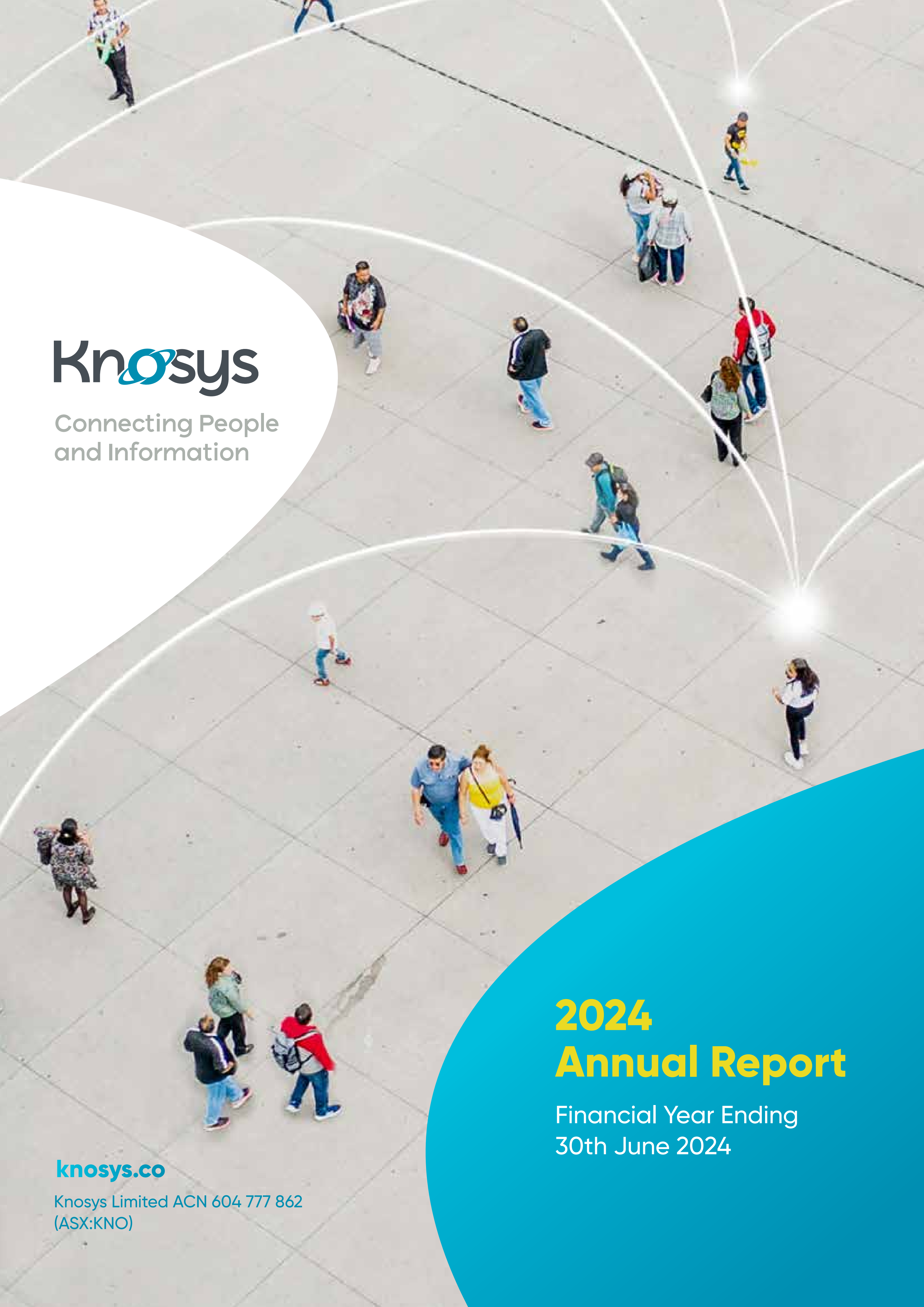


Knosys

Connecting People and Information

2024 Annual Report

Financial Year Ending 30th June 2024

knosys.co

Knosys Limited ACN 604 777 862
(ASX:KNO)

Knosys' Mission

To **empower** organisations to make **smarter connections** with their information

Contents

Global Clients

ANZ
OPTUS
Woollahra Libraries
Harvey Norman
Australian Military Bank
Tasmanian Government | Service Tasmania
Singtel
NFSA
The George Washington University, Washington, DC
Brookline Bancorp, Inc.
Government of South Australia service sa
sbs Bank
Universitäts-Bibliothek Chemnitz
Duck Donuts – Warm, delicious & made to order
Healthscope
Benson radiology
Tropical Smoothie Cafe
The Honey Baked Ham Co
Office of Public Prosecutions Victoria
Best Practice – An evolution in GP software

Corporate Directory

Board of Directors

Hon. Alan Stockdale AO
Non-Executive Chairman

John Thompson
CEO & Managing Director

Kathrin Mutinelli
Non-Executive Director

Neil Wilson
Non-Executive Director

Auditor

William Buck Audit (VIC) Pty Ltd
20/181 William St,
Melbourne VIC 3000
www.williambuck.com

Registers of securities are held at the following address:

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000
Ph: 1300 288 664

Principal Place of Business and Registered Office

Level 8, 31 Queen Street
Melbourne VIC 3000
Ph: +61 3 9046 9700
www.knosys.co

Chairman's letter to shareholders

Dear Shareholders,

On behalf of the Board, I am pleased to present the Knosys Annual Report for the year ended 30 June 2024 (FY24).

