



Investor Webinar

Simplifying the process of managing daily compliance for organisations

ASX: KYP

Investor Update
September 2024



• **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 rangatiratanga 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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FY25 Outlook and Audience Questions, Michael Ivanchenko, CEO



- **Optimising the legacy while growing the future**
The year in review - two businesses in one

Leveraging the legacy into a bigger market while optimising its efficiency

- X Verification services and screening is challenged globally.
- X Digital access to information is removing the need for pure screening companies.
- X Smaller players play the price game lowering the bar for everyone.
- X Screening revenue is directly tied to hiring activity.

But for Kinatico

- ✓ The strong brand (CVCheck) leads to high rates of customer return.
- ✓ Over 10,000 repeat corporate customers provide a pipeline for upsell to Kinatico Compliance.
- ✓ Ongoing digital advances have enabled improved productivity and cost out.
- ✓ The CVCheck brand will be maintained in the future but will increasingly be a sales acquisition tool for Kinatico Compliance.

NPAT Up 230%
\$0.8m

Free Cashflow from Operations \$4.2m

Cash*
\$10m

The Future Growth Engine **Compliance**



Simplifying the daily burden of managing compliance

59% - CAGR SaaS Growth from launch

38% - SaaS as a percentage of revenue now (Q4)

80% - Target of revenue from SaaS within 3 years

\$3.2m - Invested in ongoing platform enhancement funded from Cashflow for FY25 Release

SaaS Revenue up 90%
\$9.7m



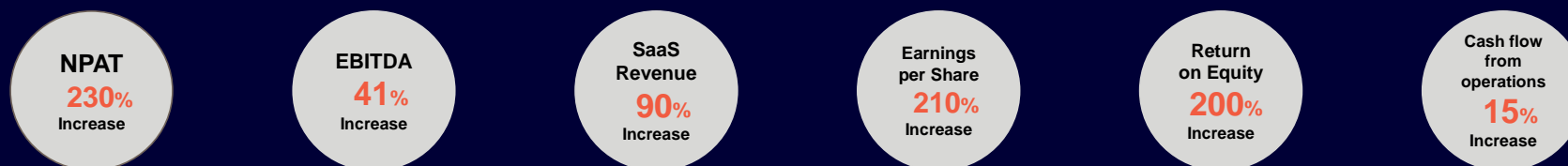
*Cash and cash equivalents

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- **Our numbers confirm the performance**

Ongoing improvement, the outcome of our commitment to transformation



FY24

\$0.8m	\$3.7m	\$9.7m	0.186 cents	3%	\$4.2m
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FY23

\$0.2m	\$2.6m	\$5.1m	0.060 cents	1%	\$3.6m
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FY22

Loss (\$1.5m)	\$1.1m	\$2.4m	Loss(0.35) cents	Loss (6%)	\$3.1m
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Growing profitability

Sustained improvement in operational performance

Repeated strong SaaS growth

Confirming ongoing focus on shareholder return

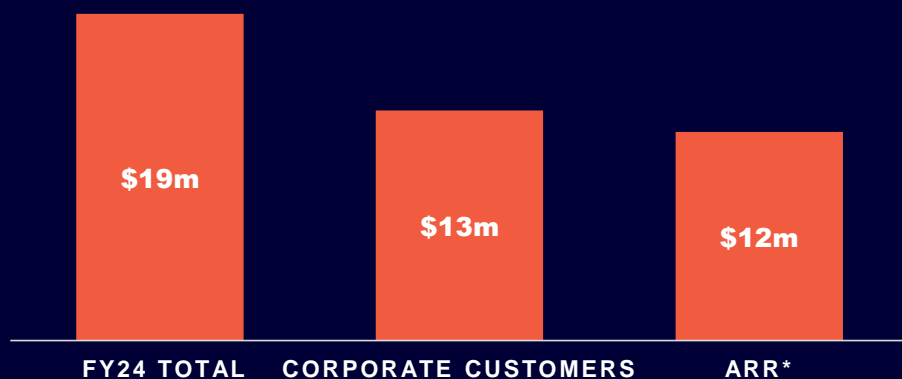
Shareholder value driven by transformation

Self-funding future growth strategy.



- **A deeper look tells an even better story**

Underlying transactional revenue ARR value



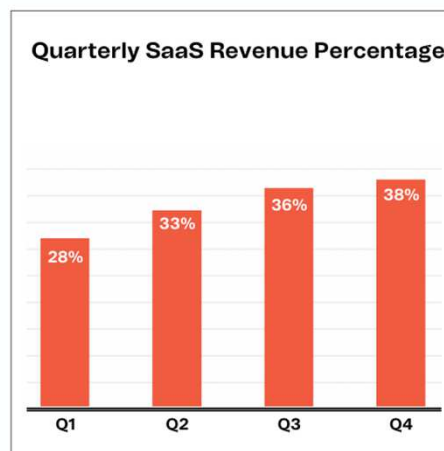
91%

of corporate customers

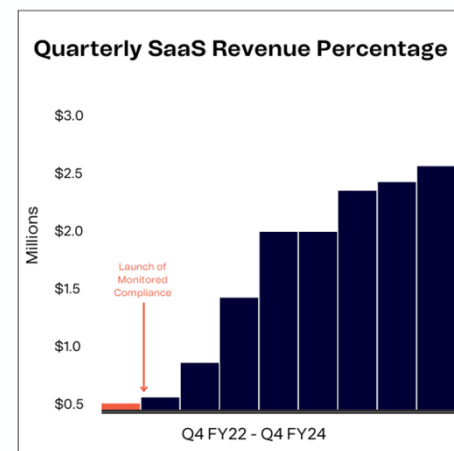
- are recurring customers
- are the existing customer pipeline for simplified compliance

