

# 2023 Annual General Meeting

Ended 30 September 2023

technology**one**  
Making life simple for our community



21 February 2024

# **Disclosure Statement**

## **TechnologyOne Ltd Annual General Meeting – 21 February 2024**

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](http://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: 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.



# Agenda

- Financial Results & Significant Achievements
- Outlook for FY24
- Long Term Outlook

# Clear Strategy



ERP software –  
Mission critical  
products

In 2008, we had 11 products,  
in 2023, we have 16 products  
and over 400 modules.



Deepest functionality  
for the markets we  
serve

Mission critical products which  
power our customers



Global SaaS  
Solution – One  
Global Code Line  
Our SaaS customers  
unlock significant benefits



Any device  
anywhere  
anytime

Delivered our 4<sup>th</sup>  
Generation ERP, CiA



Power of one –  
One Vendor,  
One Experience  
Solution as a Service



Innovation Driven  
Company  
Leveraging new and emerging  
technology in each generation  
of product



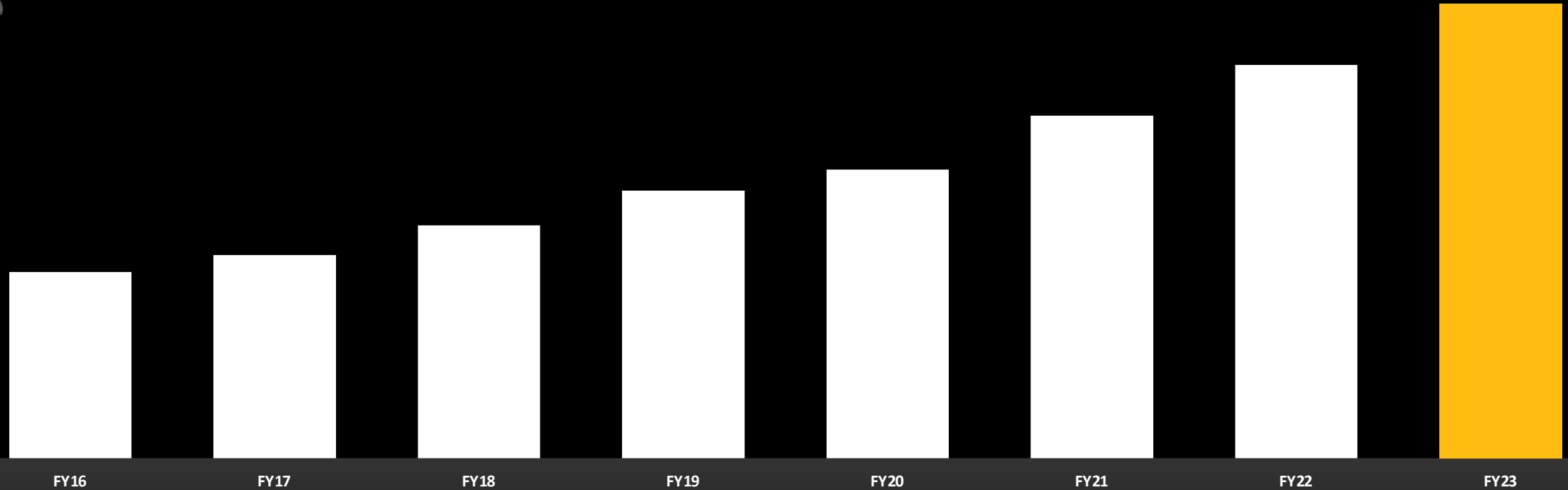


**Total ARR  
Growth of 23%**

**Record  
Total ARR  
\$392.9m**

# Profit Before Tax Growth of 16%

Record Net Profit before tax \$129.9m



Beat guidance of 10%–15% PBT growth

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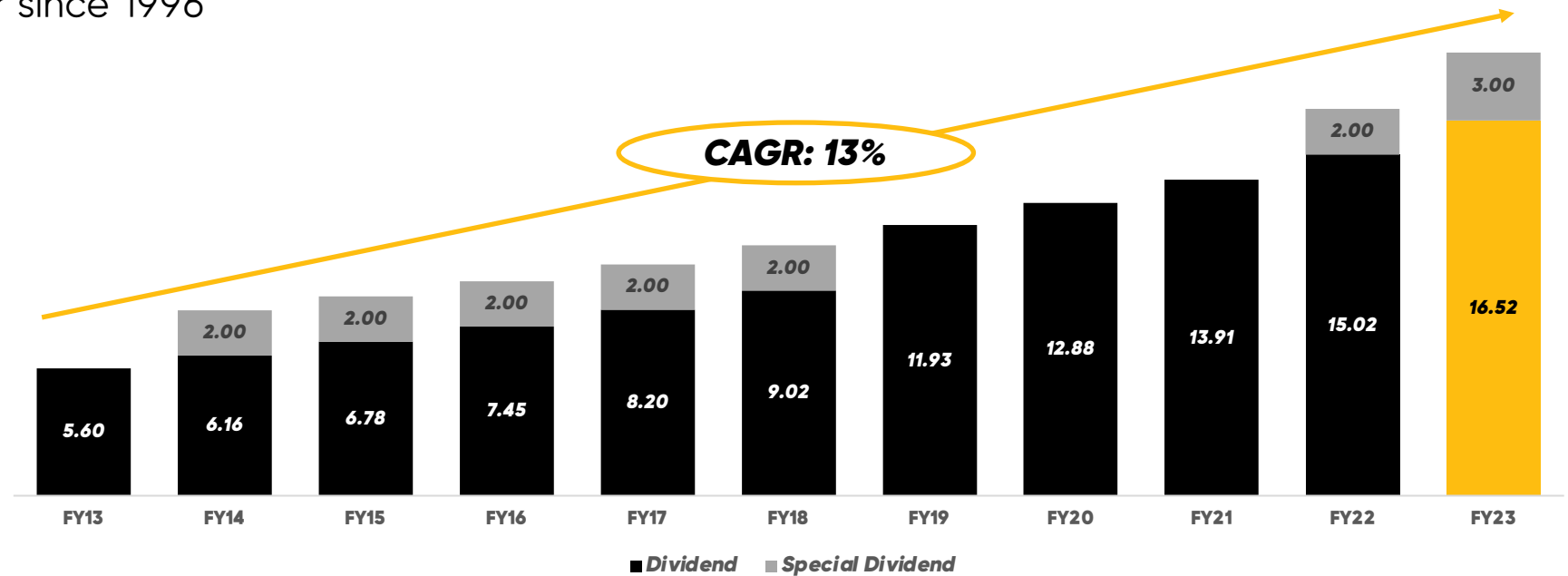
~~Surpass \$500m+ ARR by FY26~~

**Upgrades to \$500m+ ARR by FY25**

# FY23 dividend up 15% to 19.52cps

## Increased profit enables dividend uplift

- Strong balance sheet supports dividend
- Significant cash holdings retained for inorganic growth
- Payout ratio 62% (FY22: 62%)
- Dividend franked to 60% (FY22: 60%)
- Dividend paid every year since 1996

