



# knosys

Connecting People and Information

## AGM Presentation

John Thompson, Managing Director

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(ASX:KNO)



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 **knosys**

A Software-as-a-Service (SaaS) Company  
Connecting People and Information



Building on FY22

[knosys.co](https://knosys.co)

# knosys Highlights FY22: Year of Expansion



License and support fee revenues increased by **120%** to \$8.3m



Total Operating Revenue increased by **94%** to \$8.9m



The loss for the consolidated entity was \$3.1m, which included one-off acquisition costs of \$0.5m and non-cash charges \$1.4m



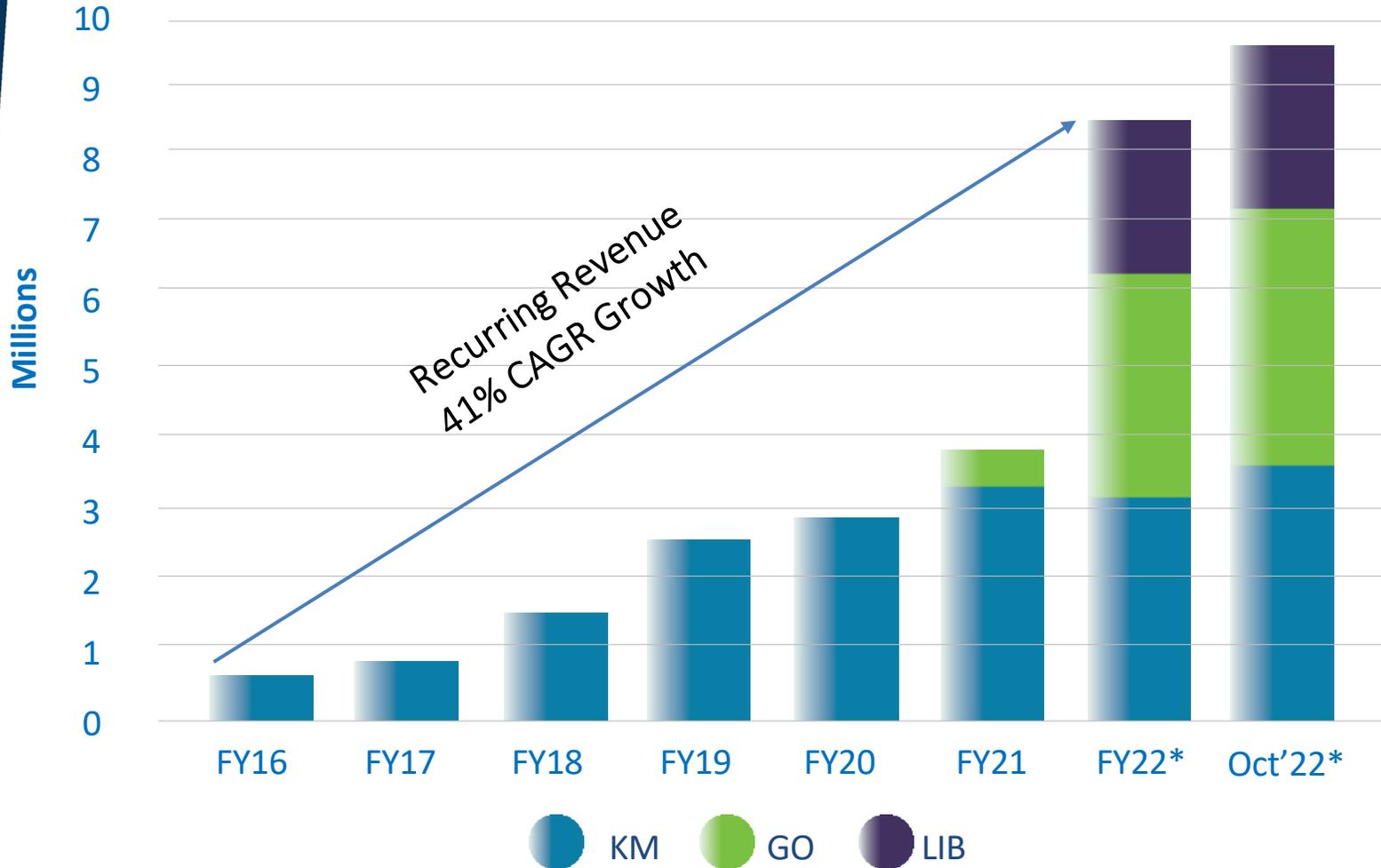
Net cash out flow from operating activities of -\$0.2m





# Increasing ARR organically and through acquisitions

## Solid growth in SaaS Recurring Revenue



\*FY22 reflects actual recurring revenue for the year, including the impact of acquisitions

\*\*Oct'22 ARR reflects Oct'22 month's recurring revenue annualized to give an annual run rate

