

Technology One Limited (ASX: TNE)

TechnologyOne FY22 AGM – Chair’s Address to Shareholders

BRISBANE, 22 February 2023 – TechnologyOne (ASX: TNE), Australia’s largest ERP Software as a Service (SaaS) company, today holds its Annual General Meeting for the year ended 30 September 2022.

Chair’s Address

TechnologyOne has consistently delivered strong results since listing on the ASX in 1999. We are pleased to announce our thirteenth consecutive year of record profit, record revenues, and record SaaS fees.

I would like to recognise the company’s founder, Adrian Di Marco, who 35 years after founding TechnologyOne retired from the company on 30 June 2022. Adrian has built an incredible market leading software business through his vision, energy and commitment to greatness. He leaves the business in excellent shape for future growth, and everyone associated with the business wishes him well in his future endeavours.

Retirement of Ron McLean

I would also like to acknowledge Ron McLean, who will retire as a director of TechnologyOne at the conclusion of today’s meeting.

Ron was appointed as a non-executive Director in 1992 and was then appointed as General Manager in 1994, Chief Operating Officer in 1999 and then promoted to Chief Executive Officer of Operations in 2003. Ron then retired from his role in 2004 and remained on the Board.

Ron has made a substantial contribution to the success of TechnologyOne. His deep industry knowledge, advice, guidance and enthusiasm has always been greatly appreciated, as is his commitment to the company.

I personally had the benefit of Ron’s years of TechnologyOne experience to call upon when I first joined the Board. Ron was always readily available to impart his knowledge.

On behalf of myself, the Board and the whole Company, thank you, Ron.

FY22 Remuneration Report

I would like to make a few specific comments in relation to the Remuneration Report and in particular recognising the 23% vote received by shareholders against supporting this resolution.

TechnologyOne is an outstanding entrepreneurial success story. Built by Adrian Di Marco over three decades, the company is today valued at an enterprise value of over \$4.5bn. A very large part of that success is attributed to the efforts, focus and energy of our bright, smart and visionary executives and staff.

When Adrian announced his retirement last year, the company's executives were aggressively head hunted by other global technology companies who saw an opportunity to poach some outstanding talent who had been very loyal to Adrian and the company, and who they felt might now make a move away from the company.

The remuneration packages being offered by other companies were eye watering at a time when we were at the height of the global tech drain.

We, your board, made the decision that we should work hard to retain all our key executives in order that we could seamlessly get on with growing the business.

We determined that we did not want to permanently inflate the company's cost base by increasing fixed remuneration or the STIs, but rather put in place a one-off long-term incentive in the form of long-dated options whereby the executives need to be employed by the company in November 2026. If the share price grows they would benefit in perfect alignment with shareholders.

These retention options were issued to a very small group of executives and with this one-off retention in place two of our three KMP have total employment packages that rank them below the 60th percentile for their peer group when we do the benchmarking so hardly overpaid, and the majority of their remuneration is in variable at-risk pay.

TechnologyOne has delivered sustainable total shareholder returns over a long period of time. Our 5-year Total Shareholder Returns (TSR) are 18%, when the ASX All Ordinaries Index TSR over the same period was 7%.

We have consistently delivered strong growth and grown our revenue and profits at strong double-digit levels over a long period of time. We have committed to doubling the company over the next 5 years.

If I was standing here this morning telling you that we had lost Adrian and a number of our senior executives all at the same time I expect there would be many questions as to why we let that happen and what exposures that leaves us with.

So let me re-emphasise that your board is a very commercial board that are focussed on delivering sustainable shareholder returns for you over the long term and we value tremendously the commitment of our executives and staff who are the key IP of this company.

Finally, I would like to now specifically acknowledge the efforts of the TechnologyOne people. Their skills, commitment and hard work have allowed us to continue our success, and to overcome the challenges we face in the fast-changing world of IT. The achievements of this year are a testament to the calibre of people at Technology One under the strong leadership of our CEO, Mr Edward Chung.

I would also like to acknowledge and thank my fellow board members for their hard work, support, and substantial contribution.

I would also like to thank you, our shareholders, for your continuing support and faith.

With our highly integrated strategy, our current momentum, our technological vision and strong financial position, we look forward to continuing success.

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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 Australia's top 150 ASX-listed companies, with locations globally. We provide a global SaaS ERP solution that transforms business and makes life simple for our customers. Our deeply integrated enterprise SaaS solution is available on any device, anywhere and any time and is incredibly easy to use. Over 1,200 leading corporations, government agencies, local councils and universities are powered by our software.

For more than 35 years, we have been providing our customers enterprise software that evolves and adapts to new and emerging technologies, allowing them to focus on their business and not technology.

For further information, please visit: [TechnologyOneCorp.com](https://www.technologyonecorp.com)

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