

Investor Newsletter – December 2024

Dear Shareholders,

As we approach the festive season, it is pleasing to look back on the past year and reflect on all that we have achieved. Our revenue has stabilised, our operational efficiency has improved and we are now well positioned to invest further in new innovative solutions to grow market share in the future.

Our core business continues to perform well and we have recently renewed key clients including Singtel, Optus and Healthdirect, as well as attracted new clients, including the Office of the Director of Public Prosecutions in WA, thus underpinning our recurring revenue over the years ahead.

In late May, we hosted an Investor Webinar to provide deeper insights into our growth strategy and how we are adapting to the mega-trends driving innovation in Library technology software solutions. We outlined our new product development program, Libero X, which represents a step change in library management solutions and we described our aspiration is to be a leading global player in Library Management Solutions market within the next five years.

Over the past six months, we have made significant progress on our refined growth strategy with increased investment in our market leading library-tech. We completed the beta launch of the new Libero mobile library app in September, which is the first product to be released as part of the library-tech product development program. Several libraries are now testing the app and sales of this product to libraries are planned for early 2025. We expect revenue contribution from this program of work from FY26 onwards.

By FY27, we plan to have a complete set of market-leading software solutions for the key library market segments of public and academic libraries, in order to grow our global market share in this industry with a broader range of solutions.

Our team is excited by the positive feedback we are receiving from customers on our innovative new solutions in library-tech and we remain confident of the significant growth potential ahead in this market.

I would like to wish everyone a safe and merry festive season and we look forward to updating shareholders on our progress in the new year.



John Thompson
Managing Director



Strong enterprise renewals and new contracts underpin future revenue stability

Over the past six months, Knosys successfully renewed several large enterprise clients for its market leading knowledge management platform, KnowledgeIQ. These contract extensions underpin recurring revenue over the years ahead:

- **Singtel:** In September 2024, Knosys signed a 2-year contract extension for KnowledgeIQ for a total expected contract value of \$750,000;
- **Service Tas:** In October 2024, Knosys signed a 2-year contract extension with Service Tasmania for a total expected contract value of approximately \$100,000;
- **Healthdirect:** In November 2024, Knosys signed a 2-year contract extension for KnowledgeIQ for a total expected contract value of over \$400,000;
- **Optus:** In December 2024, Knosys signed a 2-year contract extension for KnowledgeIQ for a total expected contract value of over \$2,400,000; and
- **Service SA:** In December 2024, Knosys signed a 2-year contract extension for KnowledgeIQ for a total expected value of over \$110,000.

Office of the Director of Public Prosecutions in WA – New customer

In September 2024, Knosys was awarded a 5-year contract for KnowledgeIQ, with two options of one year each to extend the contract to a total term of seven years. The value of the contract over the maximum seven-year term is expected to be \$985,000.

Showcasing new products at the Libero User Group Conference

In September 2024, Libero customers came together from across Australia and met in Sydney for the Knosys Libero User Group Conference and Awards. The annual conference provided an opportunity for Libero customers to network, to be updated on upcoming features and to recognise excellence in customers using the Libero solutions to further improve member experience.



Participants at the conference were introduced to the new library-tech features such as Discovery and Member Management and the upcoming Libero Library App. In addition, there were several presentations from libraries showcasing improvements for members and staff and demonstrating how the Libero solutions helped to deliver great outcomes.

Richmond Upper-Clarence shared how they highlight diversity in their catalogue with an emphasis on First Nation groups, Eurobodalla Library presented how they implemented a creative solution for sharing Eurobodalla Bushfire Stories, and Woollahra Libraries gave a deep dive into how they work in partnership with Libero to deliver ongoing improvements for their staff and members.

Libraries also received Libero Masterclasses where our support team shared useful insights and tips for enhancing their custom pages, system maintenance and reporting.

Introducing the Libero Library App

The new Libero Library App is designed to enhance and extend member engagement and experience beyond the library to wherever they may be.




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.

For your library

- Tailored and flexible with customisation
- Keep members up-to-date with the latest news, events and other important communications
- Provide a consistent online presence
- Comprehensive search
- Direct access to digital items
- Custom carousels
- Barcode scanning
- Detailed record display

For your members

- Member account management from joining to updating contact details and password management
- Digital library card
- Manage loans and renewals
- Facilitate interlibrary loan requests
- Sign up for new title notifications
- Reading history tracking
- Reservation management
- Provide purchase requests suggestions
- Submit reviews and ratings
- View and manage fines and charges
- Self-checkout option

Visit libero.com.au to find out more about how we can elevate your library experience today

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The new Libero Library App has many advantages for both the library and its members. In addition, the new Discovery feature provides a single access point for managing and promoting resources.

From integration to search, Libero provides optimal discovery across desktop and mobile for members in real-time, offering advanced search algorithms and relevance ranking.



Knosys is helping libraries to adapt and thrive in the digital age

Modern libraries are looking to provide an exceptional customer experience with improved operational efficiency and they are exploring the use of AI and machine learning to support their operations.

In the digital age, libraries need to develop their core capabilities around data management and data preservation, through the implementation of best-use processes for organising, storing and sharing their data effectively. In addition, they need new tools for cataloguing, search optimisation and personalised recommendations.

The Knosys Libero X development program is investing in a number of proof-of-concepts based on Artificial Intelligence technologies for use in library-tech and knowledge management markets. This is to demonstrate the feasibility of AI technology to our customers, its current state and its cost effectiveness.

Knosys is also continuing to invest in mobile application technology, a key differentiator and value-added capability in the competitive landscape. Libraries strategically are focused on enhancing user experience, allowing their patrons to access library resources, catalogues and services from their smartphones. Our focus on responsive design ensures accessibility across a range of mobile devices and improves adoption.

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