MARKET RELEASE (ASX:RDY)

ReadyTech signs agreement to sell Managed Payroll Services and announces on-market share buyback

16 November 2026 – ReadyTech Holdings Limited (ASX: RDY) (**ReadyTech**) has reached an agreement to sell its non-core Managed Payroll Services business, part of its Workforce Solutions segment, to Group Elephant in Australia for $7.0 million cash, subject to customary closing conditions. The proceeds of sale will be used to fund an on-market buyback.

Highlights

- Exit from ReadyTech's Managed Payroll Servicess business, deemed non-core to its vertical market software strategy
- Proceeds to fund an on-market share buyback of up to $5.0 million
- FY27 revenue guidance re-affirmed at $120-124 million, which excludes the divested business; underlying cash EBITDA margin guidance of 15-17% unchanged.

The sale advances ReadyTech's Clearer, Faster, Stronger strategy, freeing up capital, resources and management attention for its flagship software platforms, where ReadyTech sees the strongest opportunities for growth and profitability. The transaction improves the Group's software revenue mix, gross margin percentage, organic growth rate and progress to Rule of 40.

ReadyTech will retain a small number of customers from the Managed Payroll Services business who are software customers of its Ready Pay (HR3) and Ready Workforce products.

As part of the transaction, ReadyTech will provide transitional services to Group Elephant until no later than 30 June 2027.

Use of proceeds and on-market buyback

Proceeds will fund an on-market share buyback of up to $5.0 million, commencing as soon as practical. The timing and number of shares bought back will depend on the share price, market conditions and other factors. ReadyTech may suspend or terminate the buyback at any time and is not obliged to buy back any shares. An Appendix 3C accompanies this announcement.

Any excess proceeds will be applied to debt reduction and general corporate purposes.

FY27 Guidance re-affirmed

FY27 revenue guidance is re-affirmed for the core of the Group, which is expected to deliver $120-124 million, excluding all contribution from the divested business (previously $128-132 million including it). Underlying cash EBITDA margin guidance of 15-17% is unchanged.

– ENDS –

This announcement has been authorised for release by the Board of Directors of ReadyTech Holdings Limited.

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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 www.readytech.io.

About Group Elephant

Group Elephant specialise in HR and payroll services. To learn more about Group Elephant, please visit www.groupelephant.com.