3. Strategy and Outlook
4. Results Takeaways
5. Question and Answers

Presentation Context

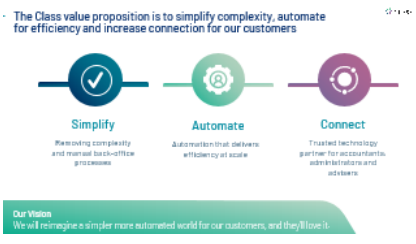
Today's presentation will outline our FY21 performance and our progress in executing our strategy.

The key messages to our shareholders from today's presentation are simply these:

- We continue to execute well to our Reimagination Strategy with both accelerated financial and operational results
- We are continuing our successful track record of buying and integrating acquisitions well. We are realising strong organic growth with these acquisitions as we scale the Class NowInfinity platform
- Our technology and product investment has been fast tracked and is delivering improved operating efficiency. Consequently, the platform rejuvenation program is on track so the investment as a % of revenue has peaked and will trend downward as we scale
- Class has resilient and predictable earnings for the year ahead as the country continues to face uncertain economic headwinds currently as a result of COVID-19
- Class is well positioned for ongoing sustainable revenue and TAM growth in FY22 and beyond

Slide 3 – Who is Class Limited?

I would like to take the opportunity to outline what Class does for those who are new to our business.



Class is both a market leader and multi-award winning, SaaS technology business.

Our customers include Accountants, SMSF Administrators, Investment Advisors, Financial Planners and Lawyers.

Our value proposition is that our software Simplifies, Automates and Connects.

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Class's software solutions assist our customers to automate key processes, reduce operating costs for their back office, improve data accuracy and reduce compliance risk.

Class's revenue is derived from our suite of products offered via a monthly software fee and PAYG fees. Our revenue comprises both subscription and recurring PAYG transactional revenue.

Slide 4 – Our Products



Class is differentiated from other products given it has built barriers to entry in this space due to the nature of the complex rules processing the software automates.

Class software products are focused on:

1. AccountTech – including our Super, Portfolio and Trust products
2. DocTech – Our NowInfinity product platform
3. WealthTech – Our Portfolio administration and reporting product

Today our software platform is Australian focused. However, we believe the Class technology product platforms present opportunities for us to extend into new adjacencies and offshore markets for future growth.

Our multiproduct strategy is to ensure we become embedded in our customers' back offices so that we can strategically assist them through our technology across their service value chain to:

1. Establish and create wealth vehicles;
2. Manage those wealth structures such as Companies, SMSFs and Trusts; and
3. Administer those wealth structures at scale – SMSF, Individual investment portfolios and Trusts

One of the key differentiators of the Class software is the quality and number of feeds. The aggregation and synthesis of data alongside the complex rules-based software is in essence the secret sauce of the Class Technology stack. And indeed, the reason why Class is a leader in the markets in which we operate.

Slide 5 – Results Headlines



Turning to our financial results - the business boldly set out our key financial targets for FY21.

The business has delivered to those targets.

Our highlights are:

- Record operating revenue and other income of $54.9 million, up 25% and ahead of guidance
- Roll forward revenue of $59.8 million, up 21.5%
- Underlying earnings before interest, tax, depreciation, and amortisation (EBITDA) of $21.9 million, up 15%

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- Maintained an underlying EBITDA margin of 40%, in line with guidance
- Class has strong free cashflow of $10.6 million
- The balance sheet is very healthy and free cash flow from operations is increasing as the business grows and achieves economies of scale
- We have invested $16.9 million over the past year to progress our next generational technology and product development capability vision
- The customer base has grown by 123%
- The board has declared a final fully franked dividend of 2.5 cents for 2H FY21

In summary - the FY21 financial results are solid, and, as importantly, we are transforming and scaling Class in line with our 3-year plan.

Further details on our financial performance including:

- Operating Results
- Product Investment
- Cashflow
- Balance Sheet and
- Key Operating Metrics

can be reviewed in the Appendix of the Full-year Results Presentation deck.

Slide 6 – Key achievements for FY21



The transformation strategy has been to grow new revenues and TAM, scale the business and, at the same time, improve operating capability.

We have been committed to transforming the business at speed.

We have 4 areas of focus:

1. Maintaining SMSF product leadership and Launching Class Trust
2. Accelerating Growth through strategically aligned Acquisitions
3. Growing the number of Wealth Accounting customer relationships
4. Rejuvenating the Technology Stack for Next Generation, World Class capabilities

In FY21 we have shown our ongoing commitment to invest in Class Super to ensure it remains a multi-award winning and market leading SMSF administration software.

A key strategic requirement for the 3-year Reimagination Strategy was to ensure Class could grow the business outside of Super. It is pleasing to note that over the past two years, the Super business revenue continues to grow, however, the Super contribution of total revenue has rebalanced from over 95% of revenue in FY19 to approximately 70% of total revenue in FY21.