+

Our SaaS Revenue Growth



In FY24, we achieved a 56% increase in SaaS customers



SaaS Revenue FY24
\$9.7m



*Transacting more than twice in FY24, and at least once in FY23

• Growing SaaS has been driven by being customer led

Market Research

Annual market research work commissioned to an external agency to monitor customer and prospect sentiment, trends and needs of the market

NPS Measurements and Reporting

Ongoing cross-departmental roll-out of voice of customer research results to wider organisation and in detail to align KUP specifics to customer voice.

Kinatico NPS Score

Industry Average 55.5

63.0

- ✓ Understanding customers' compliance needs lets us support their immediate demands. More importantly, Kinatico is now well placed for a step change in market.
- ✓ Market demand is for "simplification."
- ✓ Our technologies are industry agnostic.
- ✓ Existing customers looking for continuation of evolution from current. The opportunity with new brand is exponential.

Feedback from customers confirms our focus on delivering simplicity.

New Enterprise Customer Wins FY24



- **Customers have not only confirmed our strategy, they are leading our direction**

We are confident in ongoing success

As we continue to partner in market with blue chip brands we continue to evolve the simplified compliance solution

Sales Methodology

- Korn Ferry sales methodology with a customer centric approach to engagement



Transition to SaaS

- Flexible commercial models to suit varying procurement requirements



Account Management

- Ongoing relationship management and dedicated customer service



Professional Services

- Documented process
- Cross functional alignment
- Integration documentation & commercials



Voice of the Customer

- Customer case studies & Webinars
- Customer interviews
- Customer value, in their own words



Sales Process

- Customer led approach finding the right solution and complete Kinatico service suited to their business needs



Customer Retention

- Assignment of account portfolio
- Voice of customer within the business



Kinatico Way

- Integrated sales methodology
- On demand E-learning
- Sales insights and coaching



Industry Segmentation

- Targeted industries
- Subject matter expertise
- Internal focus groups



Customer Groups

- User Groups
- Community Forum
- Sector Roundtable network

Targeted Sectors



Healthcare



Education



Aged Care



Energy



Government



Disability

Sector Agnostic Solution



- **Our transformation isn't about reacting to change**
It's about deliberately shaping it



Alignment

- ✓ Refining our process and structures to drive accountability and delivery
- ✓ Evolving our operating model and ways of working
- ✓ Setting our path, pace and progress for performance
- ✓ Recognising and rewarding people in alignment to our values



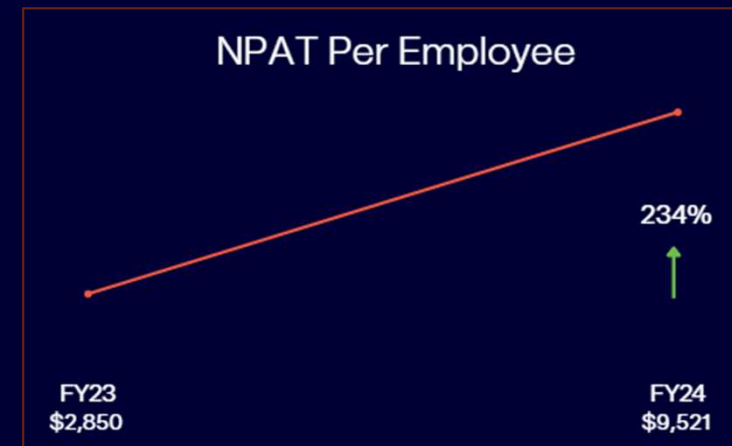
Leadership

- Inclusion on purpose = our diversity
- 47% women in leadership
 - 9.6% LGBTQIA+
 - 6.4% neurodiversity
 - 3% Aboriginal/Torres Strait Islander



Growth, Development and Capability

- ✓ New and evolving capability requirements driving strategic recruitment
- ✓ Commitment to education, exposure and experience opportunities
- ✓ Nurturing a workforce that is both skilled and deeply committed to our long-term success



• **Scaling the growth engine and moving legacy to the optimised state**



Releasing the features our customers are asking for driving growth

- ✓ Self Service configuration
- ✓ Predictive compliance task suggestions
- ✓ Intelligent dynamic dashboards and reporting
- ✓ Geolocated triggering of compliance requirements.



Continue to optimise the legacy to increase operating cashflow

- ✓ Further automation
- ✓ Productivity improvements



The opportunity to be the recognised leader in simplified compliance management with low downside risk

- ✓ Proven execution team
- ✓ Profitable
- ✓ \$10m in cash reserves.
- ✓ Strong balance sheet
- ✓ Operations generating >\$4m in cash funding our investment in development of customer driven roadmap
- ✓ Consecutive years of strong SaaS growth



We are just getting started



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Keeping your workforce active.