In the past year, we successfully delivered on our strategy to stabilise revenue, reduce the cost base and deliver a full year profit, whilst continuing to invest in our solutions.

We were very pleased to deliver positive operating cash flow of $2.3m and a net profit after tax of $195k in FY24, which is a $2.4m turnaround on the prior year.

Operating expenses were down 19% on the prior year, reflecting the strategic decision to protect and preserve current revenue streams, on a structurally lower cost base with improved operational efficiency.

Although revenue of $9.6m was down 3% on the prior year, we secured a number of key customer wins, with multi-year contracts across the portfolio of solutions in FY24, which will contribute to revenue growth in the years ahead as we continue to diversify revenue geographically.

Over the past year, we further refined our growth strategy to prioritise our investment in our solutions with the highest growth potential. With a clear plan to deliver an innovative new product suite for the global library management solutions (LMS) market, we are confident that we can build on our existing capabilities to expand market share in the global LMS market within the next 3-5 years.

In FY25, we will increase investment in product development in these new LMS solutions and we expect to see the additional revenue contribution from these investments from FY26 onwards.

On behalf of the Directors, I would like to thank our Managing Director, John Thompson and the whole Knosys team for their hard work and adaptability throughout the year.

I would also like to thank our shareholders for their ongoing support as we execute on the refined growth strategy to build market leading products based on innovative new technologies to drive revenue growth over the years ahead.

Hon. Alan Stockdale AO
CHAIRMAN

29 August 2024

Knosys today

FOUNDED
2015

ASX
LISTED

40
EMPLOYEES

HQ MELBOURNE,
AUSTRALIA

SAAS
SOLUTIONS

250 CUSTOMERS
GLOBALLY

$2.4M
IMPROVEMENT
IN NPAT

OPEN SOLUTIONS
WITH API
CONNECTIONS

Libero
by Knosys

GreenOrbit
by Knosys

KnowledgeIQ
by Knosys

Managing Director & Operations Report

Solution portfolio

Our focus is on developing solutions that enable businesses to make the most of information and knowledge assets that sit within their organisation. We offer three market leading solutions across Knowledge Management, Employee Experience and Library Management.

Libero
by Knosys

Library Management Innovative Solution

Libero - A powerful innovative library management system to manage all your resources in the digital workspace. Libero is cloud based enabling your employees and members to access your library management solution anywhere, at anytime.

KnowledgeIQ
by Knosys

Knowledge Management Intuitive Platform

KnowledgeIQ - Intuitive platform supporting your corporate teams, call centres and customers. Unlocking knowledge to help employees and customers find answers and information quickly when they need it. Trusted single source of truth for everyone.

GreenOrbit
by Knosys

Intranet - Employee Experience Solution

GreenOrbit - Everything your employee needs built in. Empowering digital workplace with the best employee tools to communicate, collaborate and engage through an intelligent intranet. Creating inspiring experiences.

Operation Locations

250 Customers

25+ Countries

5 Offices

40 Employees

14 R&D Staff

Managing Director & Operations Report

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

We empower organisations across all industries with solutions that better serve their employees and customers with secure access to relevant information that improves user experience, productivity and performance.

Knosys operates three SaaS solutions across Knowledge Management, Employee Experience and Library Management, with a shared services model for product development, customer support, and sales and marketing.

FY24 Financial Highlights

In FY24, Knosys stabilised revenue, reduced operating costs and delivered a full year net profit of $0.2 million, a $2.4m turnaround from the net loss of $2.2 million in FY23.

Key financial metrics for the consolidated entity in the 2024 financial year:

- License and support fee revenues decreased by 2% to $9.5m (FY23: $9.6m);
- Total operating revenue decreased by 3% to $9.6m (2023: $9.9m);
- Total income, including R&D rebate, decreased by 1% to $10.7m (2023: $10.8m);
- The profit after providing for income tax was $0.2m (2023: Loss of $2.2m), including non-cash charges for depreciation and amortisation $0.93m and non-cash share-based remuneration expense of $0.13m;
- Net cash from operating activities was $2.3m (2023 outflow: $0.8m); and
- Net assets of $7.4m at 30 June 2024 (2023: $7.1m) and cash and cash equivalents of $4.2m (2023: $2.0m).

FY24 Review of Operations

In FY24, despite softer trading conditions, Knosys stabilised revenue at $9.6 million, and reduced operating expenses by 19%, which delivered a positive net profit after tax of $0.2million, an improvement from a net loss after tax of $2.2 million in FY23.

The significant reduction in operating expenses was primarily due to a 24% reduction in employee expenses to $6.0 million in FY24, down from $7.9 million in FY23. This strategic realignment of our workforce demonstrated our commitment to maximizing shareholder value and ensuring sustainable growth. This decision enhanced operational efficiency allows us to focus on high-impact areas of the business.

Knosys generated positive net operating cash flow in FY24 of $2.3 million, an improvement from a net out flow of $0.8 million in FY23. The cash balance was $4.2 million at 30 June 2024, up from $2.0 million in the prior year.

