ASX:RDY

FY26 Results

27 August 2026

Key takeaways

We have conviction in our strategy, and believe cash margin is at a low point

- FY26 result was within revised guidance
- We are positive on the long-term future – our Victorian TAFE win validates education investment, and enterprise pipeline is strengthening
- We see AI as a structural tailwind to the services we provide our customers; through AI we will deliver new value to customers, and at a lower cost to serve
- In FY27, you will see the margin benefits of our cost optimisation program

Contents

Summary performance

FY26 financial result

- FY26 revenue of $125.0 million was within revised guidance of $125-127 million
  - Compounding strength in flagship products
  - Offset by weakness and churn in some of our mature products
- FY26 cash EBITDA margin of 12.6% consistent with revised margin guidance in the low-teens
  - Cash margin reached a low point in FY26, with enterprise investment peaking

Total revenue	Subscription revenue	Underlying EBITDA*	Underlying cash EBITDA**
$125.0m	**$103.8m**	**$35.0m**	**$15.8m**
Increase of **2.6%**	Recurring revenue **83%**	Underlying EBITDA margin of **28.1%** (FY25: 32.5%)	Underlying Cash EBITDA** margin of **12.6%** (FY25: 16.0%)

^See slide 28 for further detail on the outlook.
**Underlying EBITDA margin excludes changes in the fair value of contingent liabilities ($1.1m), integration, restructuring and cyber incident costs ($3.7m), technology advancement costs ($1.8m) and LTIP cost ($0.2m).*
***Underlying cash EBITDA includes actual lease payments and excludes labour capitalisation.*

Building a clearer, faster and stronger ReadyTech

Management are focused on re-building foundations for growth and addressing our mixed recent performance

	FY26	What's next
Financial	• Result within revised guidance • Improved balance sheet quality, including strengthened working capital discipline	• Improved reliability and robust management of company performance
Cost management	• Cost management program enacted • $6.5 million annualised savings since January 2026	• Further $3.3 million annualised cost savings to be realised in FY27 • Operating model optimisation offsetting investment in AI
Capital allocation	• Product portfolio assessed on a Rule of 40 framework • Product R&D investment decisions optimised	• Cost base of underperforming products right-sized • Some portfolio products may be exited • Intend to return any excess capital to shareholders

ReadyTech is a structural winner with AI

Through AI we will deliver new value to customers, at a lower cost to serve

Why?

01 Chosen verticals with deep regulatory and compliance moats

02 Core system of record and data ownership with thousands of edge cases

03 Customer contract length and lifecycle

Customer intimacy and regulatory oversight make us the natural, trusted partner to build our customers' AI

Payback evidence

Orqestra founding partner program (pilots) accelerating – wiring AI intelligence into our customer's workflows

AI engineering Super Squads increasing velocity^ ~3-4x

AI Ops team driving AI efficiency across customer support and delivery

^Not all engineering squads will be Super Squads. Traditional squads will continue to have a place e.g. customer support and maintenance.

AI is both a significant re-investment opportunity and an efficiency driver to structurally transform our organisation

FY26 highlights and challenges

Highlights

- **Victorian TAFE common platform win** – validating our tertiary education investment and strengthening pipeline
- **AI-driven engineering efficiency** – increasing development squad velocity^ by ~3-4x
- **Launched Orqestra** – AI-native segment-agnostic platform, with a cohort of founding partners refining revenue model
- **Local Government** – significant breakthrough with 5 customer upgrades to flagship product in July 2026

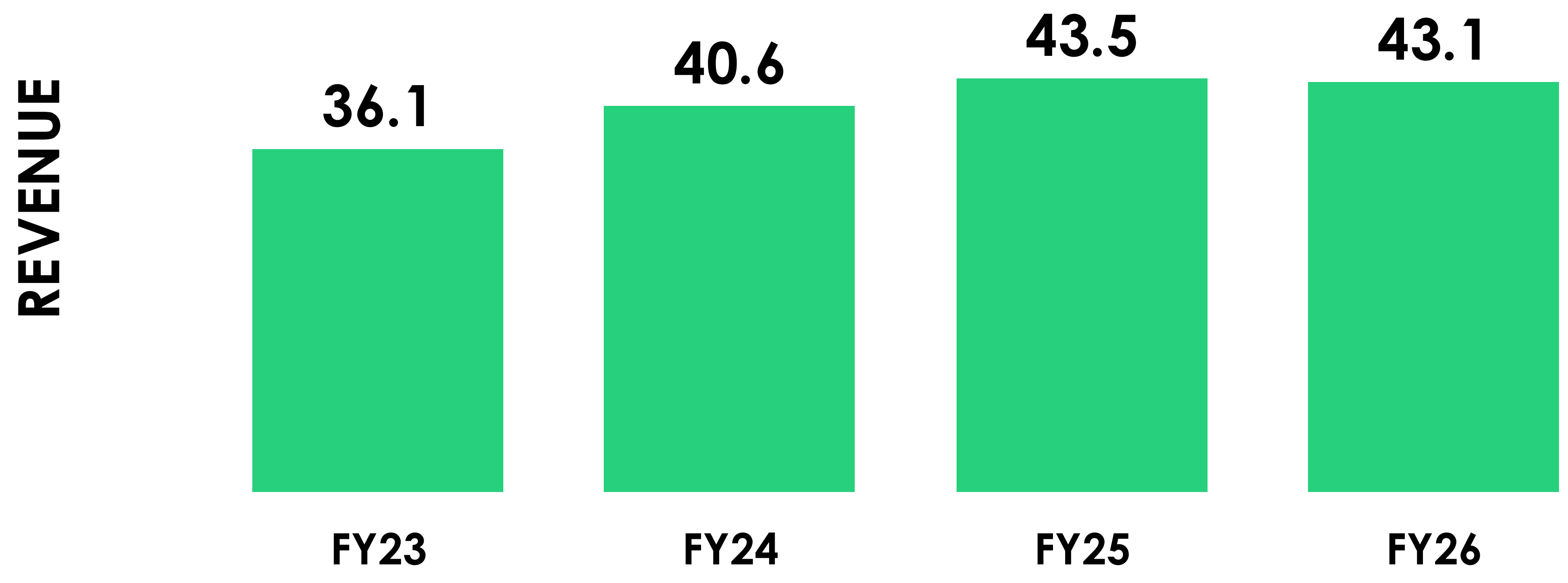
Challenges

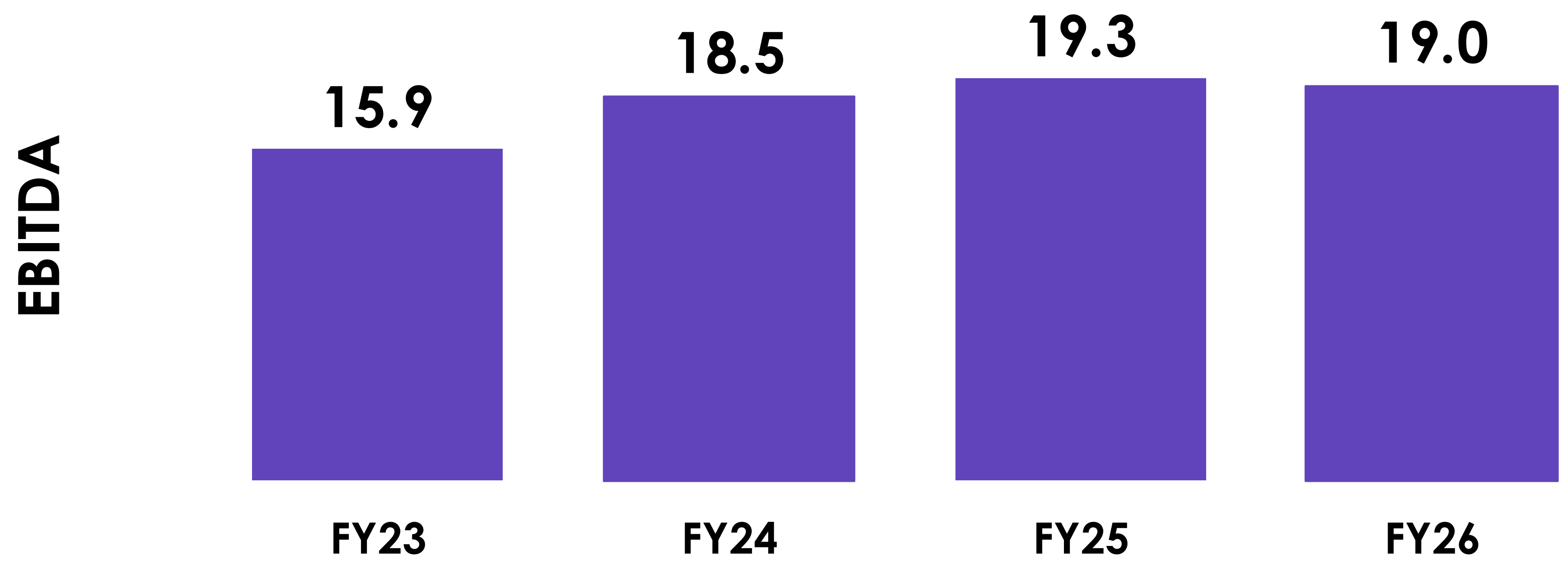
- **FY26 result** – revenue growth and cash margin both at a low point
- **Elevated churn** – impacting mature products, particularly managed payroll services and SME education
- **VETtrak cyber incident** – remediation and customer restoration complete, enhanced security controls embedded across the Group
- **Local Government** – continued delivery challenges to unblocking the upgrade pathway

^Not all engineering squads will be Super Squads. Traditional squads will continue to have a place e.g. customer support and maintenance.