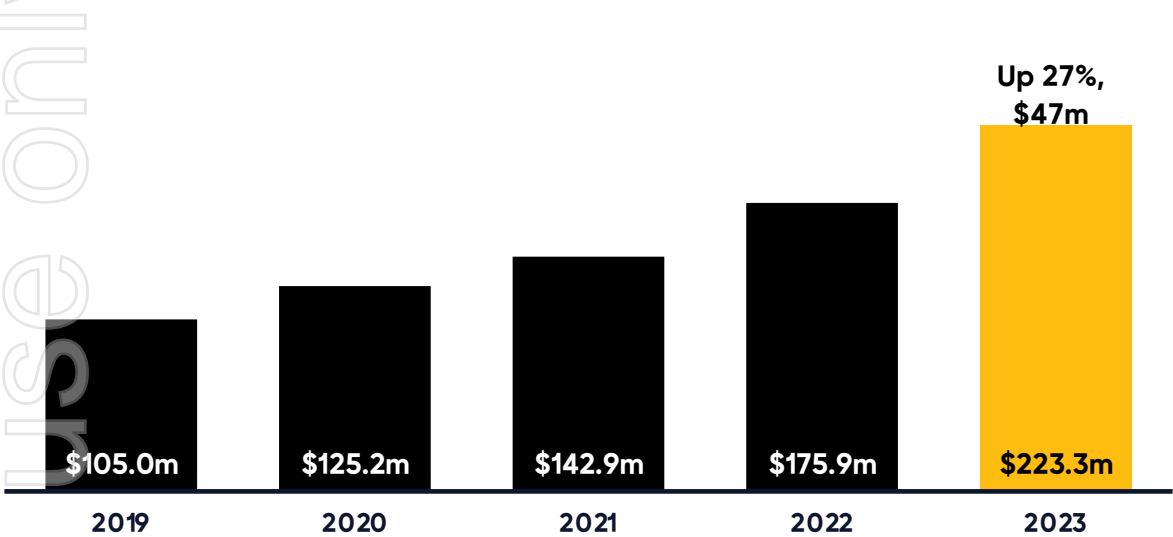


### Notes:

- We have continuously paid a dividend since 1996 (through Dot-Com and GFC)
- The Board considers the payment of a Special Dividend at the end of each year taking into consideration franking credits and other factors
- The Board continues to consider other Capital Management initiatives including acquisitions

# Balance Sheet

Cash and Investments

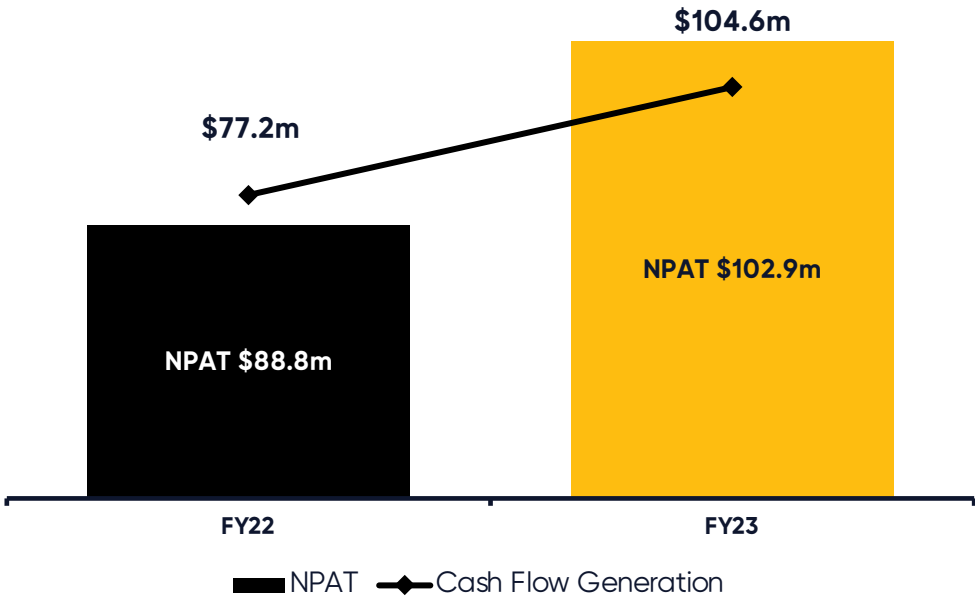


**Cash & Investments of \$223.3m, up 27%**

- ✓ Net Assets: \$306.0m vs. \$239.1m, up \$66.9m, up 28%.
- ✓ We have no debt.

# Cash Flow

NPAT versus Cash Flow Generation (CFG)



**Cash Flow Generation (CFG) of \$104.6m, up 36%, \$27.4m**

- ✓ CFG to NPAT ratio of 102%, one year ahead of plan.
- ✓ CFG will be approximately 100% of NPAT in future periods.