Key customer wins in FY24 and up to the date of this report include:

- An Australian-owned financial services group, based in Tasmania, is implementing KnowledgeIQ in their Contact Centre to improve organisational efficiencies, including call wait/handling times and effective onboarding of new staff.
- A major provider of health and aged care services in Central Gippsland, Victoria, is rolling out the all-in-one intranet solution, GreenOrbit, to provide an engaging, centralised hub to access information and processes.
- A Council Library in New South Wales, signed up to a 5-year term with Libero. The library is a stand-alone service with over 2100 members.
- A university in Düsseldorf, Germany, signed up to a 5-year term with Libero. This private, state-recognised university of Applied Sciences includes studies in Education / Psychology, Sociology / Social Work and Nursing / Medicine.
- A leading health facility in Savannah, Georgia USA, signed up to a 3-year term with GreenOrbit Cloud. This facility offers

FY24 Key Highlights

$9.6m
ARR as at July 2024

$2.4m
improvement in NPAT

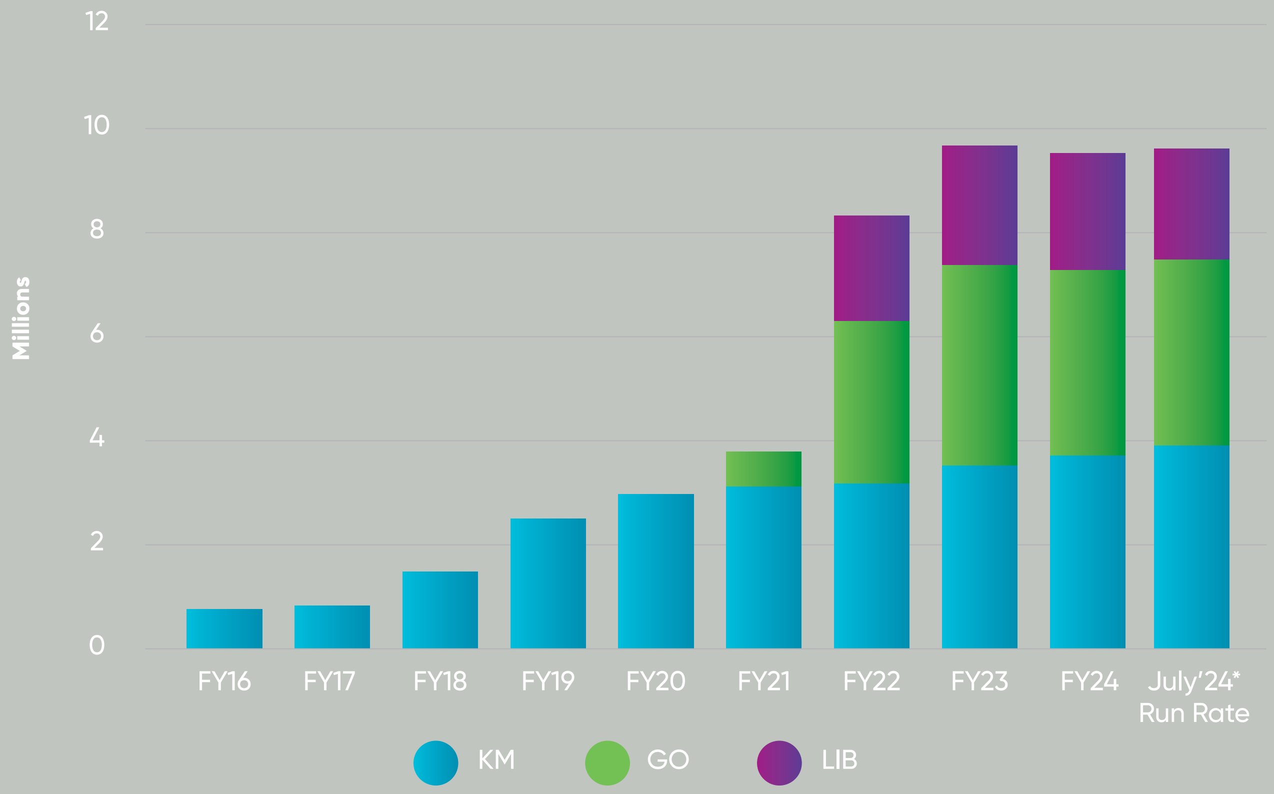
84%
Gross Profit Margin

20%
R&D spend as % of Revenue

250
Customers

13%
Customer churn per annum

Annual Recurring Revenue (ARR)



*July '24 ARR reflects monthly ARR at Jul'24 annualised to give an annual run rate

FY24 Review of Operations (cont'd)

comprehensive health services and state-of-the-art medical technologies.

- A large municipal city council in Victoria, signed up to a 2-year term with GreenOrbit Cloud.
- A government agency in Western Australia, committed to an initial 3-year term with KnowledgeIQ for use in a legal and best practice application across the state, pending final documentation.

These new customers will make a positive revenue contribution in FY25.

Protect, Grow and Invest Strategy

In FY24, Knosys commenced implementing its 'Protect, Grow and Invest Strategy' which includes the following components:

- Protect and grow the revenue from existing Knowledge IQ and GreenOrbit solutions.
- Build on existing capability and market share in Library Management Solutions (LMS) with the aim to become a leading LMS provider globally within 3-5 years.
- Prioritise and increase the investment of resources to achieve transformational product development in LMS to generate significant additional returns over the medium term.
- Where beneficial to the business, apply LMS innovations to other solutions to deliver tangible benefits to customers and end-users.

This strategy comprises four stages which commence in FY24 and extend out over the next 3-5 years.

