



# Coffee Micro Caps

Simplifying Daily Compliance Management

Investor Update

Q3 | FY23

## • **Recognition of country**

Kinatico acknowledges the Traditional Owners of the land on which we meet and work throughout Australia and New Zealand. We recognise Aboriginal and Torres Strait Islander peoples' continuing connection to land, place, waters and community. Kinatico recognises the unique role of Māori as Tangata Whenua and embraces Te Tiriti o Waitangi recognising Māori as tino rangitiratanga of Aotearoa/New Zealand while embracing the three guiding principles of the Treaty – Partnership, Participation and Protection.

We pay our respects to their cultures, country and elders past present and emerging and will endeavour to implement bicultural policies and practices that incorporate and value cultural concepts and values.



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## • Delivering value and profitable growth for the future



## • The Kinatico Advantage



### Our Space

- ✓ Workforce compliance is a growing burden on ALL industries.
- ✓ Organisations have requirements to manage and report on all aspects of compliance.
- ✓ At the same time, workforces demand higher standards of privacy and security of their information.
- ✓ Compliance is a complex, time consuming, administrative nightmare.



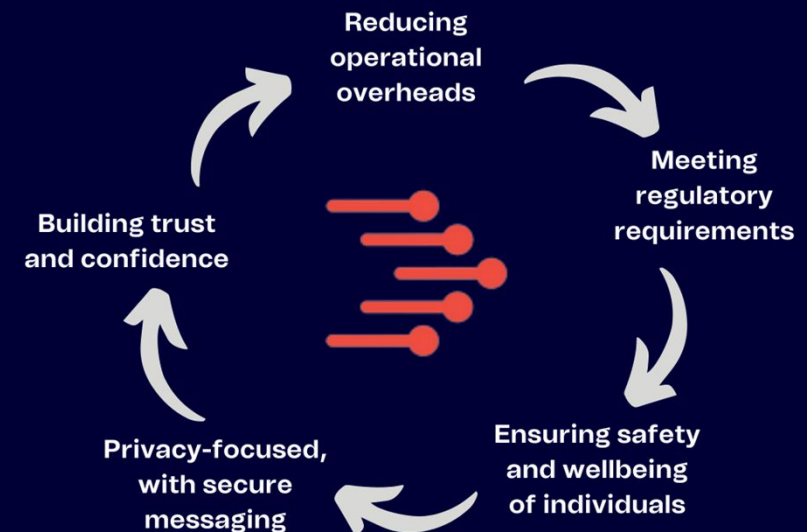
### Our Advantage

- ✓ Large existing customer base needing compliance management.
- ✓ Increasing expectations on organisations for transparent compliance management delivering new customers.
- ✓ Deployed proven technology platforms.
- ✓ Long history and experience in the space.

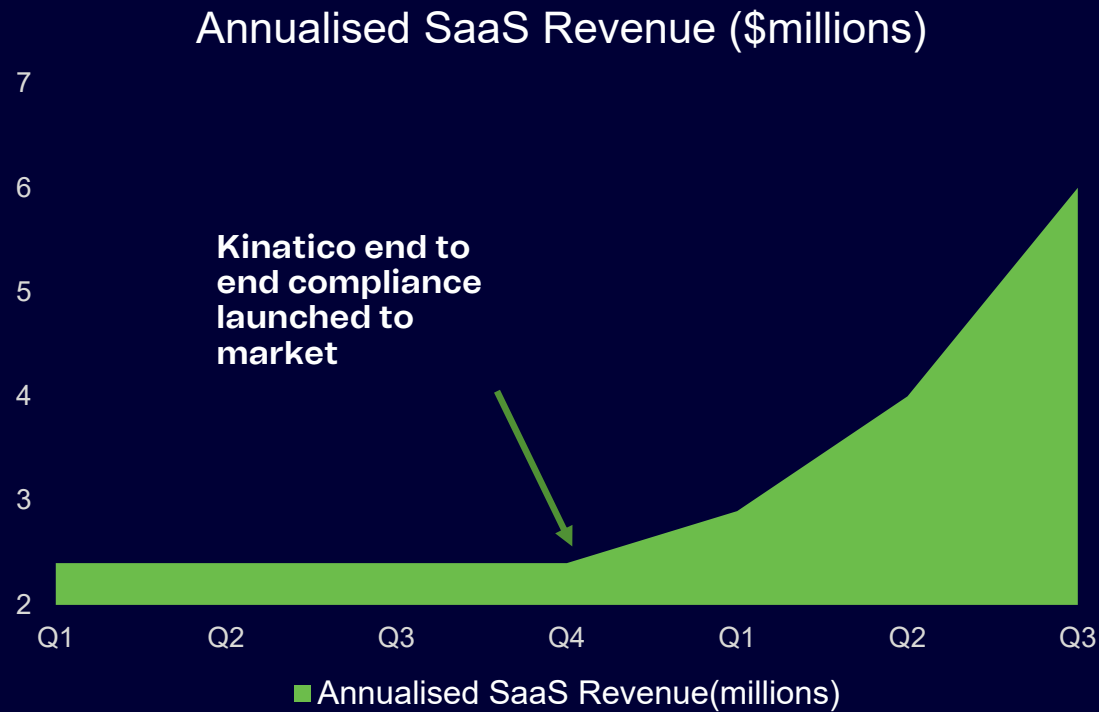


### Our Solution

Kinatico frees up organisations to focus on running their core business with SaaS solutions that simplify compliance management from onboarding and deployment to daily procedural and legislative requirement fulfillment.