# FY23 Summary



Record profit  
and revenue,  
record total ARR



Cashflow  
Generation up  
36% to \$104.6m



Revenue –  
SaaS & recurring  
Business up 22%  
to \$390.7m

UK ARR  
up 52%  
to \$26.5m

Profit Before Tax  
up 16%  
to \$129.9m

Cash and  
Investments  
up 27% to  
\$223.3m



Surpass \$500m+  
ARR by FY25



Total ARR  
up 23%  
to \$392.9m



NRR of 119%  
(116% pcpr)




Additional  
investments for  
growth

**Our 4th Generation  
Global SaaS ERP  
Fuels our growth**



16 Key products strategically focused over key industries



All systems fully integrated into the CiA platform. Anytime anywhere.

UX


One simple intuitive UX focused workplace for everything.



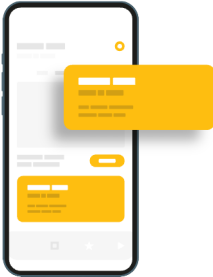
Highest level security accreditations in the industry.

**cia**live

We take care of the upgrade so you can focus on the future



400+ modules with over 10,000 capabilities





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# Outlook for FY24

## Strong ARR and Profit growth to continue in FY24

- The markets we serve such as Local Government, Higher Education and Government 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.
- Customers turn to our Global SaaS ERP to save 30%+ and streamline their business
- SaaS+ is creating significant opportunities for us.
- The pipeline for 2024 is strong.
- We expect to see strong continuing growth in ARR and profit.
- We will provide further guidance at both the Annual General Meeting and with the first half results.

**We will  
continue to  
double in  
size every  
5 years**

**On track to surpass \$500m+ ARR by FY25**



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**Upgrade to \$500m+ ARR by FY25**

# R&D Significant Investment for future growth



540 new features



Fastest Adoption



Continuous R&D staff investment

App builder

Build an app faster without having to code



Google to outcome experience

SaaS+

R&D investment of \$112.0m<sup>1</sup>

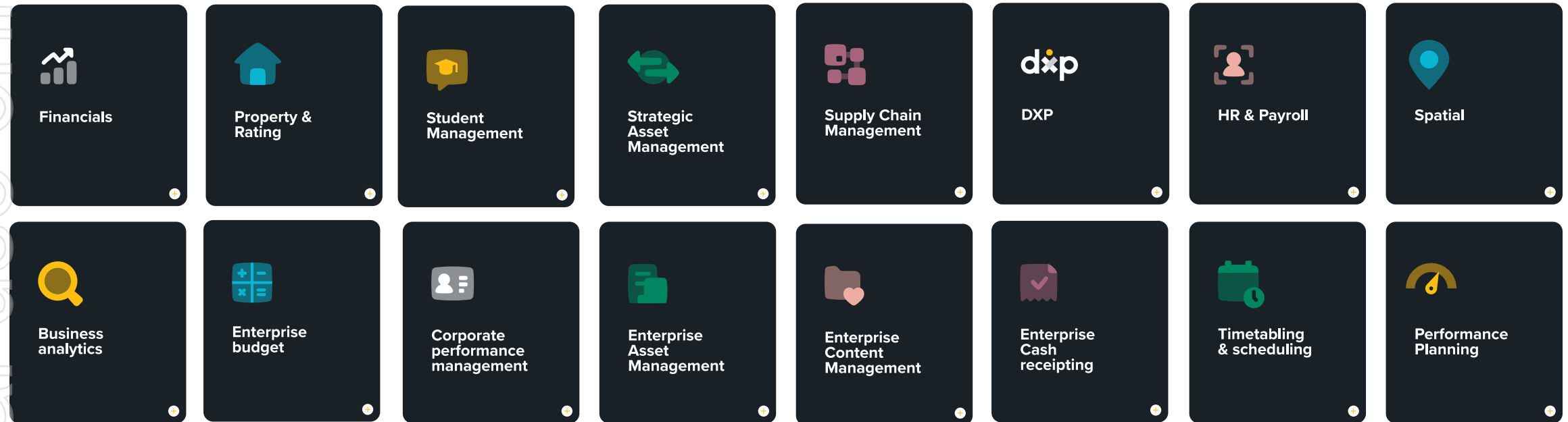
26% of revenue<sup>2</sup>

<sup>1</sup> R&D expenditure before capitalisation

<sup>2</sup> FY23 revenue excludes one-off contingent consideration reversal of \$7.4m

