ASX RELEASE

18 November 2025

Technology One Limited (ASX: TNE)

SaaS+ & UK momentum drive record ARR & profit - beating guidance

BRISBANE, 18 November 2025 – TechnologyOne (ASX: TNE), Australia's largest ERP SaaS company and the world's first SaaS+ company, today announced its financial results for the year ended 30 September 2025. We are pleased to announce our 16th consecutive year of record profit, record revenues, and record SaaS fees.

Highlights for the year

Profit before Tax, up 19% – Beating guidance set in May 2025 of 13%-17% Profit before Tax growth.

Record Dividend, up 63% – With strong discipline in our operations and confidence in the outlook, a final dividend of 20.0 cents per share, up 15% on the previous corresponding period (pcp). Additionally, the Board has determined a Special Dividend of 10.0 cents per share. The total FY25 dividend of 36.6 cents per share represents a 63% year-over-year increase.

Total Annual Recurring Revenue (ARR), up 18% to $554.6 million, on track to $1 billion+ ARR by FY30. The power of our strategy, our diversification of revenue streams and our multiple levers of growth have enabled us to meet expectations as we delivered a record ARR result of $554.6 million, up 18% on the pcp.

$500 million ARR achieved 18 months ahead of target and a new long-term target of $1 billion+ ARR by FY30 – Achieved $500 million ARR 18 months ahead of the target date. We have now set our ambitions higher by announcing a new long-term target of $1 billion+ ARR by FY30.

Rule of 40 result of 59%: **Top quartile of global SaaS software businesses** - Our strong ARR growth, supported by record free cash flow generation, has generated a rule of 40 result of 59%[1] (up 7 percentage points on the pcp), placing us in the top quartile of global SaaS software businesses.

SaaS+ is fuelling our growth and has enabled us to deliver record ARR, record revenues, and record profits for the year – We established our visionary SaaS+ offering in 2023 by combining our mission-critical global SaaS ERP solution and implementation in one single fee, removing the need for traditional, complex, long, risky and expensive consulting implementations to provide faster go-lives to unlock value for our customers quickly.

Strong UK growth continues, driven by SaaS+ success with UK ARR up an impressive 49% and UK Sales ARR, up 52% – Our strategic focus in the UK is now delivering strong results in both our Local Government and Higher Education verticals, with significant customer wins that fuelled our organic growth during the year.

Building the future, enabling us to continue to double in size every 5 years – With strong results and a robust sales pipeline, we upheld our ambitious R&D investments to enable us to continue to

[1] *Rule of 40 is defined as the sum of ARR growth and the 12-month rolling free cash flow margin pre-tax (free cash flow as a percentage of ARR). The calculation of the metric aligns with pre-tax results from post-tax, in line with industry standards. This is a non-IFRS financial measure and is unaudited.*

double in size every five years. These included the addition of our new trail-blazing in-product AI enhancements and our 20th product, Plus.

Acquisition of CourseLoop – We completed the acquisition of CourseLoop in November 2024. CourseLoop is a world-leader in curriculum management, and this acquisition complements our Higher Education suite of products and provides us with enhanced IP.

Strong cashflow generation greater than 134% of NPAT drives leverage and flexibility for the future – With all parts of our business executing with discipline and precision, we delivered strong free cashflow generation to NPAT. We achieved a free cash flow to NPAT ratio of 134%, ahead of our long-term target of 100%.

These points are discussed in more detail later.