## • Product Market Fit is Clear





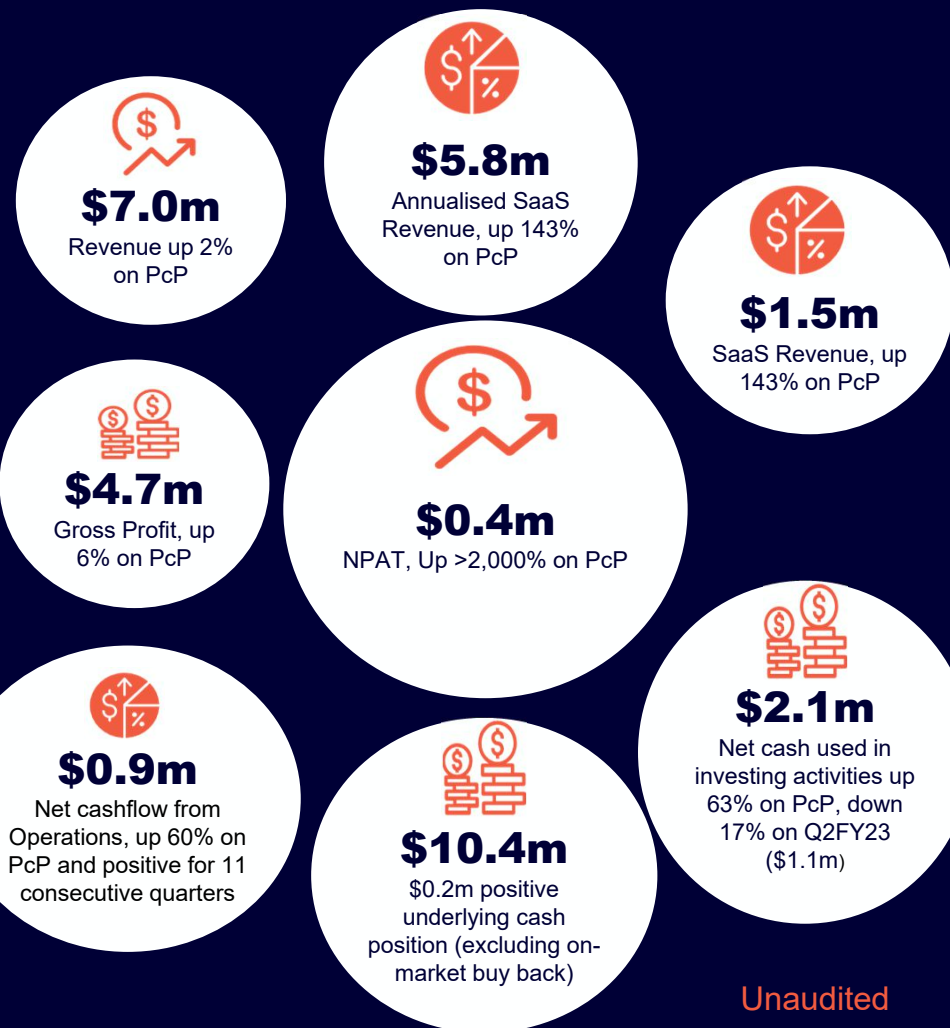
**An Aggregator of Regulatory Technology**

Simplifying daily compliance management



## • Financial Highlights

- ✓ Annualised SaaS Revenue: \$5.8m (PcP \$2.4m)
- ✓ Consolidated Revenue: \$7.0m (PcP \$6.9m)
- ✓ SaaS Revenue: \$1.5m (PcP \$0.6m)
- ✓ Gross profit (revenue less direct third-party cost of sales): \$4.7m (PcP \$4.4m)
- ✓ NPAT- 0.4m (PcP \$-0.02k)
- ✓ Cash and cash equivalents: \$10.4m, (PcP \$12.3m), \$0.2m positive underlying cash position excluding on-market buy back expenditure.
- ✓ Net cashflow from operations: \$1.4m (PcP \$0.9m)
- ✓ Net cash used in investing activities: \$0.9m (PcP \$0.6m)
- ✓ No financing debt



For the Quarter ended 31 March 2023

Unaudited







## Wide Industry Resonance

Industry	Conversion Rate
Medical/Healthcare	70%
Disability/Aged Care/NFP	43%
Mining	76%
Civil Engineering/Construction	59%
Government	52%
Employment Services	59%

Industry	Conversion Rate
Information Technology	64%
Education	56%
Finance	52%
Professional Services	57%
Energy/Utilities	48%
Other	47%

### Recent Customer Snapshot

#### Transitioned



#### New



#### Highlight



## • Investment Thesis

- ✓ Proven market potential of simplified monitored compliance across all industries. SaaS now 21% of Quarterly revenue.
- ✓ Ongoing delivery of the acquisition thesis to grow SaaS revenue through existing customer base and new customer wins.
- ✓ Favorable market dynamics with recognition of the need of simplified compliance management. E.g. Aged care, NDIS, infrastructure, industrials and more.
- ✓ NPAT positive and cash accretive<sup>1</sup>.
- ✓ No debt and \$10.4m in cash holdings.
- ✓ International opportunities in addition to existing Australian runway.
- ✓ Technology solutions deployed are not easy for others to replicate quickly. Excel and email the largest competitors.

<sup>1</sup> Normalised after share buyback.





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