# knosys Q1 FY23: Record receipts & positive operating cash

	Q1 FY23	Q1 FY22	▲
Cash Receipts	\$4.3m	\$2.9m	Up 45%
Annualised Recurring Revenue*	\$9.6m	\$8.3m	Up 16%
Operating Cash Flow	\$1.1m	\$0.9m	Up 23%
Cash balance	\$4.1m	\$5.3m	Down \$1.2m

\*Recurring Revenue refers to Licence and Support Fees and excludes rendering of services

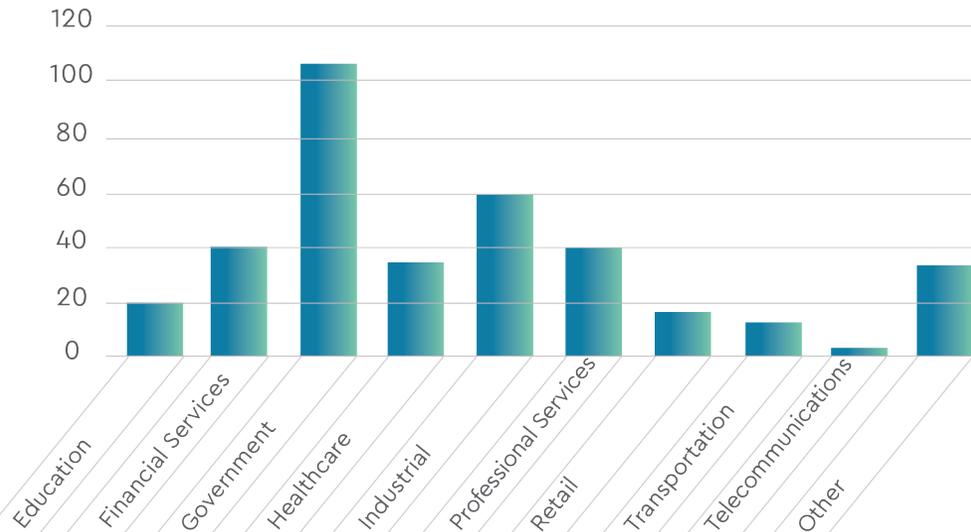
## Q1 FY23 Key Highlights

- **Record cash receipts:** Seasonally the first quarter has the strongest cash flow due to renewals across all product lines.
- **ARR of \$9.6m:** Annual Recurring Revenue (“ARR”) up 16% year-on-year.
- **Major contract extension:** ANZ Bank signed a 3-year contract extension for enterprise Knowledge Management solution, KnowledgeIQ, with a total contract value over \$5m.
- **Outlook for FY23:** Approaching cash flow breakeven in FY23 with a solid pipeline of opportunities, continued growth in the recurring revenue base and increased operating leverage.