Results Summary

- Profit Before Tax (PBT) of **$181.5 million, up 19%**, beating guidance of 13%-17% growth
- Profit After Tax of **$137.6 million**, **up 17%**
- Full Year Dividend of **20.0 cps**, **up 15%** and Special Dividend of **10.0 cps**
- Total Dividend for FY25 of **36.6 cps, up 63%**
- Total ARR[1] of **$554.6 million**, **up 18%** and class-leading NRR of 115%
- Surpassed **$500m ARR** in the first half of FY25, 18 months ahead of target
- **Rule of 40 result of 59%**[2], above our target of maintaining Rule of 40 above 40%
- Total Revenue of **$610.0 million**, **up 18%**
- Revenue from our SaaS and Recurring Business of **$553.2 million**, **up 19%**
- Expenses of $428.5 million, **up 18%**
- Free Cash Flow[3] of **$184.2 million**, **up 55%**
- Cash and Investments of **$319.6 million**, **up 15%**
- R&D investment of **$153.7 million** before capitalisation, representing an investment of 25% of total revenue to drive strategic growth

1. *ARR represents future contracted annual revenue at year-end. This is a non-IFRS financial measure and is unaudited.*
2. *Rule of 40 is defined as the sum of ARR growth and the 12-month rolling free cash flow margin pre-tax (free cash flow as a percentage of ARR). The calculation of the metric aligns with pre-tax results from post-tax, in line with industry standards. This is a non-IFRS financial measure and is unaudited.*
3. *Free Cash Flow 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.*

TechnologyOne has consistently delivered strong results since listing on the ASX in 1999.

Ed Chung, CEO of TechnologyOne said: *"The success we are having today is from our investments 5 years ago, and the success we will have in future is from the investments we are making now.*

When you think of game changing technology a few things come to mind. iPhones changed the market for mobile phones, Tesla changed the market for vehicles, UBER changed the market for how to catch a cab and now that we have Ai and SaaS+, TechnonogyOne is changing the market for ERP and unlocking value for our customers."

Profit before Tax of $181.5 million, up 19% with a PBT margin of 30%

TechnologyOne achieved a record Net Profit before Tax of $181.5 million, up 19% on FY24 and beating guidance set in May 2025 of 13% to 17% Profit before Tax growth.

We also generated a Profit before Tax margin of 30%, compared to 30% in the previous year. As previously communicated, we are investing in our long-term SaaS+ strategy and this equated to a 2.7% ($17 million) planned impact on our Profit Before Tax margin in the year. This is as expected, while we transition to our game-changing SaaS+ model, the strategic benefits of which are evident in our current year results.

Albeit smaller in scale, the shift from traditional new project consulting revenue to SaaS+ revenue is showing similarities to our completed transition from legacy license fees to SaaS revenue. This strategic move over time removes lower-quality, one-off traditional consulting revenue and replaces it with high-quality SaaS+ recurring revenue which represents a 40% uplift to new ARR. A slight headwind to our margin growth in the short term will enable a significant tailwind in the long term for our Profit Before Tax margin.

Notwithstanding our strategic shift to SaaS+ and the short-term headwind to our margin growth, we anticipate that group margins will continue to improve to 35%+ in the coming years, driven by the significant economies of scale from our single-instance, multi-tenanted global SaaS ERP solution and the customer response to SaaS+.

Record Dividend, up 63%

Considering the company's strong results, our confidence in the future and the significant capacity in our balance sheet to invest in growth and opportunities that may arise, we have determined a final FY25 dividend of 20.0 cents per share, resulting in a total payout ratio of 63% of Net Profit after Tax, franked at 65%. We also determined a special dividend of 10.0 cents per share, franked to 65%, to return capital to our shareholders while maintaining a strong capacity to continue growing in the years ahead. Including the special dividend of 10.0 cents per share, our total payout ratio for the year amounted to 87% of Net Profit after Tax, up 63% on the prior year total dividend.

For the full year, our total ordinary dividend has increased to 26.6 cents per share, up 19% on the prior year, consistent with our Net Profit After Tax growth of 17%. Our evolving capital management approach is yielding higher returns to shareholders.

Total Annual Recurring Revenue (ARR), up 18% to $554.6 million, on track to $1 billion+ by FY30

The power of our strategy, our diversification of revenue streams and our multiple levers of growth have enabled us to expectations as we delivered a record ARR result of $554.6 million, up 18% on the pcp. Furthermore, the adoption of our global ERP solution and our SaaS+ offering continues to exceed our expectations.