Education & Work Pathways

Victorian TAFE win validates Education enterprise strategy with Work Pathways enterprise pipeline converting through a resilient renewal cycle





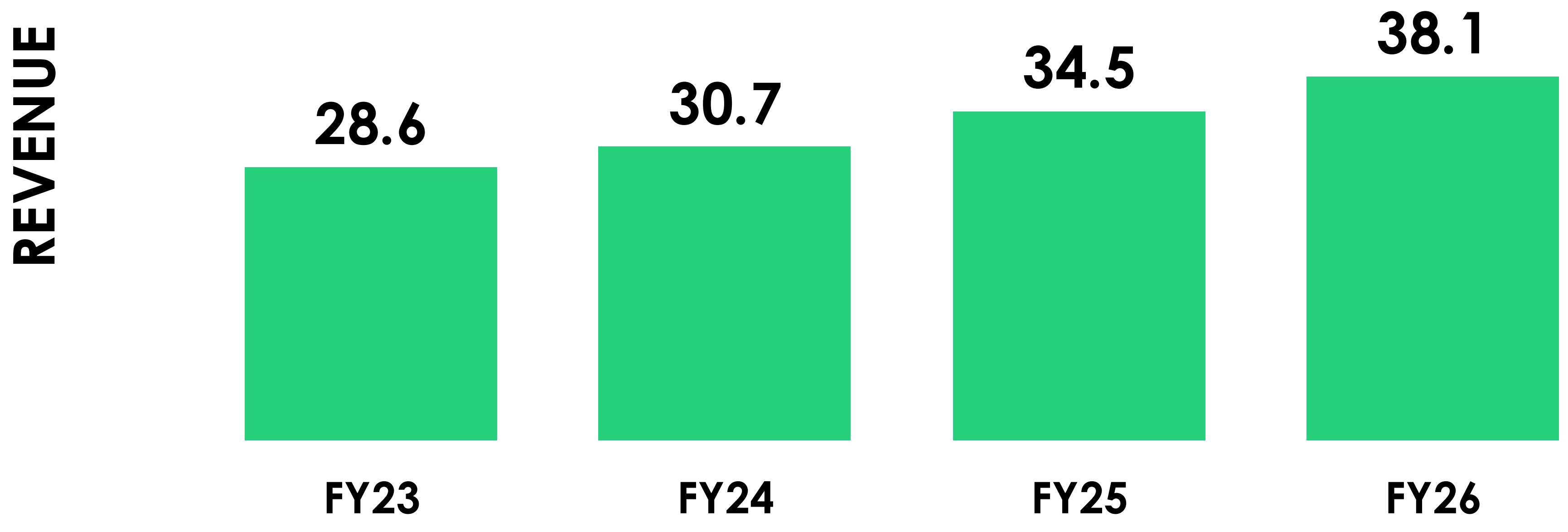
Victorian TAFE win validates long-term investment in Education enterprise strategy, strengthening pipeline into FY27

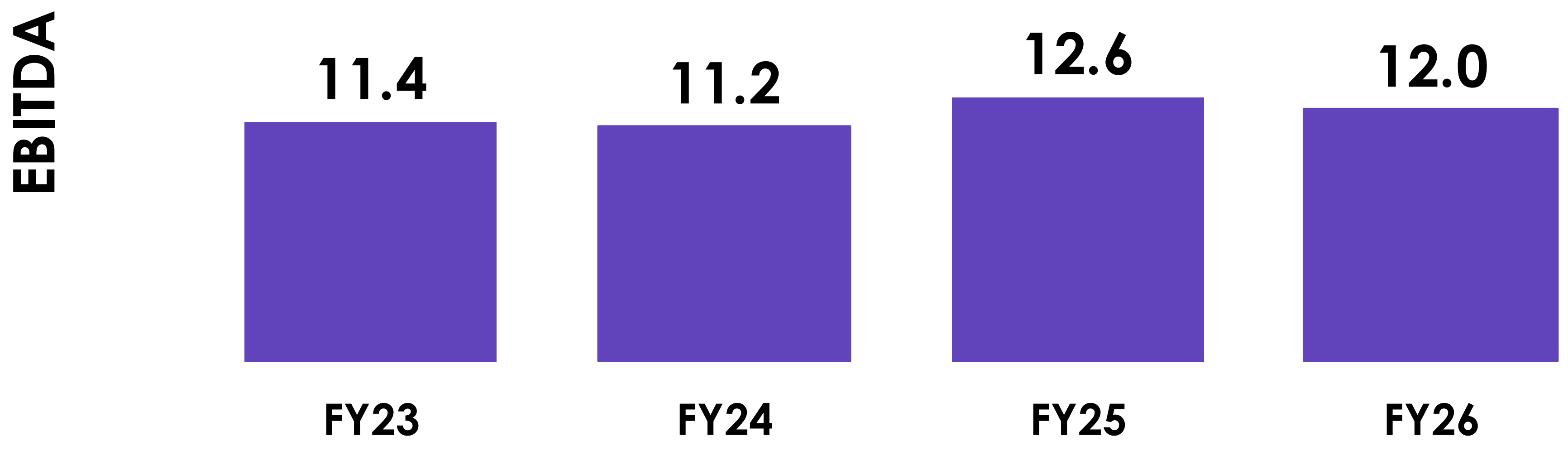
Work Pathways converted its enterprise pipeline into major 2H wins with WISE and Salvation Army

- **FY26 margin lower reflecting final push on Ready Student platform**
- **First University (Avondale) implementation on track, opening a pathway into the broader Higher Education market**
- **2H Work Pathways enterprise wins (WISE, Salvation Army) delivered $1.9 million in new sales ACV**

Workforce

25.4% CAGR for flagship product Ready Workforce, driven by new logo wins, deeper vertical penetration and customer/module expansion



