



Connecting People and Information

Annual General Meeting 2024

28th November 2024

ASX:KNO



knosys.co

Annual General Meeting 2024

AGM Presentation

John Thompson, Managing Director

28 November 2024

(ASX:KNO)

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Knosys Overview

About Us

Knosys (ASX:KNO) is a leading information and knowledge technology company, providing industry with Software as a Service (SaaS) solutions to boost productivity, collaboration and connectivity in the digital workplace.

Our Portfolio of SaaS solutions

Libero



Library Management

100 customers
Markets:
• Public
• Academic
• Special Libraries

KnowledgeIQ



Knowledge Management

40,000+ users
Markets:
• Finance
• Government
• Telco

GreenOrbit



Intranet

140+ Customers
Markets:
• Retail
• Health
• Finance
• Government
• Telco

Our Global Footprint



TOTAL REVENUE
>\$10m

ARR of A\$9.4m

250 Customers

Highlights FY24: Year of Consolidation

Revenue stability, reduced costs and positive NPAT

	FY24	FY23	Δ
Revenue	\$9.6m	\$9.9m	Down 3.2%
EBITDA*	\$1.1m	\$(1.3)m	Up \$2.4m
Net Profit/(Loss) After Tax	\$0.2m	\$(2.2)m	Up \$2.4m
Operating cash (out) flow	\$2.3m	\$(784)k	Up \$3.1m
Cash balance	\$4.2m	\$2.0m	Up \$2.2m

*EBITDA represents earnings before interest, tax, depreciation and amortization.

- **Successful execution of strategy:** In FY24, Knosys' strategy was to protect current revenue streams on a lower cost base with improved operational efficiency to deliver positive NPAT and cash flow. Positioning itself to invest in its solutions to grow market share in the future.
- **Stable revenue and Annual Recurring Revenue (ARR):** Revenue of \$9.6 million and ARR of \$9.5 million at July 2024. Knosys has continued to migrate existing customers to multiyear contracts, while managing customer churn in line with industry averages.
- **Lower cost base:** Operating expenses were down 19% on the prior year, primarily due to a 24% reduction in employee expenses.
- **Improved profitability and cash flow:** Positive NPAT of \$0.2 million and positive net operating cash flow of \$2.3 million. Cash balance of \$4.2 million as at 30 June 2024.
- **Organic growth:** New customer acquisitions across all solutions.
- **Build on capability in key markets:** Investing in developing and positioning next generation solutions in the global Library Management Solution (LMS) market.

The background is a solid blue color. It features several large, white, organic, and flowing shapes that overlap each other, creating a sense of movement and depth. These shapes are reminiscent of stylized waves or abstract organic forms.

Transformational Growth Strategy

Strategic Objectives

Optimise

Stage 1 – FY24 (completed)

Completed Strategic Portfolio Review

Identified solution with greatest market opportunity – Library Management System (LMS)

Drove margin contributions of core solutions to create business efficiency and preserve business value.

Executed retention plans on existing Libero customers

Commenced allocating investment capital into growth LMS solution

Focus

Stage 2 – FY25

Prioritise development efforts on multiple next generation LMS offerings

Increase capital investment in LMS stream in FY25

Take advantage of strong LMS market position in Aust/Germany and explore growth opportunities for Libero

Examine opportunities to partner with Salesforce and Genesys resellers for KM

Prioritise GO development on core health and retail sectors functionality

Expand

Stage 3 – FY26

Examine opportunities to accelerate investment in LMS software development programs (Public and Academic Libraries)

Expand and develop Go To Market (GTM) commercialisation activities in US for Libero X

Explore and expand marketing and sales activities in line with developed GTMs for LMS Libero X in US Public Libraries

Accelerate

Stage 4 – FY27 onwards

Continue development efforts on LMS Libero X (Academic)

Explore and expand marketing and sales activities (GTM) for LMS Libero X in US Academic Libraries

Aggressively expand geographic markets in US and EU

Look at M&A opportunities in LMS, archive and adjacent collection markets

Global LMS Market Overview

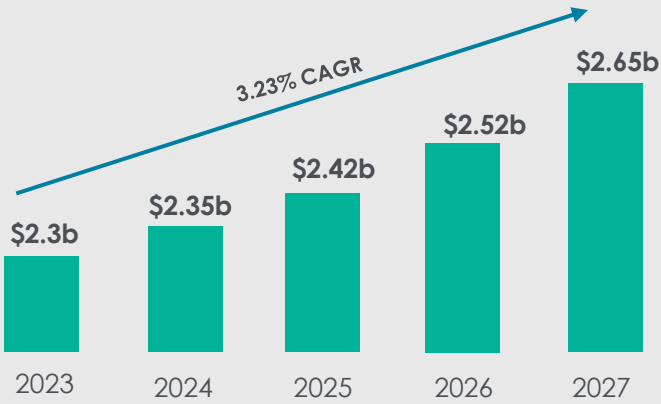
Significant growth potential in the Library Market

