



•knosys

Investor Presentation

April 2019 ASX:KNO

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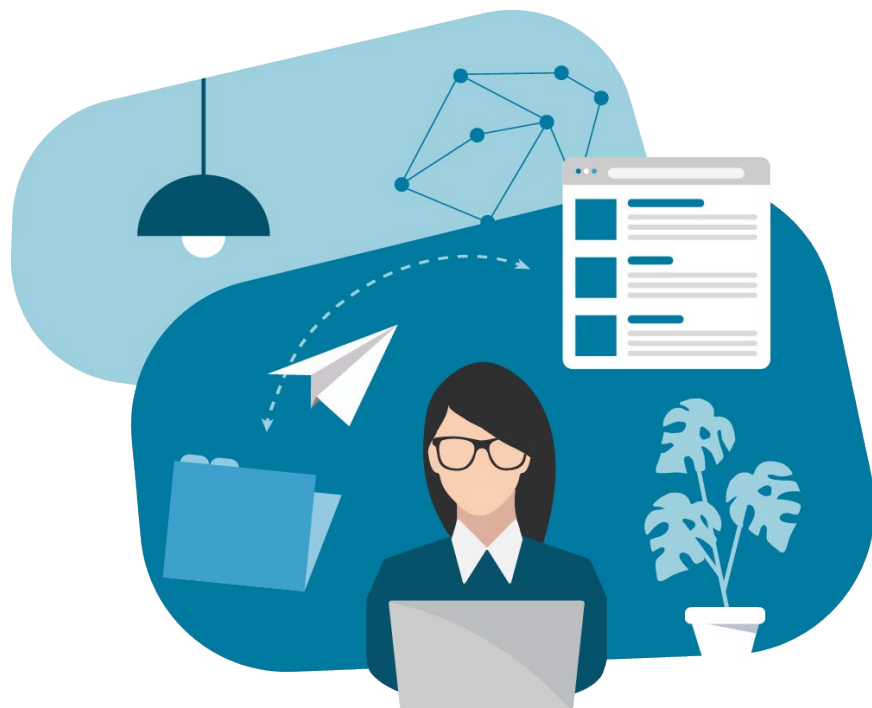
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Who is Knosys?

Knosys is a fast growing Australian SaaS software company that is simplifying knowledge management to improve the productivity of employees and drive improved customer experiences.



Key information:

\$0.06

At 2 April 2019

Mkt. Cap.
A\$8.59m

At 2 April 2019

Number of
Employees

14

Number of
offices

Melbourne
Sydney
Singapore

Number of
Licensed
users

38,500

Regional
focus

ANZ and APAC

Market *
Opportunity

\$3.8bn (APAC)

What is the Knosys solution?

- Knosys delivers a unified information platform that allows employees and customers to source answers and information when they need it.
- Knosys helps provide structure and meaning to large volumes of unstructured content
- Delivers content in a personalised format for authorized users
- Flexible but strong information governance is at the core of the solution.

Think
Forums + Q&A +
Workflows + Machine
Learning



Where is it used?



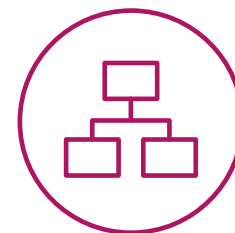
Customer Contact and Success Teams

- Customer Service Representatives
- Service Desk Agents



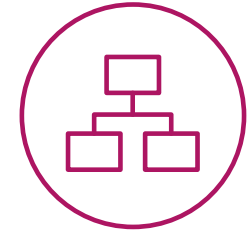
Frontline Teams and Distributed Operations

- Banking Branches
- Internal Teams
- Mobile Teams
- Retail Shops



Governance and Compliance Teams

- Process Improvement Teams
- Quality Teams
- Risk Teams



Omnichannel Customer Engagement

- Corporate Website
- Kiosks
- Chatbots
- Customer Portals

Industry Agnostic Solution

The Asia-Pacific market is rapidly adopting new technologies that will drive demand for knowledge management services.