# True SaaS ERP

Deepest functionality for the markets we serve



POWER OF A SINGLE INTEGRATED ERP SOLUTION

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**Continue to double in size every 5 years**

# SaaS+

Solution as a Service



**SaaS+ lifts  
ARR by 40%**



London  
Business  
School



50 | ROYAL  
NORTHERN  
COLLEGE of  
MUSIC



University of  
Hertfordshire **UH**

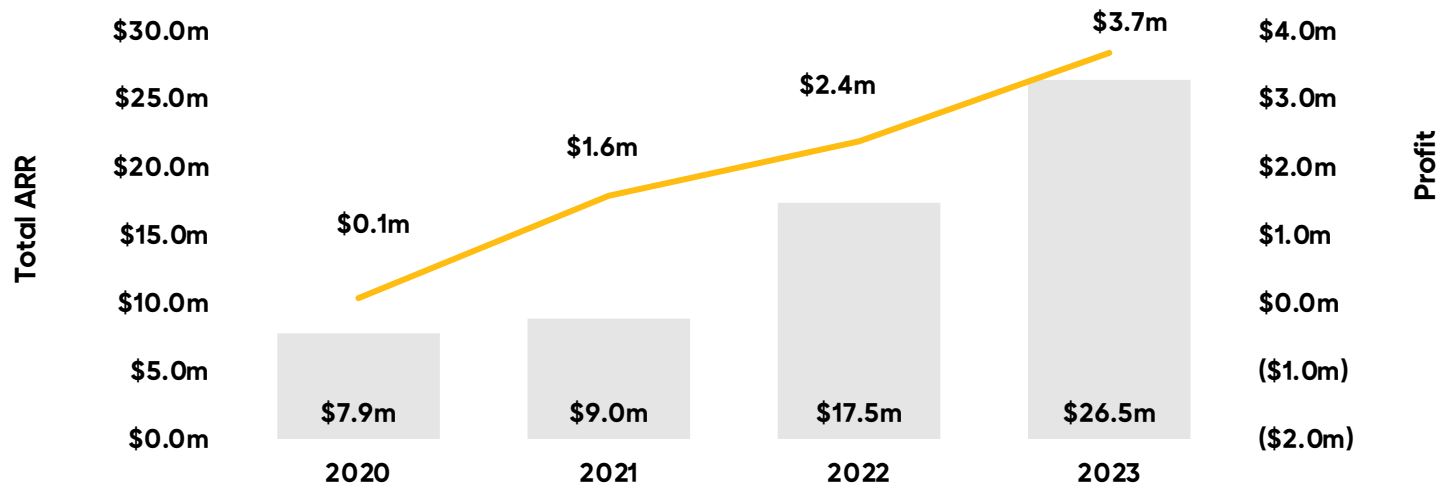


# United Kingdom

Significant investment for future growth

**UK ARR up 52% to \$26.5m**  
**Profit of 3.7m, up 54% pcp**

Total ARR and Profit



- ✓ 2 Student Management Deals Closed
- ✓ Strong Sales Team
- ✓ Skilled Consulting Team
- ✓ Significant Pipeline Growth
- ✓ Referenceable Products and Customers

**ARR**

## **Multiple Platforms for Growth**

Strong Net Revenue Retention (NRR)  
of 115-120%

\$2b of ARR whitespace in our APAC customer  
base

R&D over next 5 years doubles APAC ARR  
whitespace from \$2b to \$4b

Solution as a Service is a  
gamechanger, lifts ARR by 40%

Strategic acquisitions

Continuing growth in new logos in APAC

Continuing growth in the UK

Profit margins to grow to 35%+,  
through significant economies of  
scale

# People & Culture

Recognized as  
Employer of Choice

Award winning  
programs

Strong culture of  
creativity and  
innovation



# technologyone | Foundation

unite | donate | participate



500,000 children and their families out of poverty

# Our People



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technology**one**

Making life simple for our community