Four Stage Implementation Plan

Optimise Stage 1 – FY24	Focus Stage 2 – FY25	Expand Stage 3 – FY26	Accelerate Stage 4 – FY27 onwards
• 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 reallocating investment capital into growth LMS solution	• Prioritise development efforts on multiple next generation LMS offerings • Increase capital investment in the 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	• Examine opportunities to accelerate investment in LMS software development programs (Public and Academic Libraries) • Expand and develop 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	• 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

Knosys is pleased to report that it has completed Stage 1 of the plan in FY24, with excellent operational results delivered during the year as indicated previously. Stage 2 involves a focus on prioritising the development efforts on multiple next generation LMS offerings through increased capital investment.

Outlook

Knosys enters FY25 with a clear growth strategy. Over the next year, Knosys is planning to increase investment in the development of a new market-leading suite of innovative LMS products. Knosys' plan is to be a global leader in the library technology market, with significant revenue growth from these investments expected from FY26 onwards.

Growth by building on existing capability to expand global market share

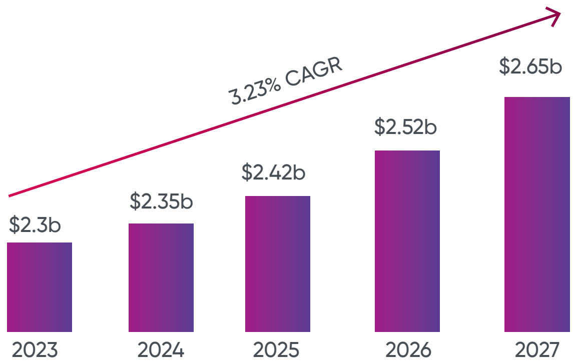
The library management system (LMS) is a mission critical solution, required by a library on a day-to-day basis to deliver services to its community, members or students. The global LMS market is comprised of public libraries, academic libraries, specialty libraries and school libraries. Knosys does not focus on the lower growth school library sector. Knosys currently operates in public libraries in Australia and in academic libraries in Europe. Over the next 3 years, Knosys will expand into adjacent segments and into new geographies.

Global library management software ecosystem mapping

Global Market Overview – Significant Market Potential

The Global Library Management Market is predicted to have a CAGR of 2.4% to 5.0% over 5 years, with its size predicted to grow from USD2.3 billion to USD2.65 billion.[1] Knosys intends to transform its library business from a traditional vendor into a disruptor and expand into the APAC, North America and EU markets.

Market size



Major market segments

Public Libraries
$719M
5.0% CAGR

Academic Libraries
$464M
2.7% CAGR

School Libraries
$776M
2.4% CAGR

Mega-trends driving growth in the LMS market

The mega-trends driving growth in the LMS market include the integration of Artificial Intelligence (Ai) and machine learning, increasing focus on privacy & security, rising adoption of open-source LMS systems and the mass adoption of cloud-based solutions and remote accessibility.

Key drivers of growth

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

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

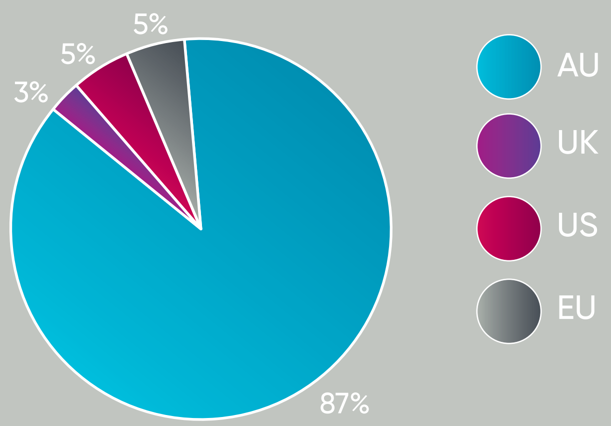
Rising **adoption** of open-source library management systems

Mass adoptions of **cloud-based solutions** and remote accessibility

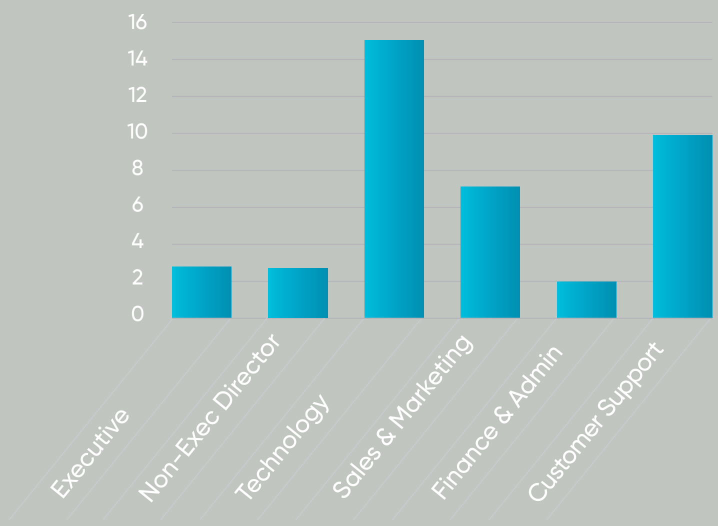
[1] Verified Market Research 2023 – GLOBAL LIBRARY SOFTWARE MARKET

Our People

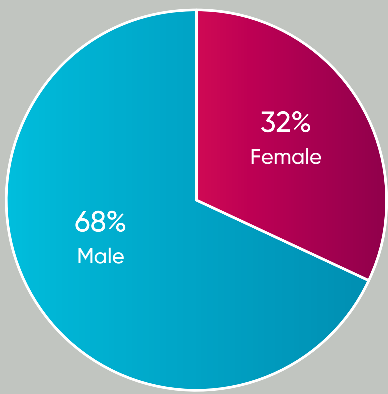
By Region



By Department



Number of Employees



Knosys advises that within the digital and technology workforce, we are sitting above the average for the number of women employed[1], with women composing 32% of all Knosys staff and 33% of executive, middle management, and Board of Director positions.
All metrics reflect total employee number by gender and region, percentage of women employees, and certain mandatory training courses.