Class now has a diversified and growing product revenue portfolio in FY21 and beyond.

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The launch of Class Trust is a significant milestone for the Reimagination Strategy. Our market research has been validated that there is a key pain point for trust administration as there was for SMSF administration for our customers.

Our strategy has been to 'sell through' to our customer base who already have Trust Advisory practices. We have now grown our Class Trust customer numbers impressively since the Class Trust product launch. As at 30 June the Trust customer numbers were over 250.

We are pleased with the product launch results to date and the continuing positive feedback from customers.

NowInfinity is the leading platform in the Legal Documentation and Corporate Compliance vertical. Our subsequent acquisitions have allowed us to arbitrage the cost of customer acquisition by purchasing end of life tech platforms, but with large and sticky customers who are wanting best-in-market technology and products.

All acquisitions have improved our capabilities as well as strengthened our bench of talent. Similarly, the acquisition of Topdocs announced today, further strengthens our bench strength in capability, drives scale and increases our wealth accounting customer numbers.

We have subsequently decommissioned the technology of Smartcorp and Reckon Docs and migrated the customers over to the NowInfinity Platform. All our acquired businesses now fall under the Class NowInfinity brand.

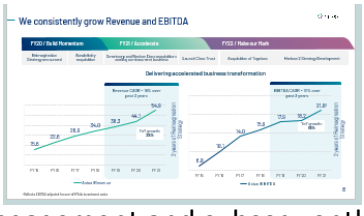
We have redesigned and trained our internal customer management and sales teams to sell the multiproduct suite. Our operational strategy is to drive further product penetration across those segments and increase the Life Time Value of customers.

Our FY21 investment has focused on upgrading our Class technology platform and enhancing our product features to maintain our SMSF product leadership, develop Class Trust, and integrate the NowInfinity products deeper into the Class business.



Slide 7 – Holding slide - Turning to our FY21 Financial Highlights

Slide 8 – We are consistently growing our revenue and EBITDA



The Reimagination Strategy is divided into three yearly stages of business transformation.

Year 1 – The focus was on starting to implement our strategy and building capability. It involved aligning our team behind the vison and values of the organization, improved customer engagement and subsequently building transformation momentum.

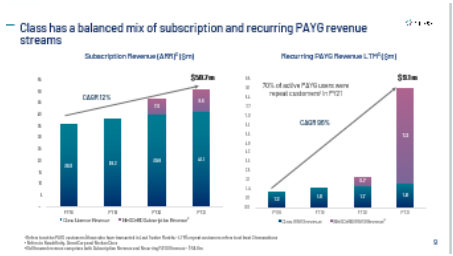
Year 2 – The focus was on accelerating our transformation and growth from the solid platforms we had built in Year 1. Our progress has been fast paced and most importantly we are delivering to the targets we have set ourselves and communicated to the market.

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This graph clearly shows the step change in performance in the past two years in both Revenue and EBITDA performance.

We now enter Year 3 of the strategy – Our Make our Mark year with a track record of delivering to our plan. The Class business is transforming at speed and we are excited about the opportunities that lie ahead as we continue to grow revenue and see the operating leverage drive increased profitability as we scale.

Slide 9 – Subscription and recurring PAYG Revenue – Turning to briefly give detail on revenue insights

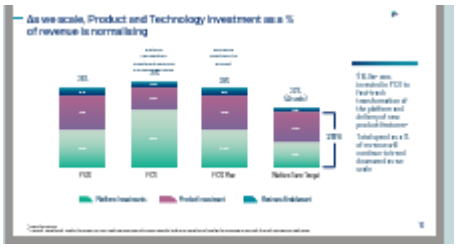


Revenue

Class revenues are derived from a combination of subscription and recurring Pay As You Go revenue from the NowInfinity business and our partner program. Our subscription and PAYG revenue growth profile has accelerated in FY21. We have a balanced mix of subscription and recurring PAYG revenue. 70% of active PAYG customers were repeat customers in FY21.

The combination of subscription and recurring PAYG revenue is termed Rollforward. Our Rollforward revenue is $59.8m and has grown 21% pcp. We expect continued strong growth in FY22 given the established leadership positions we occupy in all the markets we operate.

Slide 10 - Turning to Product and Technology ongoing investment



Another core pillar of transformation was to invest in our product and technology capability. Our vision is to build a competitive moat by ensuring Class has a next generational technology platform, product pipeline and business enablement to support our transformation.

We have invested in three key areas over the past two years.