Therefore Knosys is targeting:

- Companies in highly regulated industries
- Companies with information is highly dynamic and changes frequently
- Companies with large quantities of pre-existing information
- Companies that engage with customers through frontline and digital channels

Existing Sectors



Banking & Financial Services



Telecommunications



Legal/Gov't Services

Emerging Sectors



Utilities

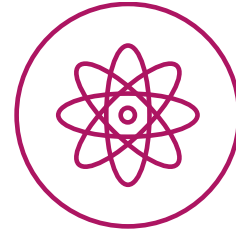


Health



Insurance

How Knosys uses Machine Learning



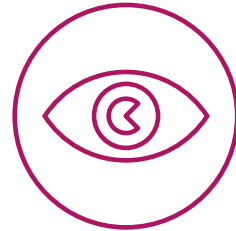
Machine Analysis of Content

Analyses information assets and recommends linkages, keywords and phrases for each.



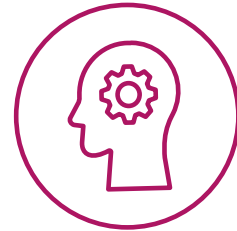
Actively Identifies Subject Matter Experts

Identifies usage patterns and topics, and connects them to the user.



Insight Analytics

Intelligent analytics to identify potential gaps in content, based on user activity patterns.



Natural Language Processing

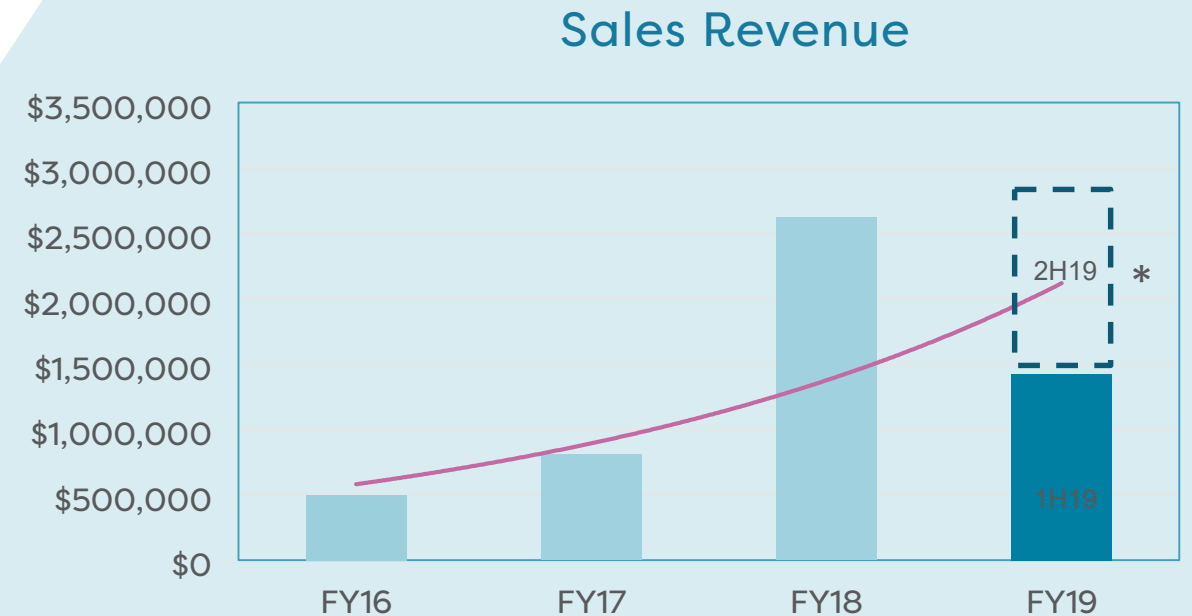
Understands user intent and presents the most relevant findings.

Financials - Consistent revenue growth

Underlying sales revenue growth of 106% from 1H18 to 1H19

* Projected FY19 revenue assuming 2H19 revenue similar to 1H19

Revenue excludes income from government grants which historically have been in the range of \$300K-\$500K