The revenue quality from our latest generation global SaaS ERP solution is exceptionally high, given its contractual recurring nature, combined with our long-term, industry-leading low churn rate of 1%. Our ARR stands at 91% of Total Revenue, which means most of our revenue is locked in at the start of the financial year. This gives us confidence and positions us well to achieve continuing solid ARR growth in the years ahead.

We achieved our target of $500 million ARR in the first half of FY25, 18 months ahead of plan. We have now set our ambitions even higher with a new long-term target of $1 billion+ ARR by FY30, underpinned by SaaS+, our new AI transaction-driven ARR strategy, our significant investments in R&D developing expanded products and modules, as well as new products such as Plus, DxP and App Builder, strategic acquisitions, and the strong growth in the UK.

We delivered Net Revenue Retention (NRR)[2] of 115%, which is industry-leading in the ERP market and consistent with our long-term target of a minimum of 115%. Our SaaS customers continue to adopt products and modules faster than they had historically as on-premise customers. The average customer ARR has grown from $100,000 in FY12 to over $442,500 in FY25, providing us with ongoing confidence that we will continue to double in size every five years.

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[2] *Net Revenue Retention (NRR) represents the rate of recurring revenue retained from existing customers over the period. This is a non-IFRS financial measure and is unaudited.*

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All of our key verticals performed strongly throughout the year, with our Local Government vertical growing 22%, up $39.4 million, Higher Education growing 24%, up $27.6 million, and Government growing 8%, up $6.7 million.

In Local Government, our team closed over 20+ significant deals in FY25. In the UK, TechnologyOne won the signature London boroughs of Islington London Borough Council and the Council of the Royal Borough of Greenwich from global incumbent competitors. In Australia, the Central Coast Council, one of the largest councils in the country, signed an agreement with us to implement OneCouncil and Property and Rating. Central Coast adds to an already impressive list of the largest and most prestigious councils using our solutions through SaaS+.

Another key customer win for Local Government in Australia was Merri-bek City Council in Melbourne. Merri-bek selected TechnologyOne to replace multiple ageing legacy platforms to modernise their services and strengthen their digital capabilities, leading to the delivery of much-needed productivity and efficiency gains to the council. These Local Government customers are just a few examples of councils choosing our market-leading SaaS+ ERP solutions to digitally transform their operations and make life simple for their communities.

In our Higher Education vertical, our team closed the most deals in our history during FY25. We had decisive wins in Australia, including TasTAFE, which demonstrates our strength in the TAFE sector. Our mission-critical Student Management product now powers TAFEs in every state of Australia, excluding SA and NSW. In the UK, we secured two significant Higher Education Student Management deals, marking an important milestone in a sector where changes in mission-critical ERP solutions are minimal. As a result of our technology and SaaS+ delivery model, the Higher Education sector has been enabled to make transitions that were previously unattainable.

Our focus on migrating UK Higher Education customers from old legacy technology in the student management space to best of breed products, in the only ERP solution designed for their sector, is proving to be successful with one of the largest UK universities, the University of Hertfordshire as well as one of the most prestigious UK universities, Royal Holloway, University of London selecting TechnologyOne's Student Management solution (and other products) to enhance their student experiences and being a cornerstone to their growth strategies.

We are proud to report that the implementation of our Student Management solution at The London Institute of Performing Arts became the fastest implementation of a student management solution in history, achieved in under a year, and was made possible through our SaaS+ offering. This provides continued validation that SaaS+ is our path to success.

With more than two decades of sustained growth in the government sector, our brand and solutions continue to gain scale and recognition. The opportunities we are now securing reflect our growing reputation as a trusted partner in public service transformation. While these wins often emerge through the natural machinery and timing of government, we remain disciplined and ready to capitalise when they arise — ensuring TechnologyOne continues to strengthen its leadership and influence across the sector.

Our strategy, products and solutions are resonating with the market. Customers continue to adopt more TechnologyOne products and modules as they embrace our enterprise vision and the consequent substantial efficiencies and productivity gains. These global organisations are selecting TechnologyOne as their SaaS+ ERP provider due to our deep industry knowledge, local presence, innovative delivery models and our focus on putting our customers and community first.