1. According to the Global Gender Gap Report (2023), women make up only 29.2 % of the STEM workforce

Outlook (cont'd)

Innovative Technology Investments to Drive Sales

Knosys' new product development program, Libero X, is designed to benefit from these mega-trends and innovative technologies.

It aims to produce SaaS solutions for commercial sale in the Library Technology space, with a pipeline of four back-end processing and mobility software solutions currently under development. This will comprise the solution suite for the key library market segments of public and academic libraries.

Knosys is also investing in core updates for both KnowledgeIQ and GreenOrbit. The KnowledgeIQ updates include improved search, AI drafted content generation and integrations with business platforms including Genesys and Salesforce. The GreenOrbit updates include improved search, improved notifications, performance and privacy enhancements, and improved security-focused deployment.

Our People

Having the right people with the right skills and experience is essential to maintaining a Knosys team that can work together to deliver on our planned strategic outcomes. Our people are essential to the development of our software solutions for today and tomorrow. They are key to delivering Knosys's strategy and we believe in helping them to develop their skills. We will continue to work towards our objective of becoming one of the most diverse and inclusive organisations, a place where everyone feels valued and respected.

John Thompson
Managing Director

29 August 2024
Melbourne

Board of Directors

Information on directors

Knosys

Hon. Alan Stockdale AO — Non-Executive Chairman

Experience and expertise

Hon. Alan Stockdale AO served as Treasurer in the Victorian Government from 1992 to 1999 and his responsibilities included the Government reform agenda and general financial management. As Treasurer, Alan was responsible for the privatisation of $A30 billion of Government business enterprises. He was also Minister for IT and Multimedia from 1996 to 1999, promoting Victoria as a leader in the application of multimedia and new information technologies.

Hon. Alan Stockdale AO
Non-Executive Chairman

In the private sector, Alan was employed by Macquarie Bank for a total of six years, co-leading the Macquarie team that successfully bid to acquire Sydney Airport. Taking on a number of other corporate advisory roles, he was involved in a wide range of infrastructure transactions, especially in the power, gas and transport sectors in Australia and overseas. Alan has developed a career as a company Chairman and director of a number of ASX-listed companies and of various unlisted companies and not-for-profit organisations. He is Chairman of X2M Connect Limited and has been Chairman of Axon Instruments Inc (incorporated in the USA and listed on the ASX), Symex Holdings Limited, Senetas Corporation Limited and a director of Marriner Financial Limited - all companies listed on the ASX. He was previously a consultant to Metro Trains, a consultant to Maddocks Lawyers, a member of the Advisory Board of Lazard Australia and Chairman of the Medical Research Commercialisation Fund. He was Federal President of the Liberal Party from 2008 to 2014. Alan holds a Bachelor of Laws and a Bachelor of Arts, both completed at the University of Melbourne, is a Barrister of the Supreme Courts of Victoria and NSW and the High Court of Australia and was a Fellow of the Australian Institute of Company Directors. Alan is based in Victoria and has been a director of Knosys since 30 April 2015.

Directorships held in other listed entities in the last 3 years	X2M Connect Limited
Interests in shares	500,000 ordinary shares
Interests in options	Nil Options

Kathrin Mutinelll — Non-Executive Director

Experience and expertise

Kathrin Mutinelli is a seasoned strategy advisor and corporate finance expert with extensive experience in guiding high-growth companies locally and abroad. With a background in strategic advisory roles across multiple sectors, and successfully raising capital and debt for a range of innovative companies, Kathrin also assists high-net-worth families in establishing their family office, optimising performance, and legacy planning. Her deep expertise combined with her strategic acumen, has made her a trusted advisor to both corporate clients and families. Kathrin started her career in South Africa with BoE Personal Stockbrokers and Nedbank, before immigrating to Australia working at Coffey Commercial Advisory and then becoming a Director at Deloitte.

Kathrin Mutinelli
Non-Executive Director

In 2017 Kathrin founded SeventyTwo Capital, now owned by SeventyTwo Global, where she continues to deliver corporate finance and advisory services. She holds an MBA from the Royal Melbourne Institute of Technology and a Corporate Director Certificate from Harvard Business School, underscoring her commitment to excellence in corporate governance and leadership.

Kathrin is based in Brisbane, has been a director since 1 September 2021 and is a member of the Audit Committee.

Directorships held in other listed entities in the last 3 years	Nil
Interests in shares	700,000 ordinary shares
Interests in options	Nil Options

Neil Wilson — Non-Executive Director

Experience and expertise

Neil Wilson is an experienced business leader and entrepreneur with corporate, startup, founder and public company experience, having held the position of Managing Director and Chief Executive Officer of Oakton Limited (ASX:OKN) for nine years, until its acquisition by Dimension Data in 2014. He is a practitioner in the digital and technology domain and has extensive experience in general management and CEO management across private and public company scenarios.