Financials - Growth in recurring revenue

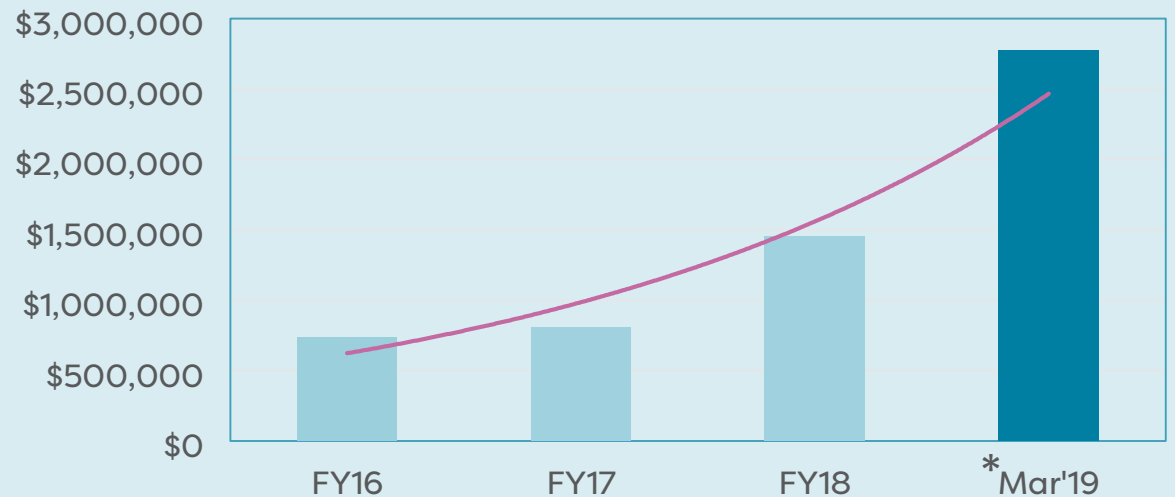
Strong growth in annual recurring revenue from 1H18 to 1H19

