

ASX ANNOUNCEMENT
9 June 2020



ELMO Software Limited
(ASX:ELO)

June 2020 Business update

Key Highlights

- ELMO updates guidance and reinstates ARR guidance
- ARR guidance re-instated to **\$55.0m to \$57.0m**
- Revenue guidance remains unchanged at **\$50.0m to \$52.0m**
- EBITDA upgraded to **(\$2.5m) to (\$4.5m)**, previously (\$4.0m) to (\$6.0m)
- Well capitalised with a cash balance of **\$140.3m¹** at 31 May 2020

ELMO Software Limited (“ELMO”, or the “Company”) is providing the following update for the financial year ended 30 June 2020.

FY20 Updated Guidance

ELMO is pleased to provide updated FY20 guidance including the reinstatement of Annual Recurring Revenue (“ARR”) and an increase in EBITDA.

ARR guidance has been re-instated to between \$55.0m and \$57.0m and reflects expected growth of between 20% to 24% compared to FY19 (\$46.0m).

Updated revenue guidance remains unchanged.

EBITDA guidance has been upgraded to between negative \$2.5m and negative \$4.5m.

Summary of ELMO’s updated guidance for FY20:

- **ARR** **\$55.0m to \$57.0m** (guidance previously withdrawn)
- **Revenue:** **\$50.0m to \$52.0m** (consistent with previous updated guidance)
- **EBITDA:** **(\$2.5m) to (\$4.5m)** (previously (\$4.0m) to (\$6.0m))

Capital Position

ELMO is well capitalised with a cash balance of **\$140.3m¹** and no debt as at 31 May 2020.

Operations

ELMO’s operations have continued without disruption through this period with staff having been working remotely since 23 March 2020. Since 9 June 2020 ELMO has commenced the re-opening of offices in the ANZ region.

¹ The cash balance includes proceeds from the Share Purchase Plan (“SPP”)

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About ELMO

Established in 2002, ELMO is a cloud-based HR & Payroll software provider. The company offers customers a unified platform to streamline processes for HR, and also manage payroll and rostering / time & attendance. ELMO operates on a Software as a Service ("SaaS") business model based on recurrent subscription revenues.

For more information, please visit www.elmosoftware.com.au.