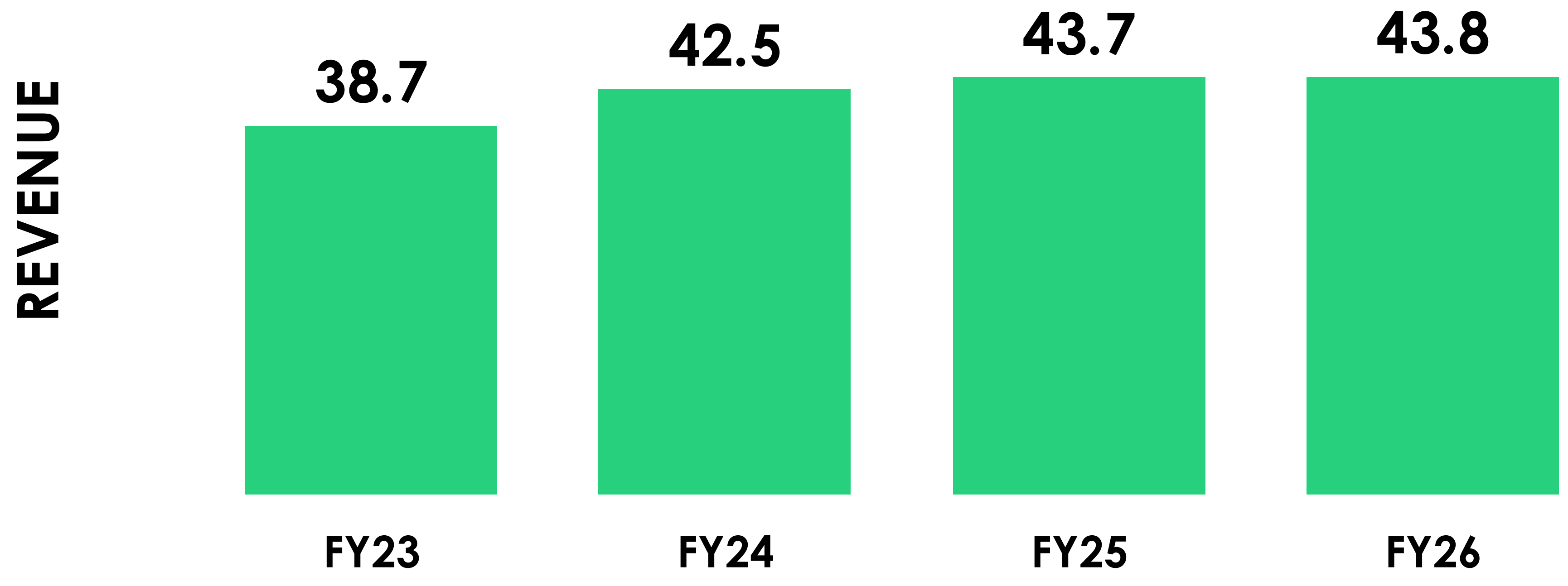


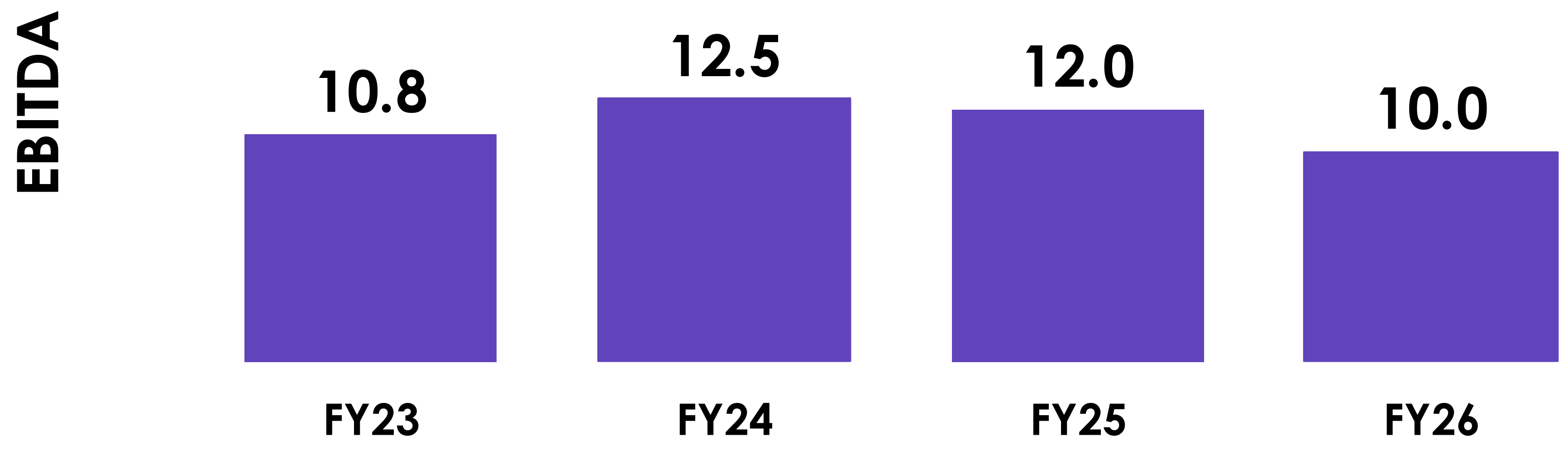
Increasing flagship momentum, with managed payroll services continuing to drag on segment growth

- **Softer margins from early-year GTM and marketing investment**
- **46 new logos acquired in FY26, including strategic enterprise wins in core verticals such as Kinetic (Transport & Logistics)**
- **AI adoption scaling rapidly – Screening Assistant now live with 80% of customers, reducing time-to-placement by 20%+ and supporting pricing uplift**

Government & Justice

Significant Government breakthrough with first Ready Community upgrades delivered, systematically addressing backlog inefficiencies





First customers migrated from legacy software suite onto Ready Community

Justice continued the Workplace Injury Commission Victoria implementation

- **Government margin impacted by write-off of ageing debts and a number of segment leadership hires**
- **5 upgrades completed under our new strategy in Q4 – the first customers fully migrated from legacy software onto Ready Community unblocking backlog of upgrade projects signed in 1H**
- **Workplace Injury Commission Victoria implementation progressing well, following the 1H enterprise contract win**

Our growth strategy

How we will achieve growth and margin performance

Sharpening our strategy for an AI-led, more disciplined ReadyTech in FY27

FY27 and beyond

Clearer

Simplify, unify & focus

- Sharper portfolio – go all-in where we have the right to win, narrow where we don't
- Enterprise-weighted customer base, with high clarity on ideal customer profile

Faster

Operate with speed & agility

- AI embedded across engineering, product and delivery – lifting speed and quality
- Launching AI-native products that open new revenue, not just new features

Stronger

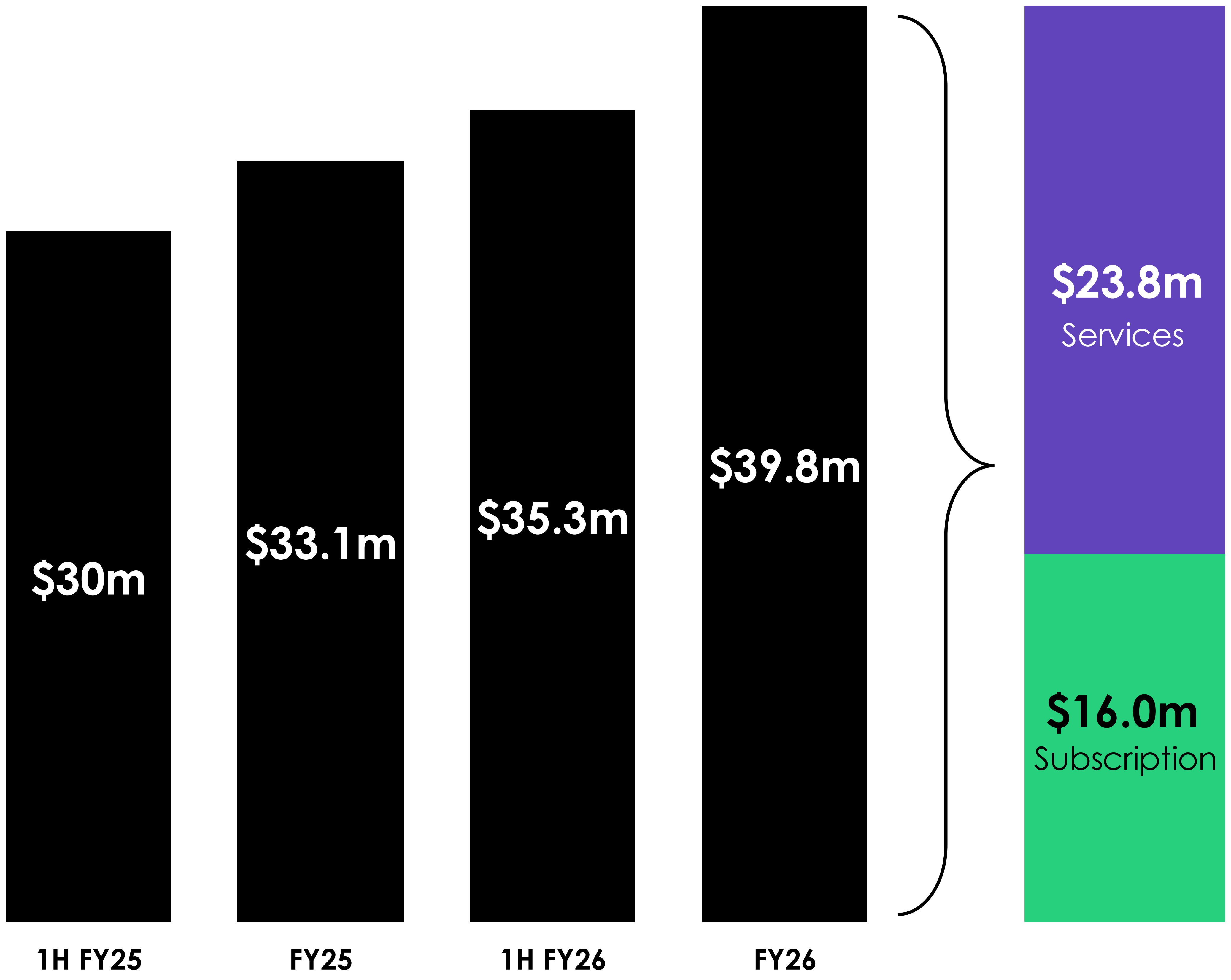
Scale & impact

- Capital allocation discipline sharpening our investment decisions
- Deepening customer relationships to lift retention and expansion
- Building an AI-native workforce for the next phase of growth

In pursuit of sustainable enterprise growth and operating leverage

Enterprise pipeline

High conviction gross pipeline momentum continues across all segments



- Weighting to services reflects 'heavy lift' implementation of enterprise solutions – we are working on making this more efficient through AI

Education – Victorian TAFE win, plus other enterprise tenders contribute to an excellent education pipeline

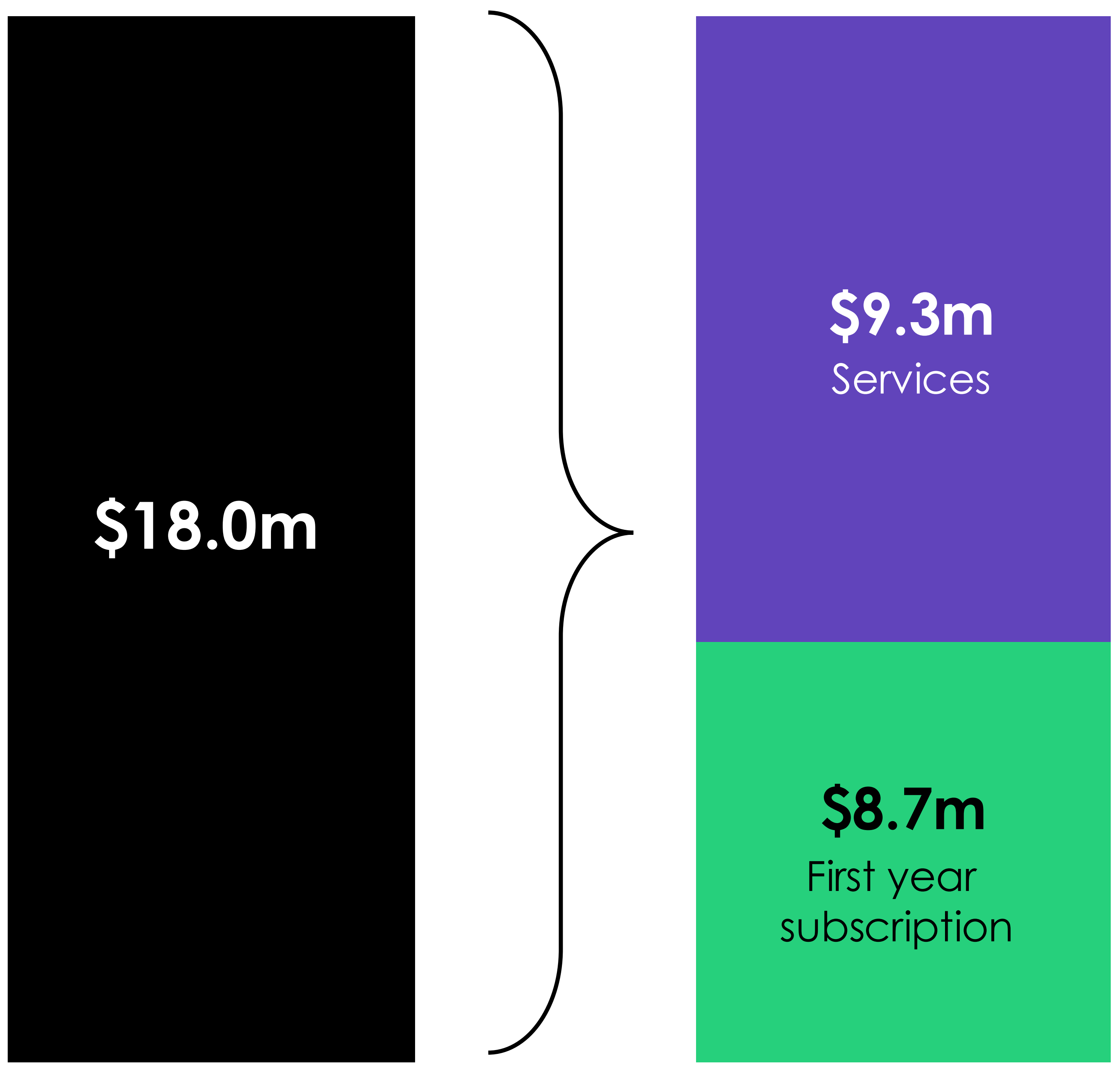
Government & Justice – Local Government momentum shifting as a result of first-mover customers to cloud in each region