Mix of customers paying annually in advance and monthly

High revenue visibility

*Annualised run rate of \$2.77m as at end of March 2019

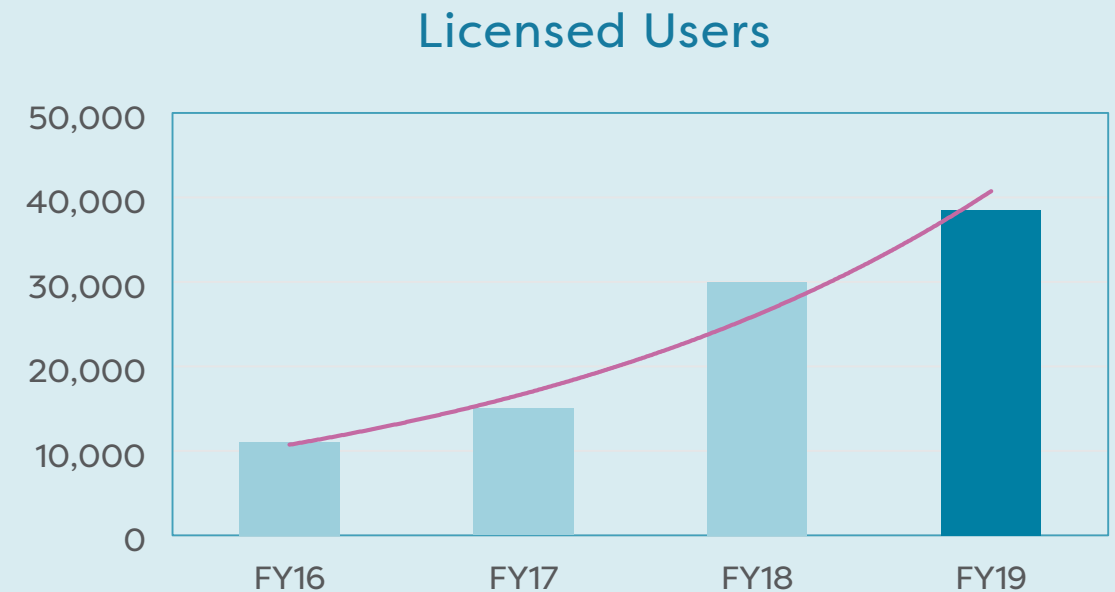
Annual Recurring Revenue



Financials - Growth in licensed users

Strong growth in licensed users of 115% from 1H18 to 1H19

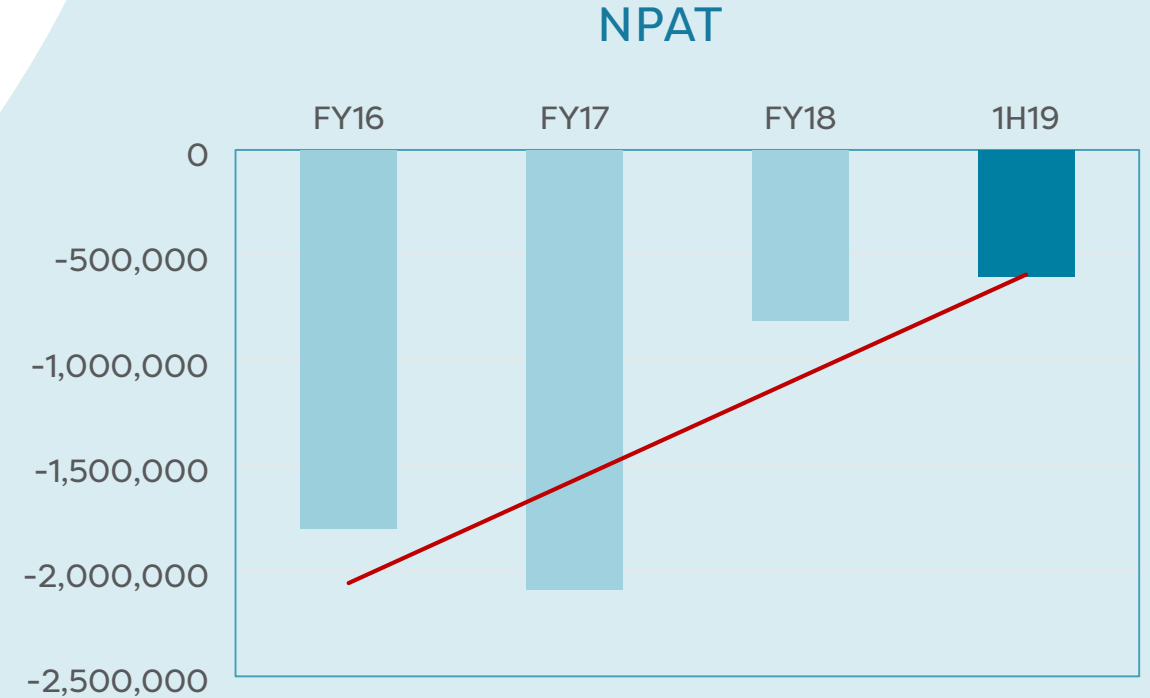
License contracts are 3-5 years for enterprise and 1 year for mid-market customers



Financials - Continued improvement in NPAT

Steady improvement in NPAT of 45% from 1H18 to 1H19

Investing in sales and marketing resources and product development



High quality customers



The Knosys software solution is currently used by Enterprise customers

Strong Leadership Team



Alan Stockdale

Chairman

Alan has developed a career as a company Chairman and director of a number of ASX-listed companies and of various unlisted companies and not-for-profit organisations. He has been Chairman of Axon Instruments Inc (incorporated in the USA and listed on the ASX), Symex Holdings, Senetas and a director of Marriner Financial.



Stephen Kerr

Chief Financial Officer

Stephen Kerr (BCom, CA, FGIA) has held the role of CFO and Company Secretary since July 2015. Stephen Kerr is a qualified chartered accountant and chartered company secretary. He is an experienced CFO and governance professional, having held senior finance positions in private and publicly listed companies such as Linus Technologies (ASXL:LNU) and Sigtec.



John Thompson

Managing Director

John Thompson (BEng Hons, MBA) has held the role of CEO since 18 July 2016. Mr. Thompson brings a wealth of leadership experience having worked for more than 20 years at the helm of private equity and listed technology companies. Most recently, Mr Thompson was CEO of Sigtec (PE backed), and MD of Wavenet International (ASX).