1. **Our first area of investment is in the core platform**. Investment in the platform benefits all our products. Platform investments give us scalability and optionality, with the ability to maintain operational excellence when we need to pivot and scale.
2. **Our second area of investment is to ensure we are building a world class product development capability**. Our product investments have resulted in us being the first to market with a Trust administration product. We are improving our core capabilities each month, and it is reassuring to receive feedback from our customers that Class is improving. This has been reflected in Class winning **Multi industry awards in FY21** named 'SMSF Software provider of the Year' – SMSF Adviser & Digital Technology Awards
3. **Our third area of investment is in business enablement.** Business enablement is important as we scale. Automation in this area allows us to take on more customers, develop new products and acquire businesses quickly and efficiently whilst remaining compliant and cost competitive. Such investments include a new billings system and integrated CRMS to help us better understand our rapidly growing customer base.

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As we scale, we will reap the benefits of our investments in the underlying technology, with the trajectory of development spend as a % of revenue trending down towards 20% in the midterm as we scale.

The capitalized amount will depend on our specific development activities. Based on historical trends we expect this to be approximately two thirds of our spend.

We are also aiming to increase our proportion of spend on product development, which you can see in the plan for FY22 and beyond.

The key callouts in regard to our investment in Product and Technology are:

- Our product and technology investment as a % of revenue has peaked and will now trend downward as we scale.
- Furthermore, investment will be reallocated from platform to product development in the years ahead.



Slide 11 – Turning now to Strategy and Outlook

Slide 12 – Our acquisitions are complementing the core and driving our growth

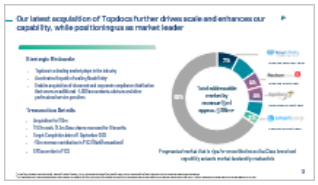
Our acquisition strategy has been to:

1. Enter the documents and corporate compliance market with the beachhead NI investment in Feb 2020;
2. Scale the business through targeted acquisitions that increase customers on the platform and improves functionality; and
3. Integrate well to leverage the investments, drive synergies across the platforms and create opportunities to increase average customer revenues and life-time value.



As you can see from this slide, our acquisitions complement and drive growth of our core products of SMSF and Trust. Our product sets sit across the service value chain for our customers and work together to help our customers Establish, Manage and Administer wealth vehicles for their clients. It is significant that together the NowInfinity and Class platforms are the engine room of establishments, management and administration of wealth vehicles in Australia.

Slide 13 – The acquisition of Topdocs



We are continuing to accelerate our growth strategy through targeted and well sequenced acquisitions. We are excited to announce the acquisition of the legal documentation software provider Topdocs, which grows our market leadership position. We welcome both the Topdocs team and customers to Class.

Topdocs provides SMSF, corporate and trust documentation to accountants, financial planners, lawyers, and other professional advisers. Its product suite is a complementary fit for Class and its services will be incorporated into Class's NowInfinity platform, while accelerating the path of scaling NowInfinity.

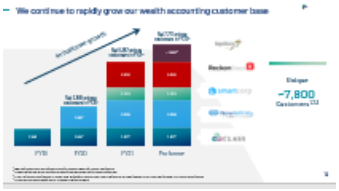
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The transaction involves the complete acquisition of the Topdocs platform and customer base, for an enterprise value of $13m, adjusted for working capital.

The transaction has a target Completion Date of September 1 with an estimated revenue contribution of $3m this financial year.

We estimate that Class now holds 18% of the document and corporate compliance market by revenue.

Slide 14 – A core pillar of our strategy is to grow our wealth accounting customer relationships



Following the Topdocs transaction we estimate we now have over 7,700 unique customers. Our customer base has grown rapidly through acquisition and organic growth.

With more customers, comes more opportunities – that's a good challenge to have. Most importantly our intention is to ensure our customers are at the heart of how we design, build and deliver our products to market.

Over the past two years, we have been focused on engaging more of our customers through the product lifecycle.

Furthermore, by investing in business enablement CRM systems we will be better equipped to leveraging the mountain of data we now have to drive our decisions – be that transactional data, behavioural data and industry insights gathered across the Class and NowInfinity platforms.

I would like to take this opportunity to thank all our customers for their guidance and support in FY21 which has contributed to the fast-paced transformation of Class.

Slide 15 – Our strategy is to continue to our grow our TAM



To achieve and drive future sustained growth, our transformation strategy has been to grow our total addressable market or (TAM).

Our Reimagination Strategy is focused on growing through a combination of new product categories and adjacency acquisitions that complement the core offerings to create a transformed multiproduct technology business.

Our commissioned independent research by Frost and Sullivan indicates that in the past two years Class has increased its TAM over 2.5 times via the successful execution of this strategy.

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

We are now turning our thinking to Horizon 2 given our progress and success to date.

We are already exploring opportunities to further grow our TAM via:

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1. **New product categories** where complex administration rules exist and can be automated by technology and complement our product suite;
2. **New adjacencies** where complex administration rules exist and can be automated by technology and Class core competencies can be replicated; and
3. **Offshore markets** where analysis proves the Class product suite can differentiate and grow shareholder value. We will explore a number of market entry strategies.