Neil was CEO of the Victoria Racing Club (VRC) for three and a half years and was appointed the VRC Chairman in November 2020. He is currently Chairman of Nexon, CharterX, Dubber Corporation Limited, Clipboard, Alex Solutions and InfoCentric. Neil holds a Bachelor of Business, is an FCPA and a Member of the Australian Computer Society. Neil is based in Melbourne, has been a director since 1 December 2020 and is Chair of the Audit Committee.

Directorships held in other listed entities in the last 3 years	Dubber Corporation Limited
Interests in shares	750,000 ordinary shares
Interests in options	Nil Options

John Thompson — Managing Director

Experience and expertise

John Thompson (BEng Hons, MBA) has held the role of CEO since 18 July 2016. Mr. Thompson brings a wealth of leadership experience having worked for more than 20 years at the helm of renowned technology companies. Most recently, Mr. Thompson spent 11 years as CEO of Sigtec and 5 years as CEO of Wavenet International, in addition to 5 years with CS Communications and Systems in New York and London. Mr. Thompson received a first class honours degree in Engineering from the Queensland University of Technology and a Master of Business Administration from the City University Business School in London. Mr. Thompson has a strong record of driving sales and revenue and has extensive experience as a capable CEO providing pivotal leadership expertise across UK, US, Australia and New Zealand markets for multi-national, listed, IPO and start-up technology companies. John is based in Melbourne and has been a director since 26 September 2018.

Directorships held in other listed entities in the last 3 years	Nil
Interests in shares	3,098,576 ordinary shares
Interests in options	6,000,000 Options

Directors' Report

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Knosys Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Knosys Limited during the period from 1 July 2023 to the date of this report, unless otherwise stated:

Hon. Alan Stockdale	Non-executive Chairman
John Thompson	Managing Director
Kathrin Mutinelli	Non-executive Director
Neil Wilson	Non-executive Director

Each of Alan Stockdale, Kathrin Mutinelli and Neil Wilson are considered to be independent directors.

Review of operations and financial performance

Refer to Managing Directors Report on page 6.

Material business risks

The material business risks faced by the consolidated entity that could have an effect on its financial prospects include:

Growth, profitability and positive cashflow

The ability of the consolidated entity to self-fund its operations and strategic plans is dependent on its ability to maintain and grow its revenue line and its ability to manage operational expenses to achieve positive or near breakeven operational results and cashflows.

The consolidated entity monitors revenues, expenses and cashflows on a monthly basis, adjusting operational expenses and cash flows, if needed, to maintain self-funded operations.

Loss of key customers

The consolidated entity's top two enterprise customers contribute 18% and 11% of annual revenue respectively. The loss of the commercial relationship with either one of these customers could cause a material reduction in annual revenue, if not replaced with new business, and would require the company to reduce its operational costs accordingly.

The consolidated entity has and continues to expand its customer base, broaden its product offerings, invest in technological innovation and provide dedicated customer service.

Technological advancements

The consolidated entity operates in the information technology environment which is subject to rapid changes and developments in products and solutions. Without an appropriate level of research and development by the consolidated entity's its solutions risk becoming outdated and uncompetitive.

The consolidated entity engages in market research, seeks customer feedback and invests in technological research and development in order to maintain its technological competitiveness.

Competitive environment

Existing competitors and new entrants to the market who may have greater resources and/or new leading edge technologies could reduce the competitiveness of the consolidated entities solutions and pose a risk to it maintaining and growing recurring revenues.

The consolidated entity continually researches the market in order to understand and adapt to the competitive environment in which it operates.

Access to capital markets

The consolidated entity's ability to grow rapidly or to deal with unforeseen adverse commercial outcomes may depend in part on its ability to access equity funding. There can be no assurance that any such equity funding will be available to the consolidated entity on favourable terms and, if so, the consolidated entity may not be able to take advantage of growth opportunities or respond fully to adverse circumstances.

The consolidated entity has the flexibility to adjust its expenditure to match the level and availability of internal and external funding sources and has the ability to self-fund selected growth initiatives.

Legislative change

The consolidated entity is subject to the general legislative frameworks of the markets in which it operates and is therefore affected by any legislative changes, along with its competitors. The consolidated entity invests in research and development and regularly receives an annual tax rebate of $500,000 or greater. The consolidated entity is currently of the size where a change in tax legislation, that adversely affects the consolidated entity's ability to claim this rebate, could compromise the consolidated entity's ability to fully fund its desired level of research and development.

The consolidated entity has the flexibility to adjust its expenditure to match the level and availability of internal and external funding sources.

Supplier relationships

The consolidated entity relies on its world leading primary hosting provider to host SaaS solutions and managed services to the majority of its customers. Should the provider suffer outages due to exceptional circumstances which cause disruption to the hosting service the consolidated entity's products and services may also be disrupted.

The consolidated entity has in place its own back-up, disaster recovery and contingency plans and the consolidated entity advises its customers that they should also put such plans in place.

Principal activities

During the financial period the principal continuing activities of the consolidated entity were computer software development and licencing.

Dividends

No dividends were paid or declared during the financial year.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year, other than those matters mentioned above.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Knosys expects a continued expansion of the market and the adoption of its range of software solutions designed to boost productivity, collaboration and connectivity in the digital workplace. The Company is well placed to expand its customer base, in particular in Australia, US and Europe, and to enhance its product offerings through internal developments and further advances in technologies.