Rule of 40 result of 59% - Top quartile of global SaaS software businesses.

An increasingly common metric to assess global SaaS companies is the Rule of 40. The Rule of 40 typically measures recurring revenue growth and cash profit margins.

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Strong profitable growth is nothing new to TechnologyOne, and for FY25, we recorded a result of 59%[3] which places us in the top quartile globally among SaaS software peers and represents a significant 7 percentage point increase from FY24 (52%).

As the Rule of 40 is a standard metric and TechnologyOne is already measured against it, we have added it to our metrics. Importantly, we expect to remain world-class, which is above 40%.

We are the world's first SaaS+ ERP company. SaaS+ is fuelling our growth and has enabled us to deliver record ARR, record revenues, and record profits for the year.

Having completed our transition to become a 100% SaaS company, we have pivoted to our next major innovation, becoming the world's first SaaS+ company.

Two years ago, we established our visionary SaaS+ offering, becoming the world's first SaaS+ ERP company. By combining our 20 mission-critical products, which power our communities' operations across six vertical markets, and implementing them under a single fee, we eliminate the need for traditional, complex, lengthy, risky, and expensive consulting implementations. This approach provides faster go-lives, unlocking value for our customers.

SaaS+ is a game changer in the ERP industry, delivering faster time to value as we continue to dramatically reduce implementation timeframes with an ambitious goal of achieving 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.

ERP in 30 Days

A traditional implementation of our global competitors' solutions, undertaken by third-party consulting firms or the Big Four accounting firms, typically takes thousands of days to complete. We have set an ambitious goal to deliver our core ERP within 30 days by 2028. This goal will totally transform our industry as we deliver what our customers truly need – a rapidly implemented solution to streamline their business, not years of traditional, complex and risky consulting implementations. Our OneBase solution presently takes 126 days to implement, and we are hyper-focused on reducing this to 30 days.

Our SaaS+ proposition is resonating with the market and continues to exceed expectations, with many tender requests now specifically requiring a SaaS+ solution. Our shift from traditional new project consulting revenue to SaaS+ recurring revenue is mirroring our successful transition from legacy license fees to SaaS revenue, which is now complete. This strategic move enhances our focus on high-quality, recurring revenue and increases our ARR by 40% for all products sold as SaaS+.

We are excited about the opportunities these investments will bring to our customers, and, importantly, SaaS+ is now the go-to-market sales approach for all our products and modules. With over 40 customers implementing SaaS+ products in the year, all customer sales are now contracted as SaaS+ sales.

Strong UK growth off the back of SaaS+ success - UK ARR, up 49% and UK sales ARR, up 52%

Our UK operation has emerged as a formidable force in the UK Local Government and Higher Education verticals following key customer wins in FY25. After nearly two decades of groundwork,

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TechnologyOne's pivot to SaaS+ has catalysed a remarkable turnaround, exceeding our expectations and positioning our UK operation for sustained growth and market leadership.

The TechnologyOne brand in the UK over the past 5 years has become the standard against which other ERP providers are benchmarked. This is as a result of our ability to deliver, referenceability, complete localisation of our product and team and adoption of SaaS+. Our confidence in the UK region's trajectory is unwavering.

UK ARR surged to $51.8 million, a 49% year-on-year increase, outpacing the Group's overall ARR growth of 18%. New sales ARR in the UK increased 52% to $13.1 million, driven by strong demand in the Local Government and Higher Education sectors. We delivered a profit of $1.5 million, down from $2.9 million last year; this was expected, as we invested in the growth of the UK business and our SaaS+ offering.

Our SaaS+ ERP offering, along with the breadth and depth of functionality that we bring to Local Government and Higher Education sectors, is unique in the UK, and our pipeline is growing strongly. We continue to invest in products, sales, marketing and other functionalities in the UK to accelerate our growth.