Workforce – Strong enterprise momentum continues across priority verticals, with a strengthened sales play driving improved migrations

Enterprise new business and major upgrades

Our enterprise growth strategy revolves around both new business wins as well as major transformational customer upgrades

New enterprise contracts and major upgrades signed in FY26

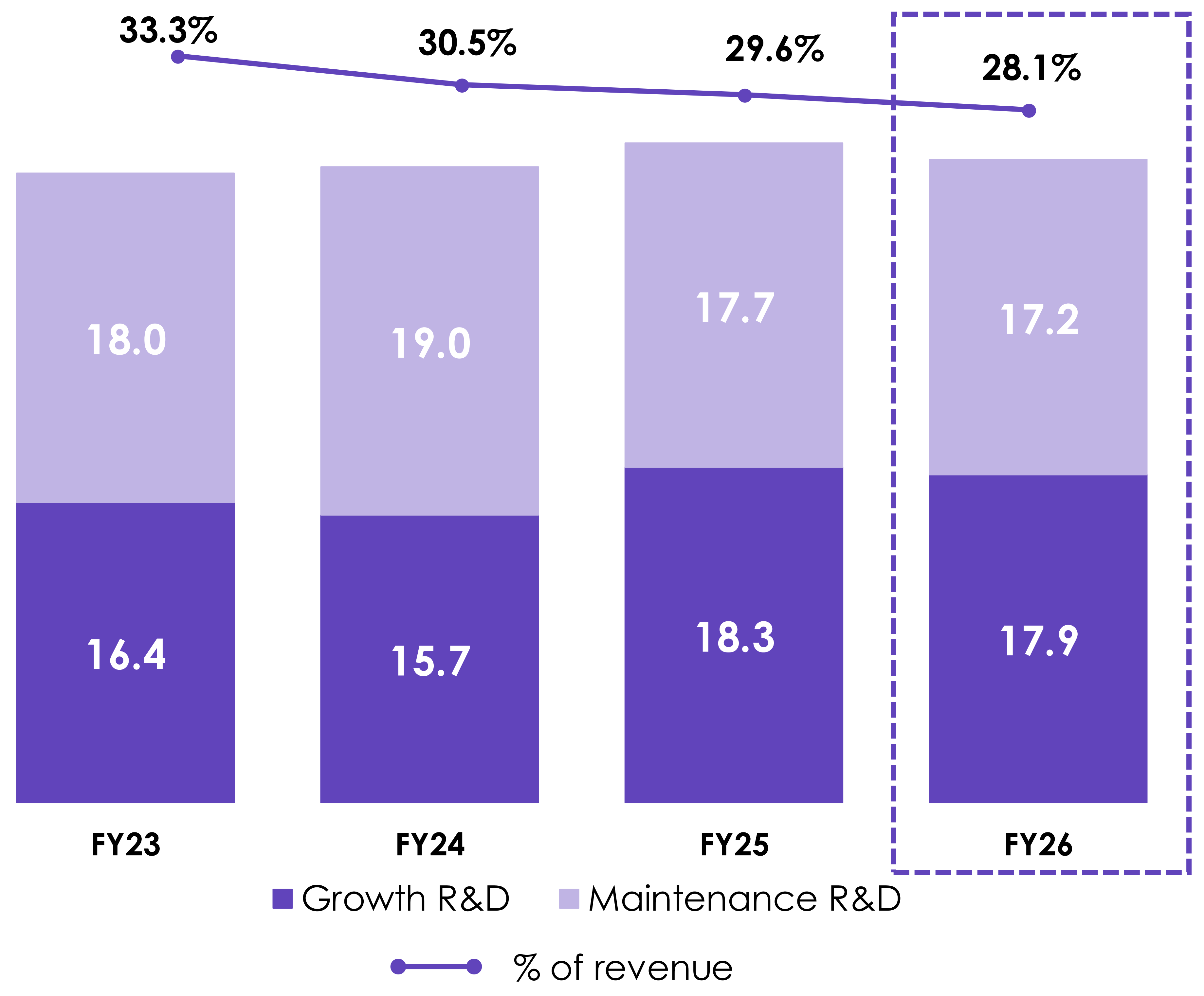


- Vast majority of FY26 signed contract implementations are now underway, with subscription revenue start dates ranging from immediate to FY28
- Services revenue is a leading indicator to unlocking incremental subscription revenue
- Typical implementation timeframes vary from 90 days to 18 months across our segments

FY26 new contract wins

R&D investment has peaked

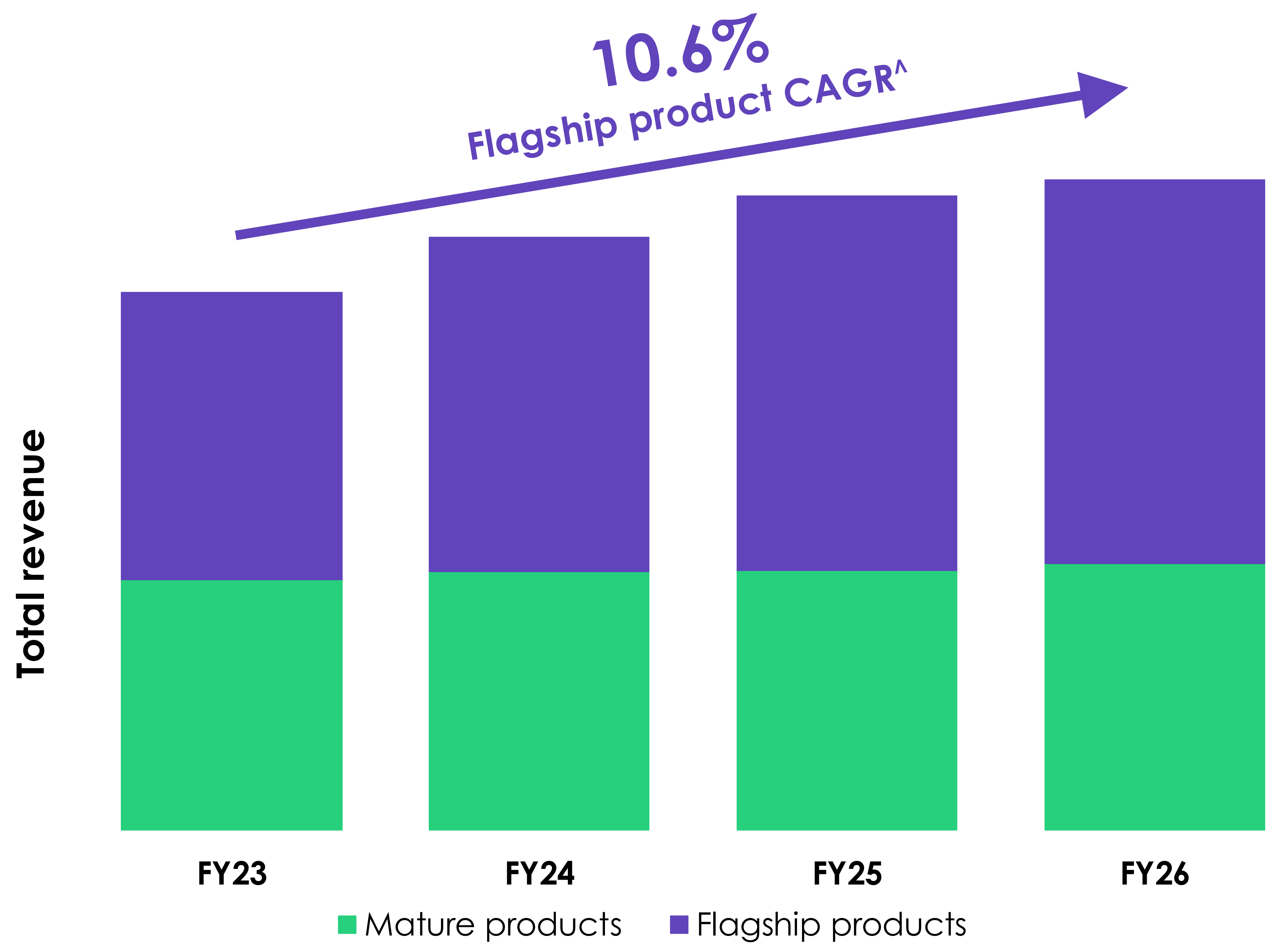
Growth investment cycle has peaked, with engineering transformation now complete and R&D set to reduce across both maintenance and growth in FY27