The consolidated entity has a growing sales pipeline in its global markets. The Company plans to accelerate its investment in product development in its library management services product in the year to June 2025 in order to enable the Company to take advantage of its position in the library management solutions market.

Given the size and competitive nature of the market in which the consolidated entity operates, further information on likely sales opportunities, planned product development and the expected results of operations of the consolidated entity have not been included in this report. The directors have utilised the exemption in s299A(3) and have not disclosed further details as they believe it would be likely to result in competitors gaining a commercial advantage and could lead to unreasonable prejudice to the operations and financial prospects of the consolidated entity.

Environmental regulation

There are no environmental regulations under Australian Commonwealth or State laws that have a material impact on the consolidated entity.

Information on directors

Refer to pages 19-20 of the annual report for director information.

Company Secretary and Chief Financial Officer

Stephen Kerr (BCom, CA, CS, FGIA) has held the role of CFO and Company Secretary since July 2015. Stephen Kerr is a qualified chartered accountant and chartered company secretary. He is an experienced CFO and governance professional, having held senior finance positions in private and publicly listed company environments across Australia and New Zealand for over 25 years. Stephen holds a Bachelor of Commerce from the University of Melbourne and is a current member of Chartered Accountants Australia and New Zealand, a Fellow of the Governance institute of Australia and a member of The Australian Institute of Company Directors.

Meetings of directors

Director attendance at Board and standing Board committee meetings held from 1 July 2023 to 30 June 2024, is set out in the table below :

	FULL BOARD		AUDIT COMMITTEE	
	Attended	**Held**	**Attended**	**Held**
Hon. Alan Stockdale	12	12	-	-
John Thompson	12	12	-	-
Kathrin Mutinelli	12	12	2	2
Neil Wilson	12	12	2	2

Held: represents the number of meetings held during the time the director held office. Messrs. Stockdale and Thompson attend Audit Committee meetings, but are not formally members of the Committee.

Remuneration Report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The executive remuneration framework is structured to be market competitive and complementary to the strategy of the consolidated entity.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. No such advice was sought for the financial year ended 30 June 2024. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The current maximum aggregate remuneration payable to non- executive directors of the consolidated entity in any financial year is $500,000.

Executive remuneration

The consolidated entity aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay, superannuation and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual performance and the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business with the targets of those executives responsible for meeting those targets. STI payments are granted to executives based on specific targets and/or key performance indicators ('KPI's') being achieved. These targets are discussed in further detail in the description of service agreements which forms part of this Remuneration Report.

The long-term incentives ('LTI') include long service leave and share-based payments. Options are awarded to executives, vesting over a period of three years based on elapsed time and/or achievement of long-term incentive measures.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity.

A portion of cash bonus and incentive payments are dependent on defined revenue and earnings targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board.

In considering the performance of the consolidated entity and benefits for shareholder wealth, the remuneration committee have regard to the following indices in respect of the current financial year and the previous financial years.

	2024 $	2023 $	2022 $	2021 $	2020 $
Revenue	9,630,249	9,947,859	8,916,995	4,594,082	3,137,317
Profit / (loss) before transaction costs and income tax expense	245,694	(2,121,481)	(2,535,746)	15,525	(908,391)
Profit / (loss) attributable to owners of the parent entity	195,187	(2,195,604)	(3,050,548)	(543,838)	(908,391)
Dividends paid	-	-	-	-	-
Revenue growth	(3.2%)	11.6%	94.1%	46.4%	7.8%
Change in operating result	108.9%	28.0%	(461%)	40.1%	(17.7%)
Change in share price	(42%)	(3.2%)	(59%)	75%	(16%)
Return on capital employed	2.7%	(27.0%)	(32.5%)	(8.6%)	(30%)

Revenue and profit before transaction cost and income tax are two of the financial performance targets considered in setting the Short-Term Incentive (STI). Revenue and profit before tax amounts are in accordance with Australian Accounting Standards (AASB's). Operating result is operating profit or loss as reported in the statement of profit or loss.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity during the year to 30 June 2024 consisted of the following directors of Knosys Limited

- Alan Stockdale - Non-Executive Chairman
- John Thompson - Managing Director
- Kathrin Mutinelli - Non-Executive Director and Member of the Audit Committee
- Neil Wilson - Non-Executive Director and Chair of the Audit Committee

And the following persons:

- Stephen Kerr - Company Secretary and Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2024	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Executive Directors:							
Alan Stockdale	75,000	-	-	8,250	-	-	83,250
Kathrin Mutinelli	50,228	-	-	5,525	-	-	55,753
Neil Wilson	55,000	-	-	-	-	-	55,000
Executive Director:							
John Thompson	337,416	76,000	28,787	27,002	7,267	74,437	550,909
Other Key Management Personnel:							
Stephen Kerr	271,103	45,450	11,199	27,499	5,828	35,099	396,178
	788.747	121,450	39,986	68,276	13,095	109,536	1,141,090

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2023	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Executive Directors:							
Alan Stockdale	75,000	-	-	7,875	-	-	82,875
Kathrin Mutinelli	50,228	-	-	5,274	-	-	55,502
Neil Wilson	55,000	-	-	-	-	-	55,000
Executive Director:							
John Thompson	322,962	52,700	37,902	26,991	13,428	185,110	639,093
Other Key Management Personnel:							
Stephen Kerr	260,063	35,300	2,316	27,298	7,150	95,654	427,781
	763,253	88,000	40,218	67,438	20,578	280,764	1,260,251