Clearly there are some constraints presently with COVID, however, we are building our new market knowledge, followed by a structured approach for opportunity assessment and prioritisation.

We believe we already have a clear runway to a significantly larger TAM.

We will communicate a clear and connected business development vision for FY23 and beyond as we complete our opportunity assessments and prioritisation over the coming year.

Slide 16 – We will review our capital management strategy in 1H FY22



Class funded the acquisitions primarily with cash and debt to minimise dilution for shareholders.

These acquisitions will contribute in excess of $20m in revenue in FY22 and are delivering double digit organic growth.

The balance sheet is very healthy and free cash flow from operations is increasing as the business grows and achieves economies of scale.

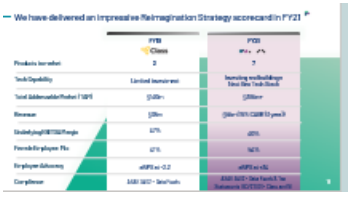
Class has identified a number of further opportunities to grow through acquisition, and the Board will review the company's capital management strategy, including dividend payout, in the first half of FY22 to ensure we maintain a strong balance sheet and optimise total shareholder returns through internal funding of growth initiatives.



Slide 17 – Results and Takeaways

Slide 18 – Impressive Reimagination Scorecard

Our strategy development progress so far has been impressive and fast paced.



Our performance scorecard highlights include:

- We have a refreshed brand, colour palette and brand strategy to align with our technology transformation and business positioning
- We have extended our product suite from 2 – 7 products
- Our technology and product capability has materially improved as we invest to ensure we have a next gen technology stack that provides a competitive moat

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- We have expanded our TAM by 2.5X and created real growth opportunities to expand our TAM materially in the years ahead
- We have grown revenues from $38m to $55m for FY21
- We have acquired 4 businesses, funded them from the balance sheet with minimal dilution. We have integrated them well to drive further growth
- We have invested into the business to fast track this transformation
- We have scaled the business and consequently the business will be able to realise the benefits of that operating leverage with improved free cashflow and profitability in coming years
- We have invested in our people. We can proudly show that our female employees now make up 54% of our organization, up from 41% in FY19
- Importantly, the Class culture is strong. We pride ourselves on being able to attract world Class talent and aligning behind our core values and ways of working

We do it with heart

We are better together

We are built on Trust

We are always reimagining

Our strong culture and engagement is now reflected in our employee NPS scores from our employee pulse checks. We are doing many things well at Class and we are all proud of what we do and have achieved so far.

I would like to congratulate and thank the Class team for their significant efforts in FY21, particularly when the majority of the time we have been working remotely. Our results are a reflection of your hard work, skill and energy.

Slide 19 – We are positioned well to achieve our FY22 Targets



In terms of outlook for FY22 we are mindful of the dynamic COVID-19 environment.

Class has adapted well to remote and hybrid working, and it will be part of our BAU going forward.

Productivity, development velocity and customer service metrics remain or are above our long-term business averages. However, we are mindful of impact that ongoing lockdowns may be having on mental health. The ongoing border closures are igniting a war for technology talent.

Class will continue to monitor the COVID impacts on both our staff and customers in the coming months and indeed the financial year.

Notwithstanding the unknowns of COVID-19, we wish to provide the following FY22 outlook:

Our revenue target for FY22 is a combination of:

- Ongoing existing customer revenue; plus

- Roll forward revenue derived from growth in our new customers; plus
- Full year revenue contributions from Smartcorp and Reckon Doc acquisitions; plus
- The Topdoc acquisition part FY22 revenue contribution of $3m revenue; and
- Additional organic revenue initiatives.

We are targeting FY22 revenue of $65m which is a 18% uplift from our FY21 results announced today.

We are targeting **EBITDA of $25m which is a 19% uplift on the FY21 results** and illustrates improvement in our operating leverage as we scale.

Slide 20 – FY21 Result Takeaways



I would like to conclude with several FY21 results takeaways:

1. We have an impressive strategy execution score card. Our FY21 financial results are solid and exceeded our revenue target
2. We have a successful acquisition track record. We have bought and integrated well. Our acquisitions are delivering double digit organic revenue growth. The rollforward revenue continues to grow. We now have market leadership in all our product areas and that also puts us in a position of strength. We will continue to seek acquisitions that are strategically aligned to our vision
3. We have outlined our Revenue and EBITDA targets for FY22 with pcp uplifts of 18% and 19% respectively. We are positioned well to achieve those targets
4. Finally, the Class business is very well placed for value and sustainable revenue growth in FY22 and beyond. We have realistic and achievable growth ambitions which include material TAM expansion opportunities in FY23 and beyond

Thank you for ongoing support and interest in Class. The future looks very exciting as our vision comes alive.

I will now open for Q and A.

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