

ASX Announcement

27 August 2025

Revenue stability enables investment in next generation Library Tech solutions

FY25 Highlights:

- **Total revenue of \$9.8m, up 2% on pcp** and Annual Recurring Revenue (ARR) up 2% to \$9.8m.
- **Contract extensions with major enterprise customers in Knowledge Management**, including ANZ Bank, Singtel, Optus and Healthdirect Australia.
- **Successful product launches** of the Libero Library App and the Libero 6 upgrades, with positive early feedback from customers.
- **Higher operating expenses**, up 19% on pcp, reflecting planned increased investment in LibraryTech solutions and leading to a net loss after tax of \$1.5m.
- **Continued investment in product development & marketing in FY26:** Next generation, Libero X, continued integration with AI across product suite and ongoing investments in sales & marketing in preparation for entry into global library markets in FY27.

Knosys Limited (ASX:KNO) ("Knosys" or the "Company"), is pleased to provide its financial results for the financial year ended 30 June 2025 ("FY25").

	FY25	FY24	Δ
Sales Revenue	\$9.8m	\$9.6m	+2%
EBITDA	\$(0.6)m	\$1.1m	\$(1.7)m
Net Profit/(Loss) After Tax	\$(1.5)m	\$0.2m	\$(1.7)m
Operating cash (out) flow	\$(1.2)m	\$2.3m	\$(3.5)m
Cash balance	\$2.8m	\$4.2m	\$(1.4)m

Knosys Managing Director, John Thompson said, "Over the past year, I am pleased that we have maintained revenue stability, through the contract extensions with major enterprise clients, which has enabled us to increase investment in our next generation LibraryTech solutions. Our product launches of the Libero Library App and the Libero 6 product upgrades have been well received by customers and we are now focused on the development and commercialisation of Libero X, our AI enhanced library solution."

Overview of FY25 Results

Knosys increased sales revenue by 2% to \$9.8m, whilst increasing investment in the next generation of market leading library tech solutions. The planned increase in resources committed to new product development led to an increase in operating expenses, up 19% on pcp, primarily due to an increase in employee headcount.

This increased investment led to an EBITDA loss of \$0.6m and a net loss after tax of \$1.5m in FY25. This compares to an EBITDA profit of \$1.1m and a net profit after tax of \$0.2m in FY24. This decrease in profitability was in line with expectations, as the company invested in the development of its future product suite.

Knosys reported net operating cash out flow of \$1.2m and a cash balance of \$2.8m as at 30 June 2025. The cash balance increased to \$4.2m as at the end of July 2025. Refer KNO June 2025 Quarterly Activity Report ASX release for further narrative on cashflow.

In FY25, Knosys increased Annualised Recurring Revenue (ARR) by 2% to \$9.8m, reflecting the group's stable customer base, new business and licence fee increases. The revenue stability from client retention, underpinned by multi-year enterprise contracts, provides visibility on Knosys' recurring revenue base over the years ahead and has enabled Knosys to prioritise investment in new product development.

Knowledge Management contract extensions and customer wins

During the year the company solidified its key Knowledge Management customer relationships with contract extensions and added new customers including:

- **WA OPP:** New five-year contract for KnowledgeIQ with the Office of the Director of Public Prosecutions for WA, with two options of one year, with a total contract value over seven years of \$985,000.
- **Singtel:** Two-year contract extension for KnowledgeIQ with Singtel, with a total contract value of \$750,000.
- **Healthdirect:** Two-year contract extension for KnowledgeIQ with Healthdirect Australia, with a total contract value of \$400,000.
- **Optus:** One-year contract extension, with the option of a further one-year extension, for KnowledgeIQ with Optus, with a contract value for the two-year extension with the potential to exceed \$2.4m.
- **ANZ Bank:** One-year contract extension for KnowledgeIQ with ANZ Bank, with a total contract value of \$1.9m. This is an interim agreement, as ANZ Bank and Knosys negotiate the terms of a new three-year contract.

Accelerating investment in market leading AI library technology

In 2023, Knosys conducted a comprehensive review on its portfolio of SaaS solutions and made the strategic decision to prioritise the opportunity in the market where we had a competitive edge to become a leading global library solutions vendor.

The Library Management System (LMS) is a mission-critical solution for customers and library members, which enables libraries to operate and deliver services to their community, members or students. The global market for LMS is large and predicted to grow to USD\$ 2.65B by 2027.



The LMS sector is highly fragmented with a few aggregators consolidating larger vendors. The total number of vendors remains relatively small compared to other market verticals. Knosys plans to disrupt the market by being focused on innovation with particular emphasis in the open-source architecture, mobile technology and AI components and the Company aims to be a Tier 1 vendor within the next three years.

Knosys has an existing international footprint of library customers and is uniquely placed to disrupt the market with a highly differentiated library technology solution that incorporates mobility, data security and AI capabilities.

In FY25, Knosys successfully delivered major releases of its product roadmap with the launch of the Libero Library App, together with significant updates to the Libero 6 LMS in March 2025.

The new Libero library app enhances and extends member engagement and experience beyond the library, providing members with digital access (including on staff and member smart phones) anytime, anywhere.

The enhanced Libero 6 LMS has increased functionality including sophisticated search algorithms, improved event management, a flexible booking system and enhanced security features.

Knosys has updated the value proposition for Libero 6 and the Library App, including a refresh of the marketing materials and website.

These new product updates have initially been offered to existing library customers in Australia and Germany. The customer feedback has been very positive in terms of functionality and user experience.

FY26 Outlook

Knosys has the objective of meeting market needs and integrating AI into its solutions where the greatest opportunities exist to meet and exceed customer needs, with a priority focus on the Library Management Solution.

Knosys is planning for another investment year in FY26, as the product development team focuses on the delivery of the first commercial release of the Libero X product, and the sales & marketing teams prepare for an international market launch in FY27.

Commencing in FY26, Knosys expects expanded revenue streams from the Libero Library App and the Libero 6 upgrades. Within FY26, Knosys will commence marketing these products to additional libraries in existing geographic markets and into new international markets with an initial emphasis on the US and Canada where a gap in the market has been identified.

Product development is on track and the team is now working towards the first commercial release of Libero X in late FY26. This product will have enhanced automation and personalisation, based on open-source AI LMS, with a primary focus on public libraries. Existing Libero 6 customers will be able to transition to Libero X automatically.

In addition, the product development team is expanding vendor support within the Libero Library App, in order to enable the App to inter-operate with additional vendor LMS solutions.

By end of FY27, Knosys plans to offer a complete market-leading software solution for the key library market segments of public and academic libraries. Knosys is now investing in sales and marketing capabilities in preparation for the market launch of Libero X in international markets in FY27.



ABOUT KNOSYS

Knosys is a leading SaaS provider headquartered in Melbourne, with operations internationally, providing specialist expertise in helping businesses manage information and knowledge. We enable organisations to make sense of information and use it to connect, collaborate and drive strong business outcomes for customers, employees and stakeholders. Our focus is on developing solutions that enable businesses to make the most of information and knowledge assets that sit within their organisation. This currently includes knowledge management, intranet and library management solutions.

"Connecting People and Information"

The Board of Knosys Limited has authorised the release of this announcement to the market.

For further information please contact:

John Thompson, MD
Knosys Limited
T: +61 3 9046 9700
E: cosec@knosys.it

OR

Katie Mackenzie
Bellevue Investor Relations
T: 0455 502 197
E: kmackenzie@bellevueir.com.au