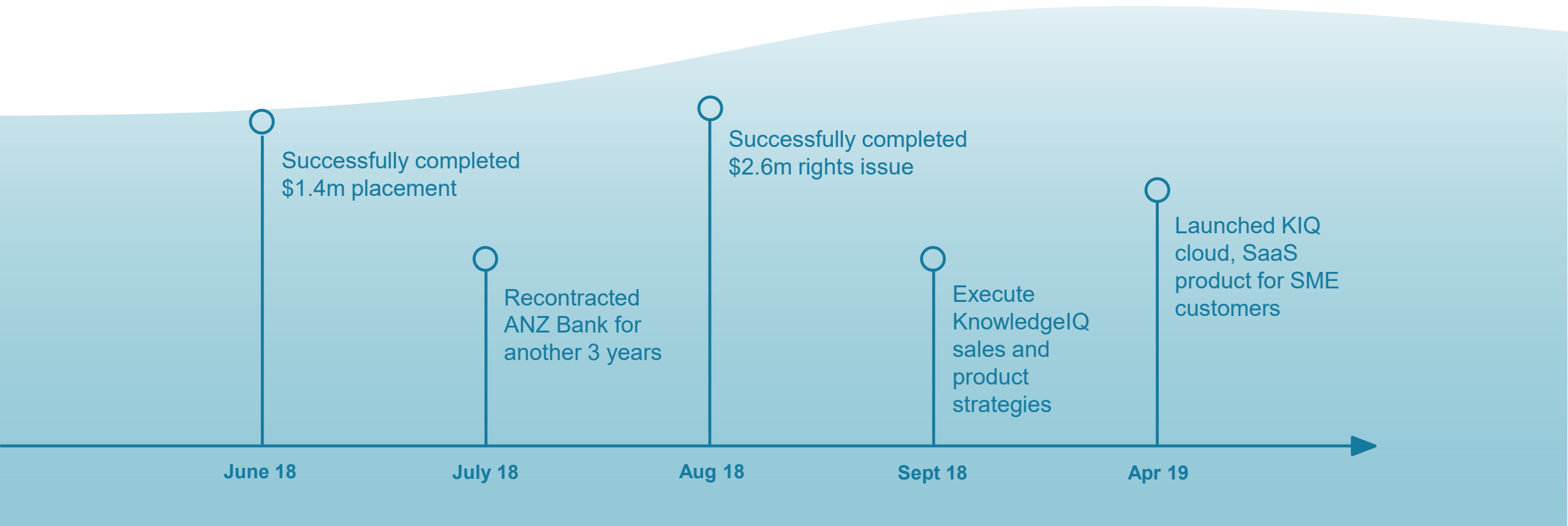


Nic Passmore

Chief Technology Officer

Nic Passmore has led the Knosys' technology strategy since August 2016. Prior to that, Nic was the driving force behind the success of companies such as Sigtec and Mextrixa, and within several industries including enterprise applications, telecommunications and telematics.

Delivering on strategy in FY 2019



Two year growth strategy



Expanded regional presence

Sydney sales office opening in April

Singapore sales office opening in June

Partnerships and channels

Microsoft Gold Partner award enables access to broader sales eco-system

Qualified as “Co-sell” ready with Microsoft.

KIQ Cloud simplifies sales onboarding and implementation

Greater usage from existing customers

Consistently high customer retention in enterprise space

Regular releases of new features driving customer loyalty

Increasing functionality and usability of the platform by continuous R&D

New customers in existing markets

Aim is to penetrate mid-market customers

KIQ Cloud service opens significant opportunity to penetrate the mid-market

Deploying new sales team focused on mid-market to drive customer wins in ANZ

Growth through acquisitions

Exploring complimentary technology and/or customer lists

Disciplined approach with focus on earnings accretive opportunities

Search program outsources so as allow management to focus on organic activities

Targeting revenue growth through expanded regional presence

Knosys is expanding throughout the APAC region, by establishing both a Sydney and Singapore office

These satellite offices will host within the next 2 years:

- 2-3 sales staff in Singapore
- 2 sales staff in Sydney

Knosys' development team, support team, and head office, will remain in Melbourne.



Revenue growth through new channels and partnerships

Being a Co-Sell Microsoft partner facilitates a closer working relationship between Knosys and Microsoft.

The companies' sales teams will work together, directly engaging new and existing customers and extolling Knosys's unique benefits

Being a Microsoft Gold Partner Cloud delivers technical and financial benefits to Knosys.

We have greater access to new services and training on technology platforms. It also entitles the company to discounts on Azure services both for internal usage and externally for customer deployed systems.

To achieve these statuses Knosys was required to meet a number of key performance commitments to demonstrate a proven ability to execute and deliver projects on Azure.