- In FY26, ReadyTech undertook a major engineering transformation
  - Consolidated 11 outsourced engineering service providers into a single offshore centre of excellence
  - Expect cost and efficiency benefits in FY27
- R&D and engineering investment underpinned our flagship product suite, validated through the Victorian TAFE win
  - However, FY26 marked the peak of our enterprise strategy investment
- R&D spend moderating in FY27 through a combination of product maturity cycle, headcount reduction and AI productivity benefits

ReadyTech's software portfolio mix

Flagship product progress is steady and directionally strong, offset by mature product churn

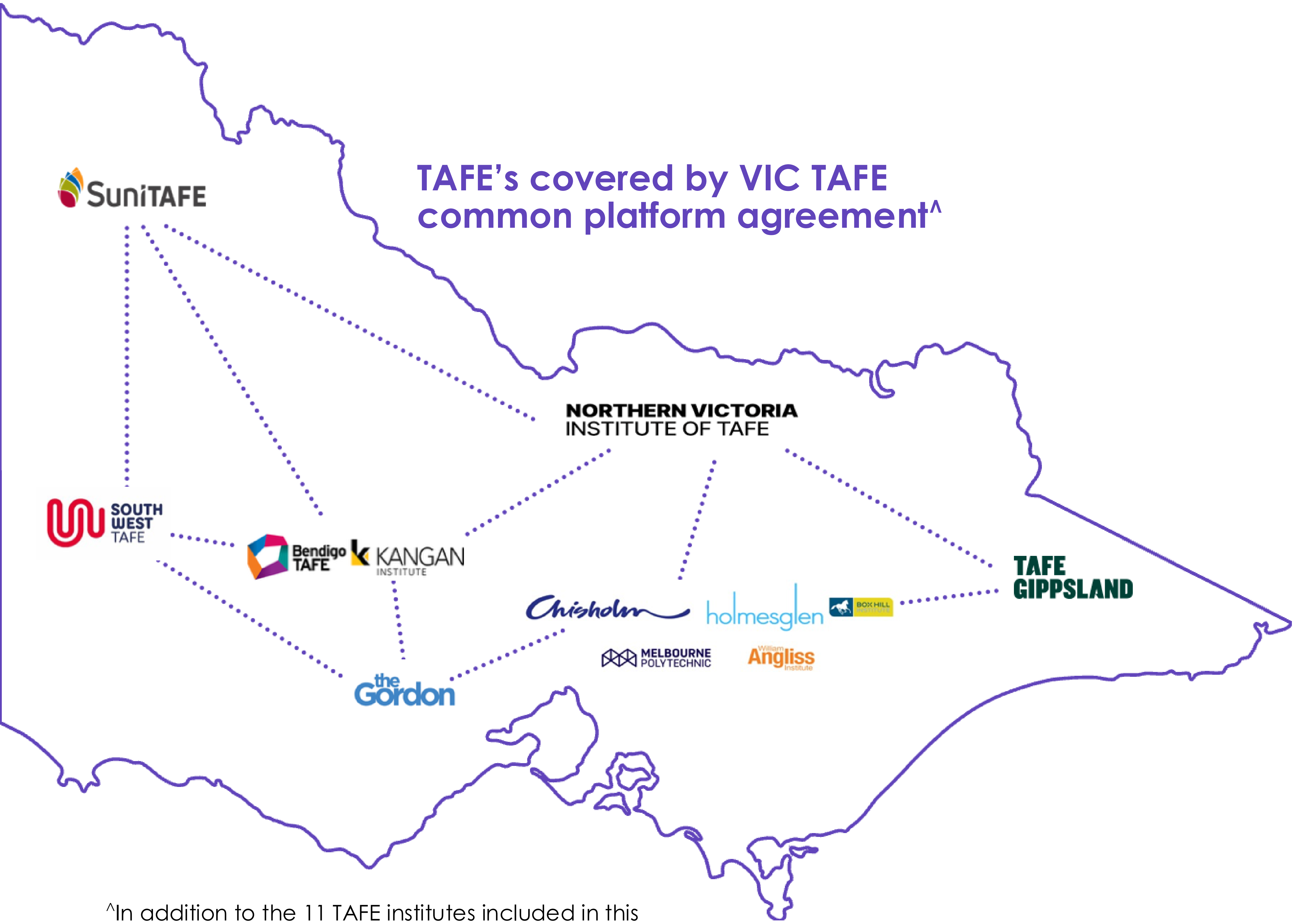


- Software portfolio is a mix of flagship and mature products
  - Our strategy is to harvest our mature products, focusing on growing flagship through new logo wins, AI upsell and migrations
- Mature products accounted for 67% of FY26 dollar churn
  - Proactive initiatives and migration programs implemented to address elevated churn

^Flagship subscription revenue is growing faster than total revenue presented in chart, a CAGR of 13.2%, led by Ready Workforce (25.4%) and Ready Student (21.8%)

Product spotlight – Ready Student

Realising the enterprise investment and strategy with significant Victorian TAFE win



^In addition to the 11 TAFE institutes included in this agreement, a further 4 Victoria dual sector providers are able to procure ReadyTech software under this agreement.

- **Uniquely cloud-native,** enterprise-grade student management for tertiary education, co-designed with early Victoria TAFE customers
- State-wide Victorian TAFE win **validates our investment following competitive tender process**

21.8%
3-year total revenue CAGR

36%
Increase in users over 3 years

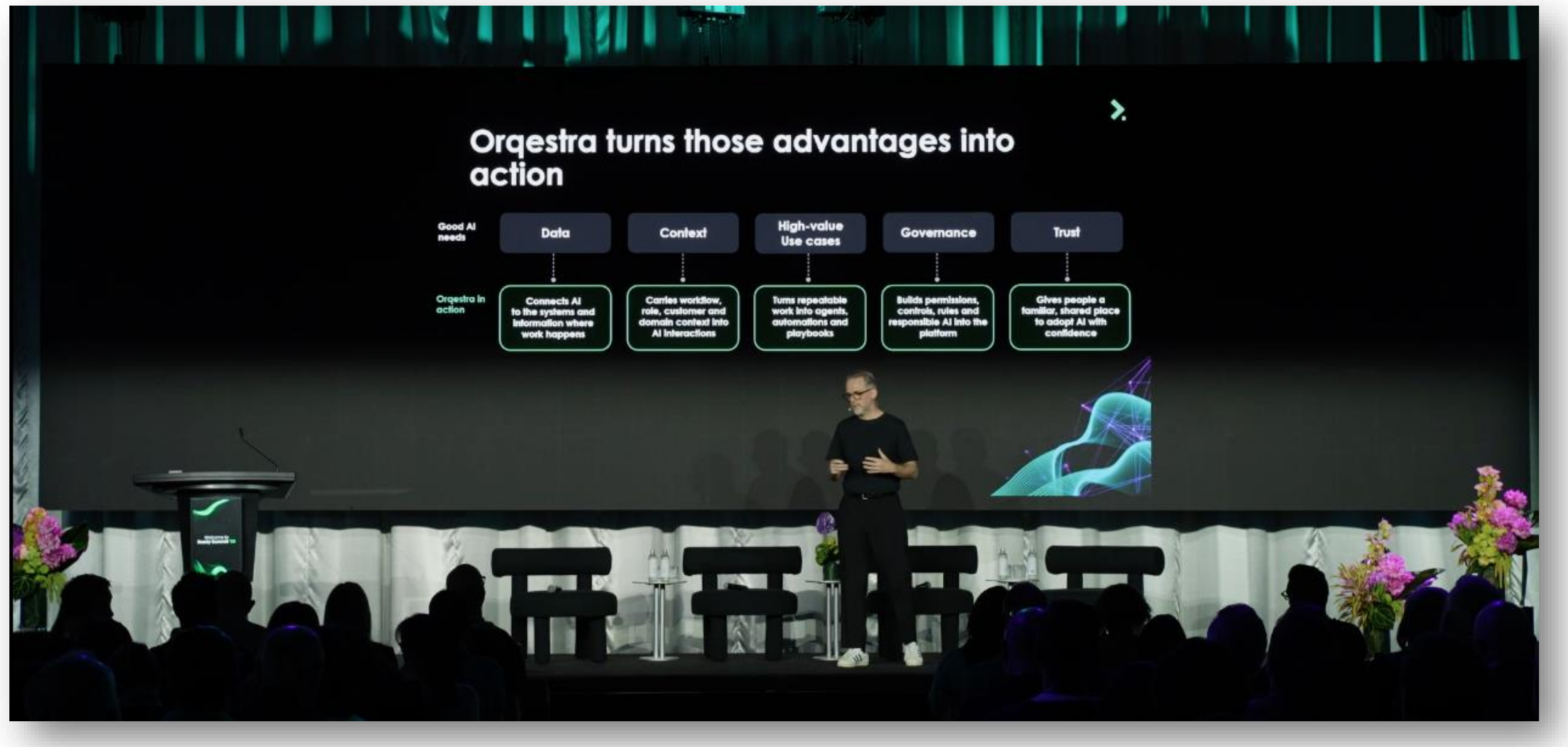
FY26
Responded, preferred, signed contract

FY27
Victorian TAFE engagement, plan transitions

Beyond
Multiple TAFEs with desire to move and implement

Orqestra – our major AI product release

A new intelligence layer to automate complex work inside customers' existing systems



- Orqestra is ReadyTech's **enterprise AI platform**, built directly into all our systems
- It connects AI, organisational knowledge and customer data, while keeping the **system of record at the centre**
- Pilot programs informing revenue model which is likely to be consumption-based

33	>5,000	ISO 42001
Live integrations	Tasks executed	AI compliant

Founding partner program customers include:

UNSW College | Laurus Education | ChemCERT | Platinum Institute Australia

"We weren't looking for another AI tool bolted onto the side – we needed something that understood Ready Student, and how UNSW actually uses it, securely and from the inside. Being able to just ask, and start turning that into a real playbook, changes who's able to do the work. The value really started to show up as our power users grew."