Building the future, enabling us to continue to double in size every 5 years

TechnologyOne invested $153.7 million in R&D during FY25, up 20% on the previous corresponding period. This investment of 25% of total Revenue underpins our future platforms for growth, enabling us to continue doubling in size every five years.

Our R&D program remains at the forefront of our industry, continually embracing new technologies, concepts, and paradigms. Our R&D team is focused on extending the functionality and capabilities of our global SaaS ERP solution, thereby increasing the whitespace in the verticals we serve.

We continue to invest in new, exciting ideas and innovations, including SaaS+ and ERP in 30 days, in-product artificial intelligence capabilities, our new 20th product, Plus, App Builder, and Digital Experience Platform (DxP) for Local Government and Higher Education.

October Showcase unveils the future of ERP

Showcase is our premier event where we reconnect with customers across major capital cities and share the next chapter of our innovation story. In 2023, we announced the completion of CIA – our fourth-generation ERP platform – and SaaS+, our revolutionary one-fee implementation model. At Showcase 2025, we took the next leap forward by unveiling our AI roadmap and initiatives, focused on two major areas:

1. In-product AI enhancements leveraging the power of CIA to deliver faster, smarter outcomes for our customers; and
2. The release of our 20th product – Plus.

Plus is the culmination of more than two years of research, design and development — a bold re-imagining of how organisations engage with their ERP in the era of Agentic AI. It transforms the relationship between people, process and technology — from searching for information to simply asking for insight.

Built on the foundation of our data lake, Plus continuously learns from every interaction, monitoring the status of not only individual tasks but also the performance of entire departments and enterprises in real-time. It goes beyond insight to action — supporting decision-making, driving resolution workflows, and enabling predictive management, all through a natural language interface.

With no clicks, no screens — just a conversation with Plus, our customers will unlock new levels of visibility, speed and simplicity. We believe this will deliver millions of dollars in efficiency gains for universities, councils and public and private sector organisations — transforming how they operate from the moment Plus is turned on.

Plus represents the next frontier in enterprise innovation — an intelligent, adaptive, whole-of-organisation platform that will redefine expectations of what an ERP can do.

Acquisition of CourseLoop

In November 2024, TechnologyOne invested $60 million to acquire CourseLoop, a company servicing the higher education sector. This acquisition is part of TechnologyOne's strategic focus on delivering 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, enabling them to create courses that meet market demands, align with student interests, are financially sustainable, and deliver student success and institutional differentiation.

CourseLoop is delivering in line with our expectations, and integration is tracking to plan. The impact on our FY25 group profit is insignificant, and we expect the acquisition to be EPS accretive in FY26.

Investment in people and culture

Our people solve incredibly complex business problems for our customers and, over time, have delivered our uniquely broad and deep global SaaS ERP solution. We compete and win against the world's largest global software companies, which have R&D teams with tens of thousands of staff.

We continue to succeed because of our consistent strategy, mission, purpose, core beliefs, values, leadership philosophies, and Compelling Customer Experience, consistently placing our customers first in everything we do.

Our investment in our people and culture has culminated in the receipt of a new award in 2025 from LinkedIn, recognising TechnologyOne as one of the top 15 companies in Australia to 'Grow your Career'. Furthermore, we are making excellent progress in achieving our target of an internal employee Net Promoter Score (**eNPS**) score of 50+ by FY26, with an outcome of 43 achieved this year.

During the year, we progressed the careers of 256 team members across all areas of our business. We continued our focus on diversity and strategies to increase the number of women across the organisation. Women now hold 45% of senior roles, compared to an industry average of 25%. Our overall representation of women across all roles at TechnologyOne is now 39%, and we continue to target 80% of all vacant positions to include at least one female candidate shortlisted. Additionally, we aim to ensure that the promotion of female team members is higher, as a percentage, than their representation in TechnologyOne.

In the third year of what we believe to be Australia's best Employee Share Plan, which provides one free share for every two shares purchased by our employees, 69% of our current team members have become owners of TechnologyOne, sharing in the growth of our great company.