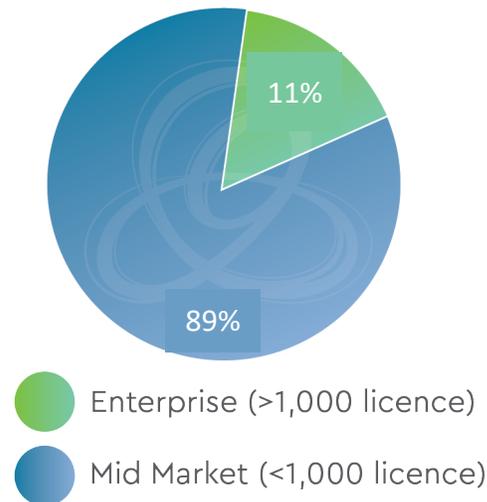
# knosys Customers Dashboard



Customers by Industry



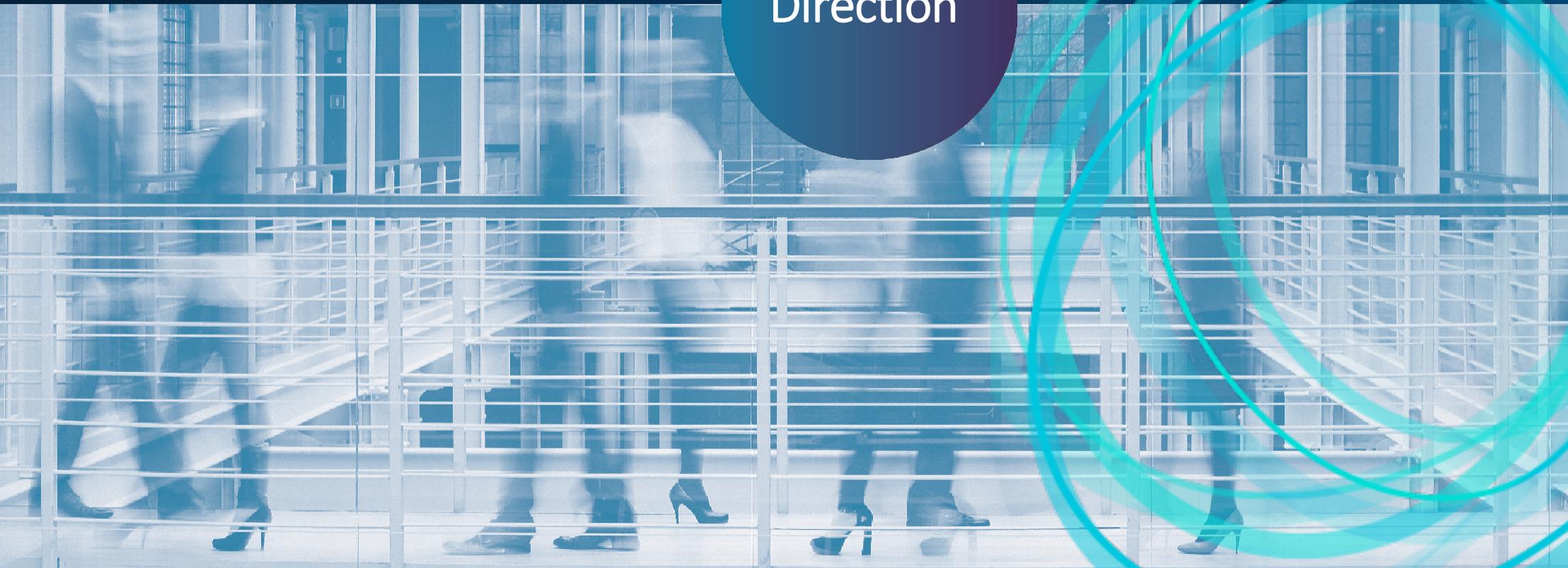
Customers by Size



Customers Numbers



Future  
Direction



# **knosys** Delivering business critical SaaS solutions in key verticals

**Hospital and Health Care**  
Employee Intranet

**Banking & Financial Services**  
Employee Intranet & Knowledge Management

**Retail**  
Employee Intranet & Knowledge Management

**Government**  
Library Management & Knowledge Management

**Shared Services** delivering standard practises  
**Common Principles:** Intelligent Search | Governance | Personalisation | Security



Product & Technology



Customers

**Product Management**  
Market Fit & Agility

**Software Development**  
Quality & Reliability

**Security & Infrastructure**  
Market Fit & Agility

**Customer Success**  
Retention & Advocacy

**Sales Excellence**  
New & Upsell

**Marketing**  
Awareness & Lead Generation

**Knosys' high-performance culture is focused on great customer outcomes**

# knosys On Going Investment in Growth

1

## Product – Market Fit

Strengthening Portfolio value propositions to drive retention of existing customers and acquisition of new

Increased our technology team to 23 people and R&D investment to 20% of Revenue

Strategic focus on executing SaaS development plans to address the underserved needs of target market verticals in Health, Retail, Government & Banking

An Open platform focus to support integrations in respective market verticals

2

## Go-To-Market

Growth in Sales and Marketing expenditure, targeting high value mid market and enterprise customers

Increased our sales and marketing team to 10 people

Implementing a vertical strategy addressing Health, Retail, Government & Banking

Exploring strategic partner and channel referrals to drive new sales in the future

Upsell strategy in GO performed exceptionally well with over 25% growth YTD

Focus team on securing LIB & GO multi-year customer contracts

3

## Operating Leverage

Consolidating operations with focus on efficiency across the business

Onshoring the support and testing roles to Australia from India

Investing in common technology and software components across the product portfolio

Focus on customer self service based customer onboarding, training and support

# knosys FY23 Outlook



Targeting 10% organic revenue growth in FY23 across all geographies



Strong pipeline of significant commercial contracts heading into 2H FY23



Increased operating leverage in FY23 as revenue rises faster than expenses



Approaching operating cash flow breakeven in FY23



Favourable industry trends expanding market opportunities and supporting long term growth

# **knosys** Investment Highlights



- **Robust business model through the cycle:** Over 90% of total revenue is recurring revenue, based on multi-year contracts with blue-chip clients.
- **Steadily increasing Annualised Recurring Revenue (ARR):** Projected ARR of \$9.6m at October 2022, up 16% year-on-year.
- **Clearly defined Product Roadmaps:** All three SaaS solutions have an updated Product Roadmap with new advanced features, a distinct marketing positioning and clear target markets.
- **Onshoring operations:** Restructured support and testing capabilities through onshoring operations previously delivered by an Indian-based team.
- **Increased operating leverage:** Approaching cash flow breakeven in FY23

# Capital Structure

<b>ASX : KNO</b>		<b>Share Register</b>	
Share price as at 29 Nov 2022	<b>\$0.09</b>	Substantial holders	<b>19.1%</b>
Shares on issue	<b>216.1m</b>	Founders	<b>6.6%</b>
Market capitalisation	<b>\$19.5m</b>	Management & Directors	<b>4.7%</b>
Cash as at 30 Sept 2022	<b>\$4.1m</b>	Institutional holders	<b>3.0%</b>
Enterprise value	<b>\$15.4m</b>	Retail holders	<b>66.6%</b>
		<b>Total</b>	<b>100%</b>





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