David Hull, Head of IT
UNSW College

Adoption of AI driving operational efficiency

Compounding gains across engineering, product and operations

ENGINEERING SUPER SQUADS

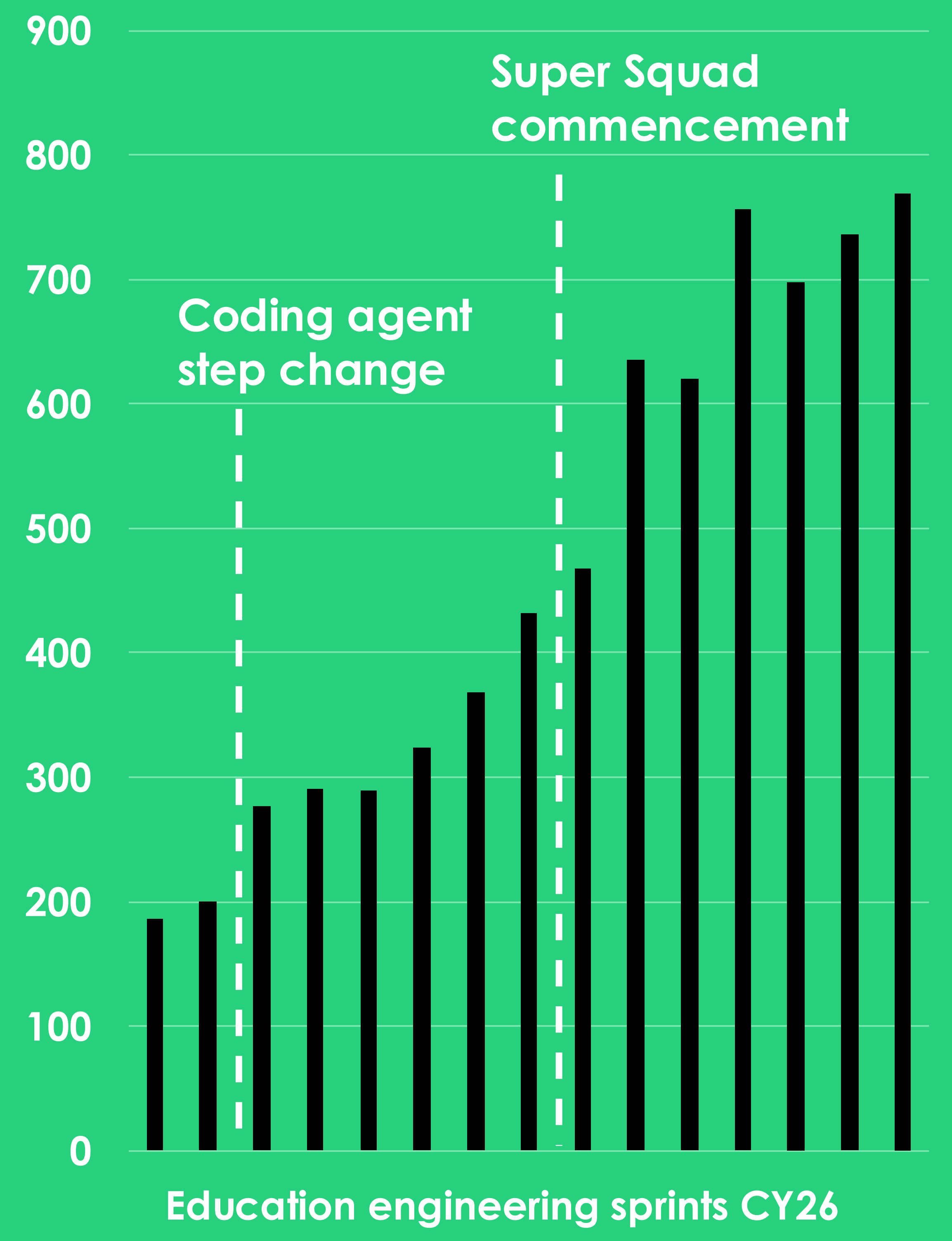
~3-4x velocity increase^

Education segment development squads

Our Education squads were the first to move to Super Squad structure, with dramatic improvements in software development velocity.

Note: Productivity measured by story points completed per sprint.

^Not all engineering squads will be Super Squads. Traditional squads will continue to have a place e.g. customer support and maintenance.



AI OPERATIONS

85%+ drafted by AI

Customer experience

AI drafts the majority of support responses, resolving enquiries faster and refining our knowledge base from every interaction

Early stage

Customer onboarding

AI delivery frameworks are cutting time-to-value in onboarding, freeing teams to spend more high value time with customers

Product

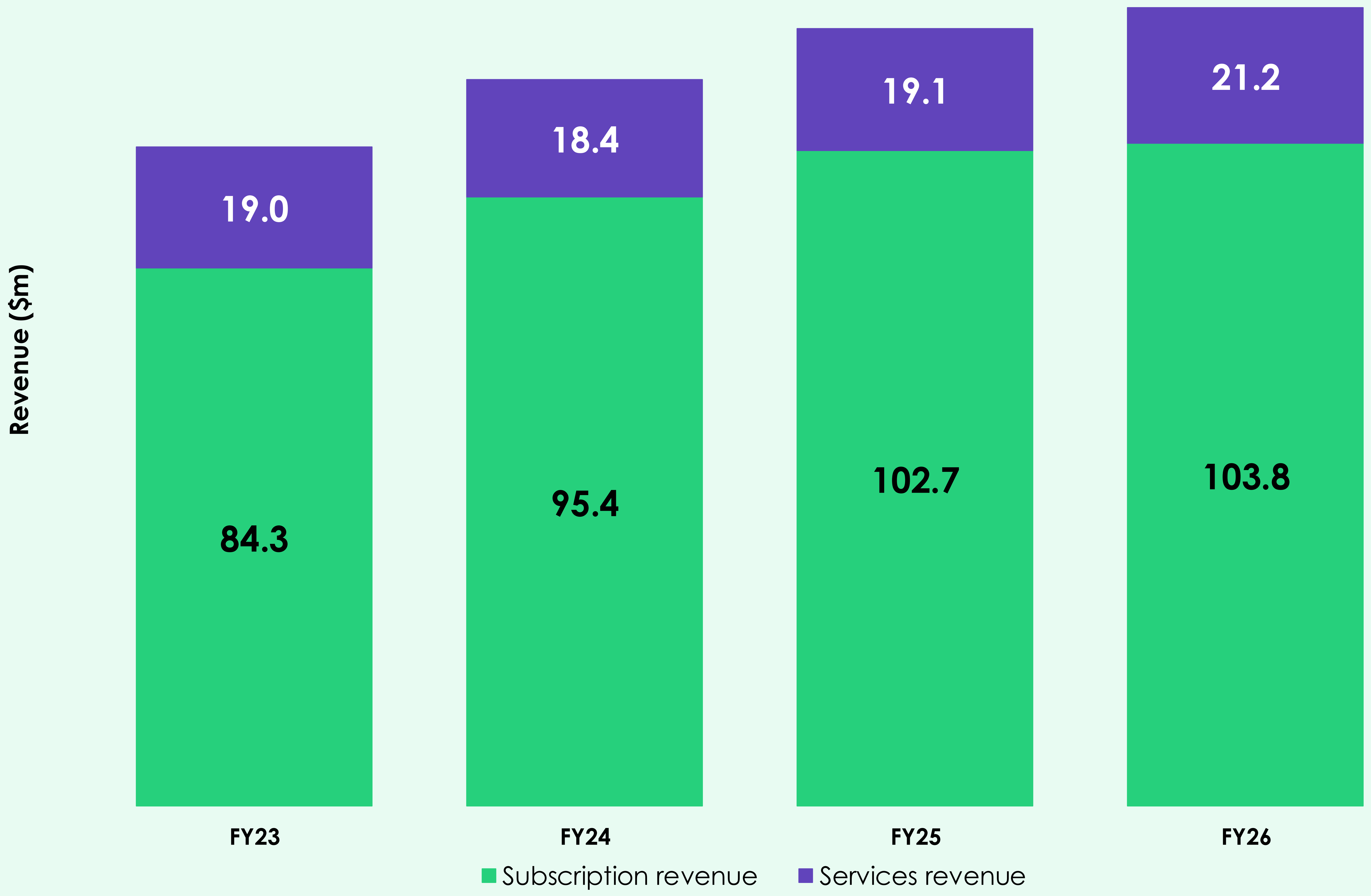
Planning accuracy

AI-harness built to expand ticket backlog and shape tickets to AI-development requirements, cutting cycle time