Microsoft

Co Sell Ready

KIQ Cloud Launch

Pivot point for future growth

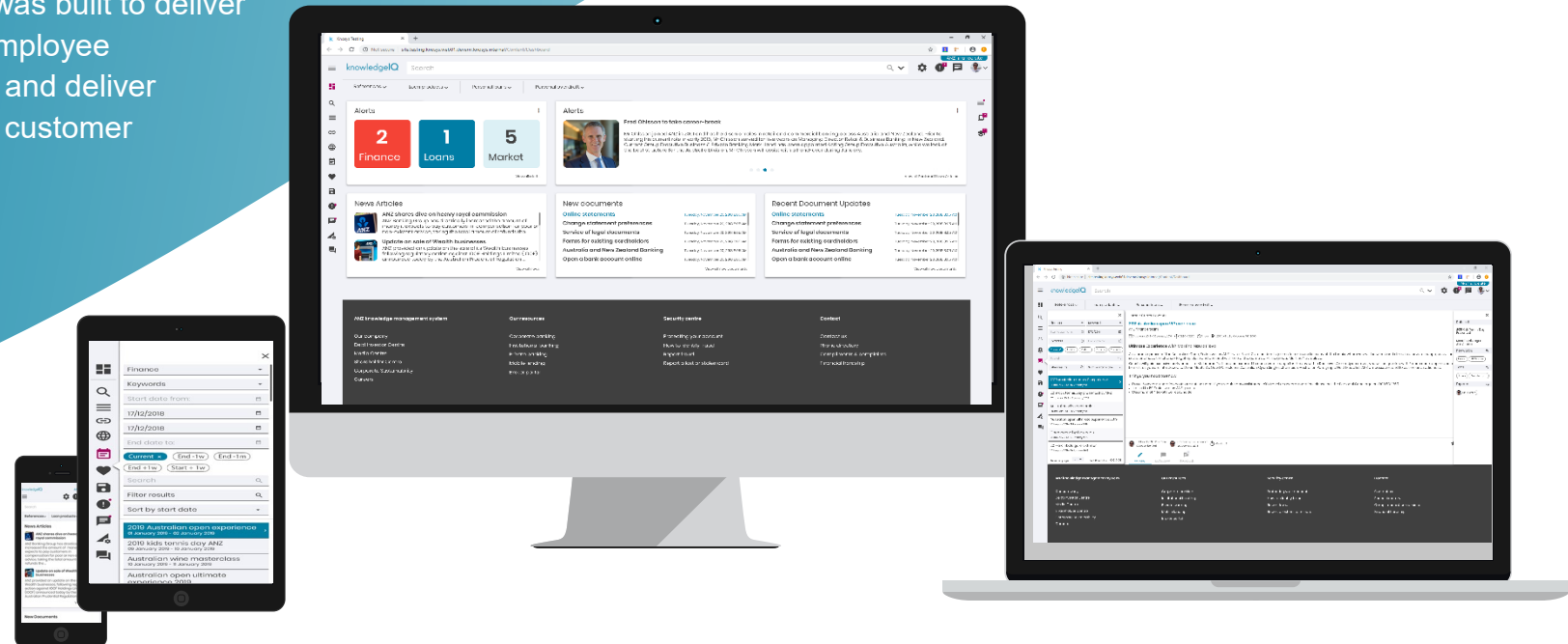


KIQ Cloud is a cloud-based, omni-channel knowledge management solution designed to simplify and centralise the organising and sharing of knowledge.

KIQ Cloud makes it easy for teams and individuals to find the right information, exactly when they need it, and provides direction for work flows, processes and compliance.

Perfect for businesses that operate customer contact centres, service desks, frontline offices or online self-service channels.

KIQ Cloud was built to deliver improved employee productivity and deliver exceptional customer experience.



Revenue growth through mid-market sales of KIQ services

Target mid-market
Customers

Shorten the current
sales cycle

Larger market
opportunity

Smooth revenue cycle

Increase margins

Acquisition to accelerate opportunity

Knosys is exploring potential acquisition opportunities to complement the current business offering through automated business processes, the management of information governance, or enhanced customer experience through analytics.

What is considered complementary?



APAC region



Mid-market or Enterprise custom base



Complementary services areas to knowledge management



Immediate EPS accretive to Knosys

Investor Highlights

5 reasons to invest in Knosys



High Recurring Revenue with solid cashflow profile

- Customer contracts typically 3-5 years
- 106% revenue growth in 1H19



Highly Experienced Management and Board

- Stable management team with strong track record of growth
- Executives incentives aligned to growth and have invested in the company



Expanding Sales Channel and Regions

- Entered co-sell partnership with Microsoft for global sales
- Achieved Gold Partner status with Microsoft for Azure Cloud services



Cloud focused KM Platform

- Launch of KIQ Cloud service Apr'10
- Optimising platform for mid-market customers
- Increasing interoperability with 3rd party applications



Growth through Acquisitions

- Actively seeking complimentary technology or/and customer list
- Executive has significant expertise in acquisition integrations
- Outsourced advisor responsible for identifying opportunities

Managing Director

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CFO

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