- Mission critical solution
- LMS Market Size: USD \$2.65¹ billion by 2027
- CAGR of 2.4% to 5% across Market Segments

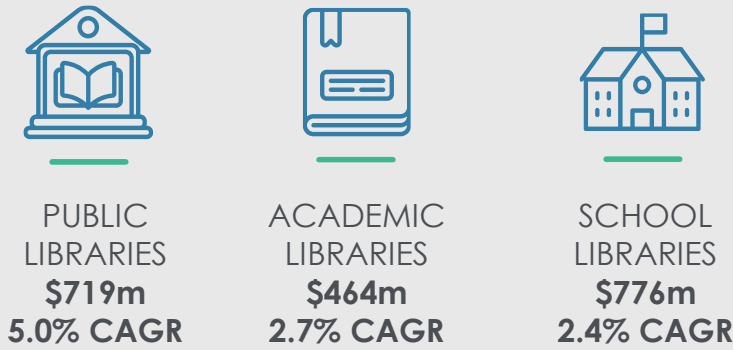
Global Library Management Software Ecosystem Mapping



Market Size



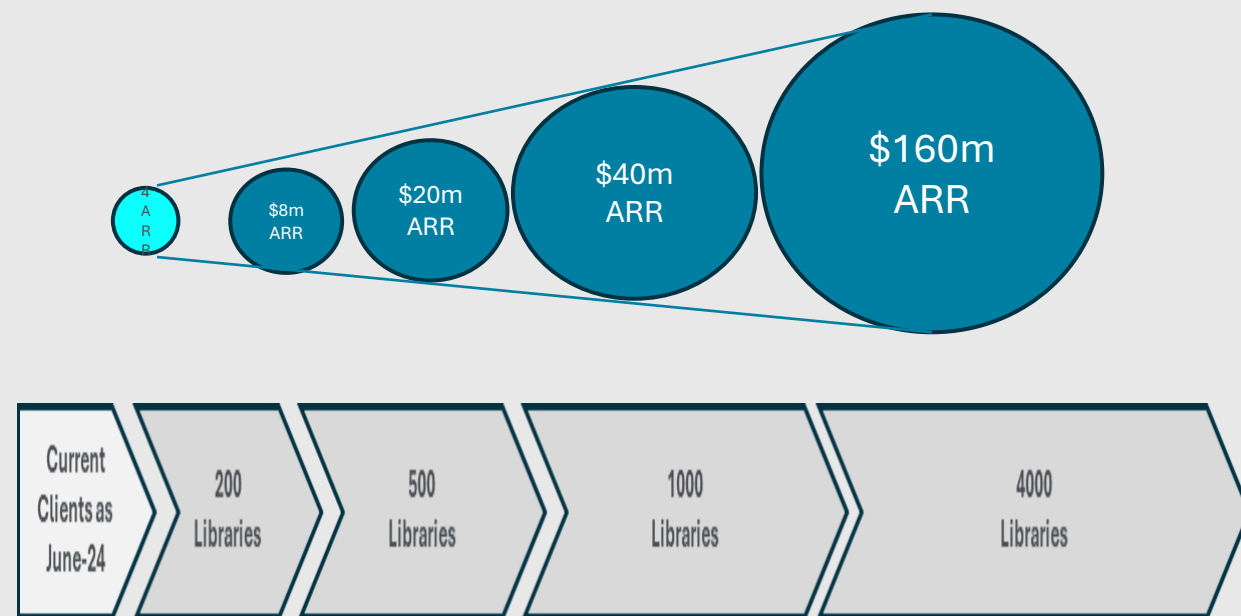
LMS Verticals Major Market Segment



Large Addressable Market - Public and Academic Library Verticals

- Business-critical requirement for these verticals with **Total Addressable Market (TAM) of \$1.2B²**
- 410,000 Public Libraries and 85,000 Academic libraries globally
- Existing customers provide a stable platform to expand from
- Significant expansion opportunities in both Public and Academic Libraries in AUS, US and EU
- Revenue potential is not limited to LMS ARR, with significant non-recurring revenues also available

Libero growth potential
if it achieves just 1% of the TAM



Mega Trends Driving Growth

Our strategic priority and the resultant development program is premised on aligning with these trends to deliver transformational growth



Integration of **Artificial Intelligence** (AI) and **Machine Learning**



Increasing focus on regulatory, data, **privacy and security**

Mega Trends



Rising **adoption of** open-source library management systems



Mass adoption of **mobile** and **cloud-based solutions** for remote accessibility

Libero LMS Portfolio Expansion

Knosys aims to produce SaaS solutions for commercial sale in the Library Technology space, with a pipeline of four backend AI processing and mobility software solutions currently under development. This will comprise a software solution suite for the key library market segments of Public and Academic libraries.

Libero 6 (LMS)

Knosys' library SaaS, with **15+ years** and **100 customers**, focuses on enhancing public library experience.