FY26 financial results

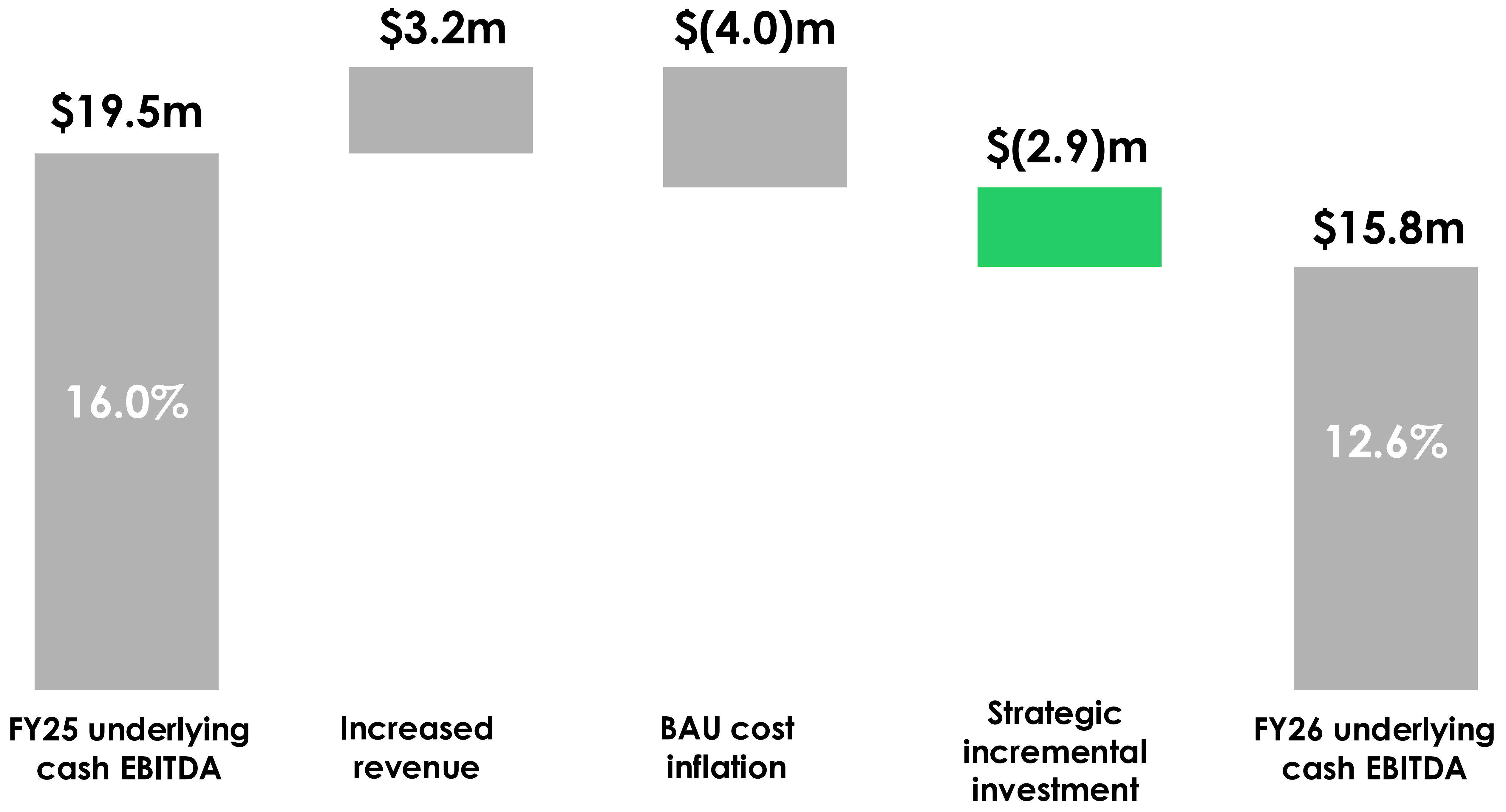
Growth slowed in FY26, with revenue impacted by project backlog and mature product churn

A number of enterprise customers continue to progress towards implementation and are not yet being recognised in the subscription revenue base



Underlying cash EBITDA

FY26 cash margin was a disappointment, and our enterprise investment cycle has peaked; cost saving exercise implemented in 2H through to FY27



- Cash margin reached a low point in FY26
- In 2H FY26, we commenced a cost management program
  - 62 roles removed to date
  - **$6.5m annualised** cost savings realised
- We expect this cost management program to continue in FY27, with a further **$3.3m annualised** cost saving to be realised

Segment financials

- **Education & Work Pathways** growth constrained by lower services and implementation revenue; these large implementations will be ongoing through FY27

- **Workforce** strong revenue growth largely coming from Ready Workforce flagship product

- **Government & Justice** stable revenues but weaker margin driven by new investments in segment leadership

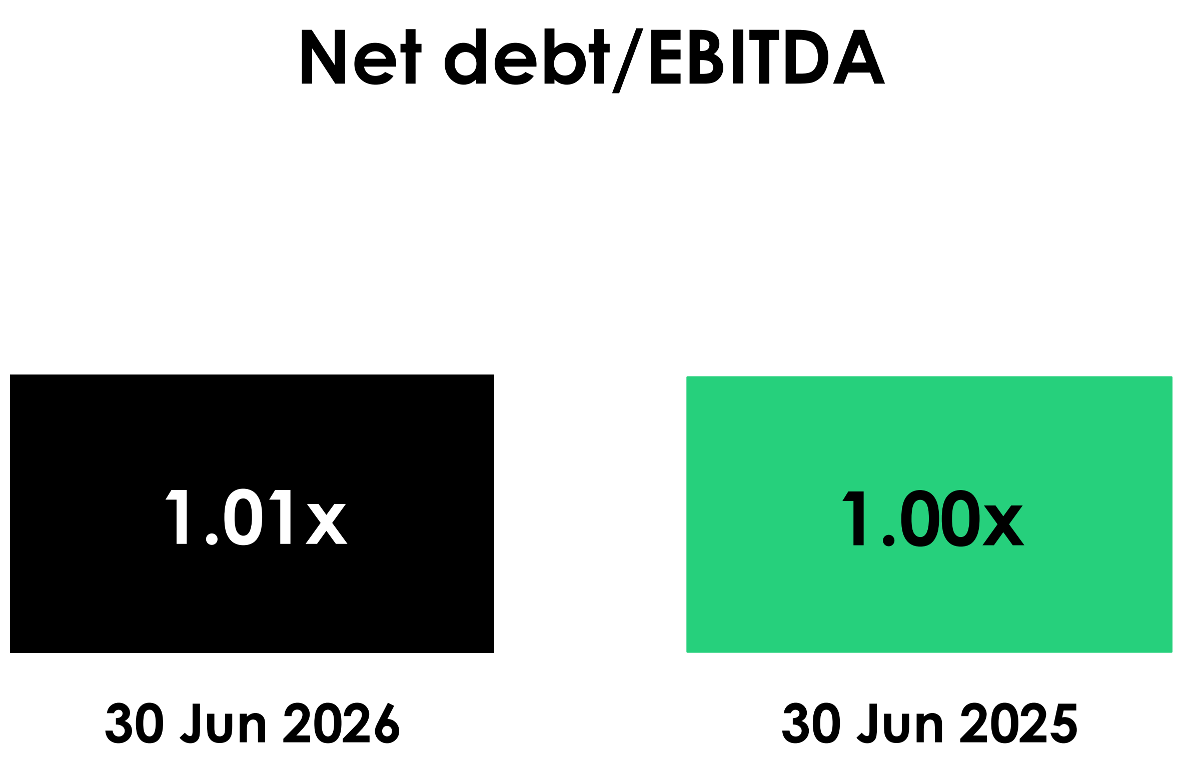
	EDUCATION & WORK PATHWAYS	WORKFORCE	GOVT & JUSTICE	GROUP
REVENUE (in millions)				
FY26	$43.1	$38.1	$43.8	$125.0
FY25	$43.5	$34.5	$43.7	$121.8
% change	**(0.9%)**	**10.4%**	**0.2%**	**2.6%**
EBITDA* (in millions)				
FY26	$19.0	$12.0	$10.0	$41.0
FY25	$19.3	$12.6	$12.0	$43.9
% change	**(1.6%)**	**(4.7%)**	**(16.7%)**	**(6.6%)**
EBITDA MARGIN (%)				
FY26	44.0%	31.5%	22.9%	32.8%
FY25	44.4%	36.5%	27.5%	36.0%
% change	**(0.4)%**	**(5.0%)**	**(4.6%)**	**(3.2%)**