To continue to double in size every five years, we invest heavily in our leaders through our Leadership Summit. This year, 110 of our leaders attended the Summits, which supported their growth, taught them the TechnologyOne Way and equipped them to lead our teams to make the impossible possible. The first cohort graduated in FY23, the second cohort graduated in FY24, and the third cohort graduated this year.

Our team can choose to work for any company, but they decided to work at TechnologyOne.

Strong balance sheet and strong cash flow generation greater than 100% of NPAT

TechnologyOne continues to maintain a strong balance sheet with net assets of $450.7 million, up 19% and cash and investments of $319.6 million, up 15%. Free Cash Flow generation (**FCF**) was once again strong at $184.2 million for the full year, compared to a Net Profit after Tax of $137.6 million, resulting in a FCF to NPAT ratio of 134%. This provides us with significant flexibility and strength for future inorganic growth. High levels of recurring revenue, strong free cash flow generation, and a strong new business pipeline provide us with confidence in the future. We continue to consider our capital management position carefully, and as such, we have taken steps to implement the following actions.

1. **Dividend Policy Update:** The dividend policy was revised in FY24 from a growth target of 8-10% to a payout ratio of 55-65%. This change enabled dividend growth to align more closely with Net Profit after Tax growth, while striking a balance between stability, rewarding shareholders, and maintaining the capacity to invest for future growth. We determined a record final dividend of 20.0 cents per share in FY25, bringing our FY25 ordinary dividend to 26.6 cents per share, representing an increase of 19% and a payout ratio of 63%. Our strong capital position has also enabled us to determine a special dividend of 10.0 cents per share, bringing the total dividend for FY25 to 36.6 cents per share, representing a 63% increase.

2. **Equity Management Policy:** In FY25, a policy was established to purchase employee-related equity needs on the market instead of issuing new shares, which we had done historically. This measure aims to prevent dilution, thereby effectively managing the capital base. In 2025, our Employee Share Trust acquired $30.4 million of equity on the market to allocate these shares to employees under the employee share plan.

3. **Inorganic growth:** The acquisition of CourseLoop was completed in November 2024. This is a crucial bolt-on acquisition for our Higher Education solution, which makes our offering deeper and more unique than any other education software provider in the world. We continue to target acquisitions that add new IP to the business, such as CourseLoop, and our strong capital position gives us the scope to continue to grow inorganically in the future. The leverage we are delivering in our business provides us with significant headroom for inorganic growth. We have a great vision and platform for the future of ERP with Plus and our in-product AI. When we add IP acquisitions to this foundation, the value to our customers and to TechnologyOne is exponential.

We emphasise our ongoing commitment to capital management initiatives, reflecting a prudent yet strategic approach to investments for growth while maintaining discipline in execution.

Pat O'Sullivan
Chair

Edward Chung
Chief Executive Officer and Managing Director

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Further information
This market release should be read in conjunction with the TechnologyOne 2025 Annual Report, 2025 Full-Year Results Presentation and the Appendix 4E. All documents are available on the ASX Announcement platform.

Results teleconference
TechnologyOne will present the 2025 full year results to analysts on a conference call on Tuesday 18 November at 11:00am AEST. You can register for the webcast at the link TechnologyOne 2025 Results Call Registration.

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Authorised for release by the CEO and Chair.

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About TechnologyOne

TechnologyOne (ASX: TNE) is Australia's largest enterprise software company and one of the ASX top 50, with a global presence. **Our SaaS+ (Solution as a Service)** offering is an all-inclusive, industry-specific solution that leverages our unique Power of One to deliver low-risk, end-to-end SaaS ERP implementations. This includes implementation, support, and upgrades—with TechnologyOne taking full accountability for outcomes, not just software.

Over **1,300 leading corporations, government agencies, local councils, and universities** are powered by our software.

For over 38 years, we've helped customers adapt to new and emerging technologies with enterprise software that evolves alongside their needs—enabling them to focus on their business, not IT.

Learn more at: technology1.com