Libero 6 enhancements are reusable in Libero X, enabling **real customer validation**, driving evolution towards **Ai-enabled** Libero X.

Libero X (Libero Library App)

The Libero Library App enhances library engagement with easy access to services.

Initially for Libero X (LMS) users, the app aims to be vendor-agnostic, integrating with other LMS vendors via API.

Libero X (LMS)

Knosys' accelerates development of its open-source Ai LMS.

Initially for global Public Libraries, expanding to Academic Libraries.

Libero X (LMS) differentiates itself with Ai from Libero 6, enhancing automation and user experience.

Libero X (Appliance)

Knosys addresses on-premises challenges with Libero X's "software appliance."

Libero X – Appliance, is a hardware-software combo, targets small/medium libraries.

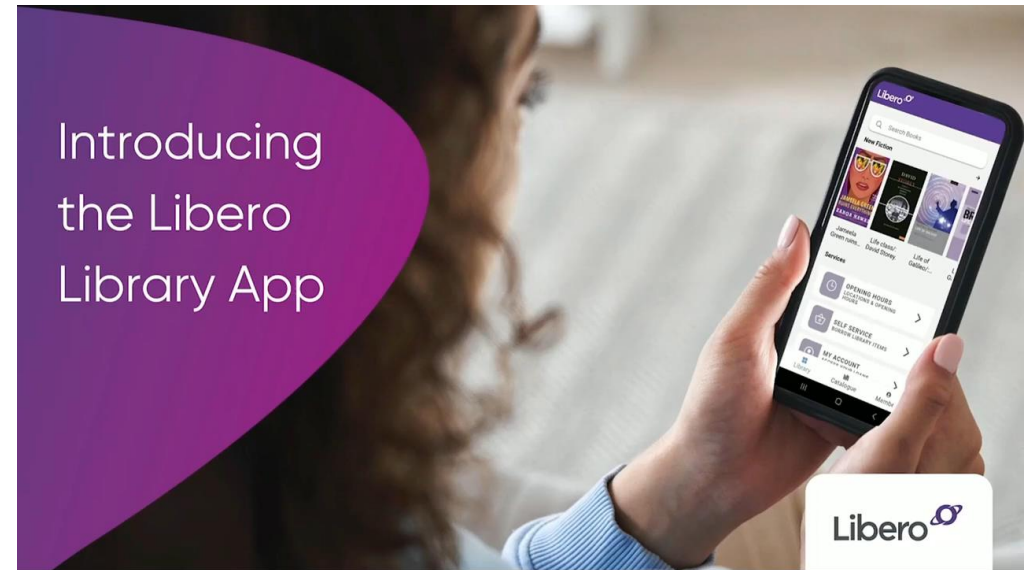
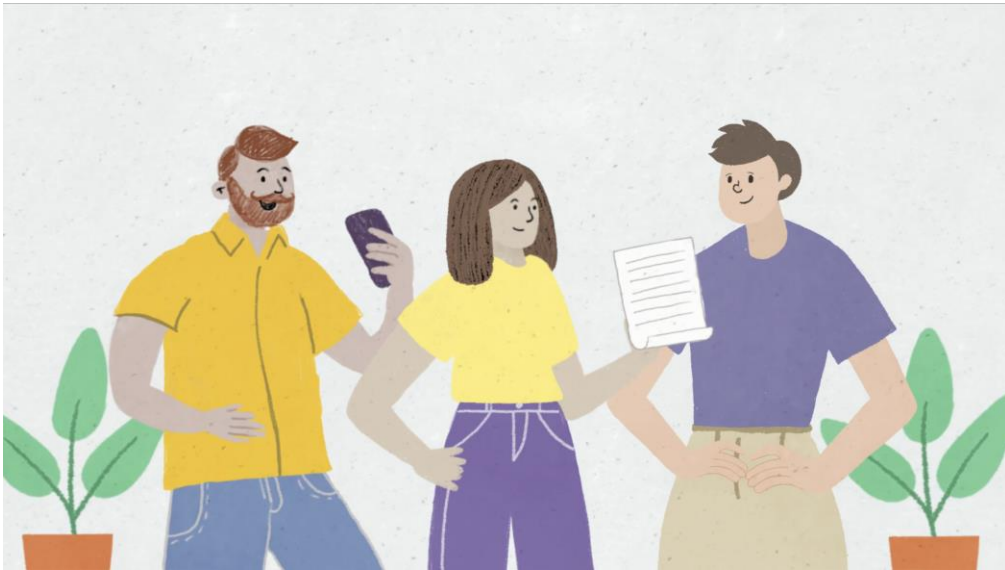
Managed services for updates, remote diagnostics, backups, and storage.

Current

Pipeline

Introducing the Libero Library App

- Enhance and extend member engagement and experience beyond the library to wherever they may be with the Libero Library App.
- With a Libero Library App, your members can access and connect digitally with your library 24 hours a day, every day of the year.



Thank-you

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