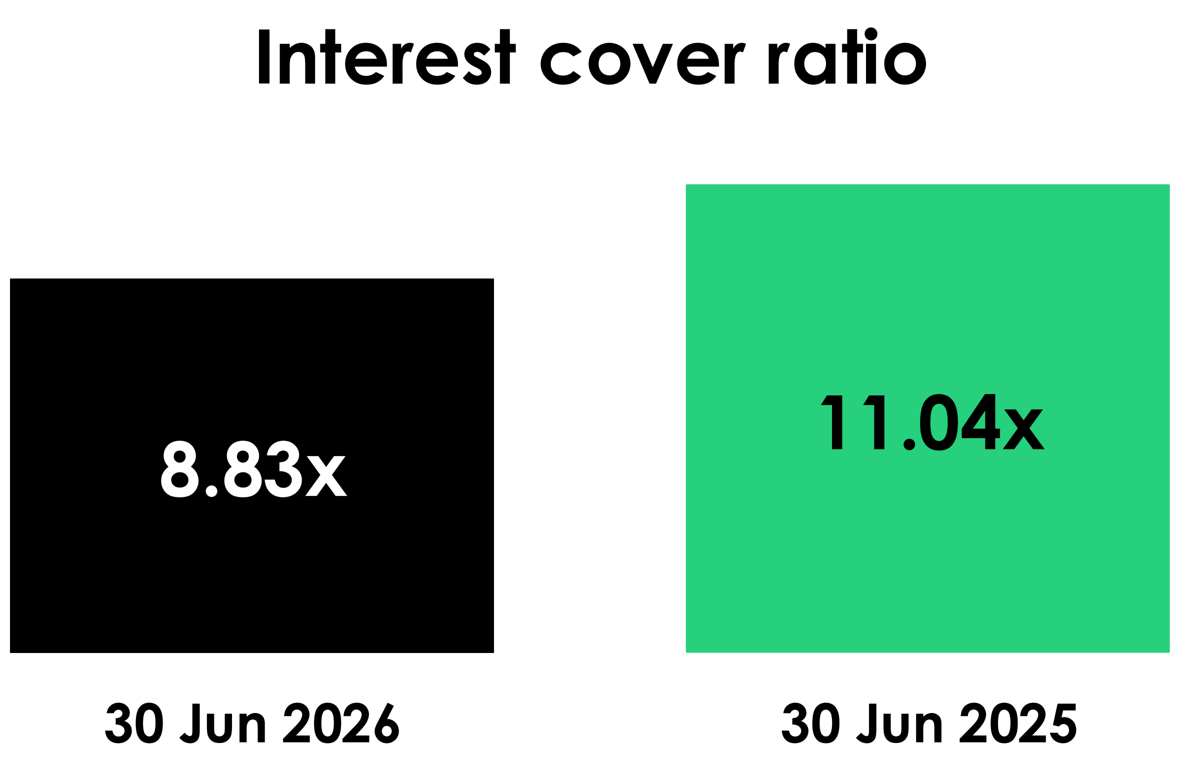
**Segment EBITDA excludes actual lease payments and group corporate cost.*

Strong balance sheet providing the financial capacity to grow

- Focused debtor management and collections activity drove 108% cash conversion in FY26
- A slight deterioration in leverage metrics was a result of the investments we made through FY26 – balance sheet remains conservative and delivers significant financial flexibility

NET DEBT AS AT 30 JUNE 2026		
$ MILLIONS	**30 JUNE 2026**	**30 JUNE 2025**
Bank debt	60.0	56.0
Bank guarantee	1.5	1.3
Cash and cash equivalents	(27.5)	(19.7)
Adjusted net debt	32.5	36.3
Cash conversion	108%	85%





Approach to capital allocation

Rule of 40 framework – investing where returns are strongest, right-sizing where they are not – underpins margin expansion in our FY27 outlook

Rule of 40 governs portfolio decisions

- Rule of 40 (today and expected future) informs portfolio fit and strategic alignment
- Our best performing products will continue to attract investment, guided by a ROI based framework

Cost management is capital allocation

- Engineering effort re-weighted toward products with strongest returns
- AI tooling embedded across engineering and service delivery, lifting output per person
- Non-people costs addressed – third-party software, contractors, hosting, and property
- Actions substantially taken in FY26, benefit is realised progressively through FY27 and is reflected in our FY27 outlook

We believe a disciplined approach to capital allocation is aligned to maximising shareholder returns over time.

Outlook

FY27 outlook

- Revenue guidance of $128-132 million
- Underlying cash EBITDA margin of 15-17%
  - With further improvement into FY28 as benefits annualise

**Underlying EBITDA margin excludes changes in the fair value of contingent liabilities ($1.1m), integration, restructuring and cyber incident costs ($3.7m), technology advancement costs ($1.8m) and LTIP cost ($0.2m).*

Investment proposition

Next generation, mission-critical vertical software crafted to closely meet customer needs across human-led sectors and support communities at scale

ReadyTech is executing a **growth strategy focused on flagship products**

Opportunity to acquire high value, enterprise customers with substantial tech budgets & accelerating customer references and reputation

Building strong moats with best-in-class, market leading products in complex, regulation-heavy sectors

Large addressable and defensive markets with continuing movement to cloud, digital transformation and AI

Vertical SaaS model serving core industries with **scalable, configurable platforms** leading to operating cost leverage over time

Services are deeply embedded into customers' workflows

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About ReadyTech

ReadyTech is a leading SaaS provider of next generation cloud and AI software for the education, employment services, workforce management, government and justice sectors. Bringing together the best in people management systems – from students and apprentices to payroll, employment services and community engagement – ReadyTech creates technology that helps its customers navigate complexity, while also delivering meaningful outcomes. To learn more about ReadyTech's people-centric approach to technology, please visit readytech.io.

readytech

Appendix

P&L overview

$ MILLIONS	FY26	FY25	YoY % change
Subscription revenue	103.8	102.7	1.1%
Implementation, training, consulting revenue	21.2	19.1	11.0%
TOTAL REVENUE	**125.0**	**121.8**	**2.6%**
Total expenses	**(90.0)**	**(82.3)**	**9.4%**
***Underlying EBITDA**	**35.0**	**39.5**	
****Underlying EBITDA margin***	***28.1%***	***32.5%***	
LTIP	(0.2)	0.2	(200.0)%
Depreciation and amortisation	(20.3)	(12.3)	65.0%
Amortisation of acquired intangibles	(10.4)	(12.3)	(15.4)%
Net finance expenses	(3.8)	(3.4)	11.8%
Underlying income tax expense (effective tax rate = 27%)	(0.1)	(3.0)	(96.7)%
***Underlying NPAT**	**0.2**	**8.7**	**(97.7)%**
Amortisation of acquired intangibles (post-tax)	7.3	8.6	(15.1)%
***Underlying NPATA**	**7.5**	**17.3**	**(56.6)%**
****Underlying cash EBITDA**	**15.8**	**19.5**	
****Underlying cash EBITDA margin**	**12.6%**	**16.0%**	

**Underlying EBITDA margin excludes changes in the fair value of contingent liabilities ($1.1m), integration, restructuring and cyber incident costs ($3.7m), technology advancement costs ($1.8m) and LTIP cost ($0.2m).*
***Underlying cash EBITDA includes actual lease payments and excludes labour capitalisation.*

Balance sheet

	30 JUN 2026 $ MILLIONS	30 JUN 25 $ MILLIONS	VARIANCE $ MILLIONS	VARIANCE %
Assets				
Cash and cash equivalents	27.5	19.7	7.8	39.6%
Trade and other receivables	9.3	11.1	(1.8)	(16.2)%
Property, plant and equipment	1.4	2.0	(0.6)	(30.0)%
Lease right-of-use assets	3.2	3.9	(0.7)	(17.9)%
Contract assets	7.6	3.7	3.9	105.4%
Prepayments	2.5	3.2	(0.7)	(21.9)%
Intangible assets	190.9	201.3	(10.4)	(5.2)%
Deferred tax assets	12.3	4.3	8.0	186.0%
Contract costs	0.7	1.3	(0.6)	(46.2)%
Total assets	**255.4**	**250.5**	**4.9**	**2.0%**
Liabilities				
Trade and other payables	12.8	10.1	2.7	26.7%
Derivative financial liability	0	0.2	(0.2)	(100.0%)
Lease liabilities	3.6	4.5	(0.9)	(20.0%)
Borrowings	59.9	55.9	4.0	7.2%
Income tax payable	2.3	0.9	1.4	155.6%
Contract liabilities	27.8	24.2	3.6	14.9%
Provisions	0.7	0.7	-	-
Employee benefits	8.8	8.3	0.5	6.0%
Contingent consideration	4.7	4.0	0.7	17.5%
Total liabilities	**120.6**	**108.8**	**11.8**	**10.8%**
Equity				
Issued capital	221.9	221.9	-	-
Reserves	(84.0)	(82.1)	(1.9)	2.3%
Retained profits	(3.1)	1.8	(4.9)	(272.2)%
Total equity	**134.8**	**141.7**	**(6.8)**	**(4.8)%**

Cash flow

	30 JUN 26 $ MILLIONS	30 JUN 25 $ MILLIONS	VARIANCE FAV/(UNFAV) $ MILLIONS	 %
Cash from operation				
Receipts from customers	137.5	129.3	7.8	6.0%
Payments to suppliers & employees	(104.3)	(98.8)	(5.1)	5.2%
Interest received	0.0	0.0	0.0	0%
Interest and other finance costs paid	(3.5)	(3.0)	(0.5)	16.7%
Income taxes paid	(5.1)	(3.5)	(1.6)	45.7%
Total cash from operations	**24.6**	**24.0**	**0.6**	**2.5%**
Investing				
Payment for purchase of subsidiaries, net of cash acquired	-	(3.9)	3.9	(100.0)%
Payments for contract costs	(0.2)	(0.5)	0.3	(64.4)%
Payments for property, plant and equipment	(0.2)	(1.0)	0.8	(80.0)%
Payments for intangibles	(18.6)	(19.0)	0.4	(2.1%)
Payment for contingent consideration	(0.3)	(14.0)	13.7	(97.9)%
Payment for acquisition costs		(0.1)	0.1	(100.0%)
Total investing	**(19.3)**	**(38.5)**	**19.2**	**(49.9)%**
Financing				
Repayment of lease liabilities	(1.6)	(1.7)	0.1	(5.9%)
Proceeds from loans	4.0	14.0	(10.0)	(71.4%)
Total financing	**2.4**	**12.3**	**(9.9)**	**(80.5%)**
Cash movement	**7.7**	**(2.1)**	**9.9**	**(460.0)%**
Cash and cash equivalents at the beginning of the financial half-year	**19.8**	**21.9**	**(2.1)**	**(9.8)%**
Cash and cash equivalents at the end of the financial half-year	**27.5**	**19.8**	**7.7**	**39.2%**

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