For the financial year, the actual proportions of fixed remuneration and of remuneration linked to performance are as follows:

2024	Fixed remuneration	At risk - STI	At risk - LTI
Non-Executive Directors:			
Alan Stockdale (Chairman)	100%	-%	-%
Kathrin Mutinelli	100%	-%	-%
Neil Wilson	100%	-%	-%
Managing Director:			
John Thompson	73%	14% (17% available)	13%
Other Key Management Personnel:			
Stephen Kerr	80%	11% (15% available)	9%

2023	Fixed remuneration	At risk - STI	At risk - LTI
Non-Executive Directors:			
Alan Stockdale (Chairman)	100%	-%	-%
Kathrin Mutinelli	100%	-%	-%
Neil Wilson	100%	-%	-%
Managing Director:			
John Thompson	63%	8% (14.6% available)	29%
Other Key Management Personnel:			
Stephen Kerr	70%	8% (13.3% available)	22%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	John Thompson
Title:	Chief Executive Officer
Agreement commenced:	18 July 2016
Term of agreement:	No fixed term
Details:	Annual base salary package for the year ending 30 June 2024 of $390,631 including superannuation. Remuneration to be reviewed annually by the Board, 6-month termination notice by either party, STI performance bonus of up to $100,000 (including statutory superannuation) based on financial and non-financial KPI's, including achievement of budget, over achievement of budget, new sales orders, leadership, customer relations, investor relations, and product development. Non-disclosure, non-solicitation and non-compete clauses apply. An amount of $76,000 relating to performance in the 2024 financial year was assessed as a bonus entitlement for the 2024 financial year.

Name:	Stephen Kerr
Title:	Chief Financial Officer and Company Secretary
Agreement commenced:	9 June 2015
Term of agreement:	No fixed term
Details:	Annual base salary package for the year ending 30 June 2024 of $297,623 including superannuation, employment is for four days per week during normal working hours on days agreed with the CEO and reasonable additional hours during these days in order to perform responsibilities and duties. Remuneration is to be reviewed annually by the Board, 3-month termination notice by either party, STI performance bonus of up to $60,000 (including statutory superannuation) based on financial and non-financial KPI's, non- disclosure, non-solicitation and non-compete clauses. An amount of $45,450 relating to performance in the 2024 financial year was assessed as a bonus entitlement for the 2024 financial year.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Loan funded shares

The terms and conditions of each issue of loan funded shares which affect the remuneration of key management personnel in this financial year or future reporting years are as follows:

Grant date	Number of shares	Loan expiry date	Issue price	Fair value per loan share at grant date
October 2021	260,000	October 2026	15.0 cents	7.8 cents
October 2021	146,250	October 2026	15.0 cents	9.2 cents
October 2021	390,000	October 2026	15.0 cents	9.1 cents
November 2018	250,000	December 2028	8.0 cents	3.2 cents
December 2018	125,000	December 2028	8.0 cents	2.9 cents

No loan funded shares were granted to key management personnel in this financial year.

Participants acquire loan funded shares using a loan provided by the consolidated entity. The loan is interest-free and limited recourse in accordance with the loan terms. The loan shares are restricted securities. The loan terms require the loan to be repaid before a participant can receive any proceeds from the sale of their shares.

During the year the loan expiry date for 250,000 fully vested loan funded shares, issued to the managing director on 24 December 2018, were extended to 26 November 2028 and loan expiry date for 125,000 fully vested loan funded shares, issued to other key management personnel on 24 December 2018, were extended to 24 December 2028 . There was no additional share based payment expense recognised in relation to the extension of the expiry period.

Refer Note 25 in the notes to the financial statements, for further details and general terms of the loan funded shares.

Options

The terms and conditions of each issue of options which affect the remuneration of key management personnel in this financial year or future reporting years are as follows:

Grant date	Number of options	Expiry date	Exercise price	Fair value per loan share at grant date
December 2021	1,244,000	July 2026	15.0 cents	8.7 cents
December 2021	699,750	July 2026	15.0 cents	10.1 cents
December 2021	1,866,000	July 2026	15.0 cents	10.0 cents

2,940,000 of the above options were granted to director, John Thompson in December 2021. These options and those issued to other key management personnel vest in accordance with the terms listed in Note 25 of the financial statements.

No options were granted to key management personnel in this financial year.

Shares issued on the exercise of options.

No ordinary shares of Knosys Limited were issued during the year ended 30 June 2024 and up to the date of this report to key management personnel on the exercise of options granted.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company (including loan funded shares) held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Purchased on market	Forfeited	Balance at the end of the year
Alan Stockdale	500,000	-	-	-	500,000
Kathrin Mutinelli	700,000	-	-	-	700,000
Neil Wilson	750,000	-	-	-	750,000
John Thompson	2,417,857	-	680,719	-	3,098,576
Stephen Kerr	3,228,902	-	-	-	3,228,902
	7,596,759	-	680,719	-	8,277,478

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Options over ordinary shares	Balance at the start of the year	Received as part of remuneration	Balance at the end of the year - vested	Balance at the end of the year - unvested	Balance at the end of the year
John Thompson	6,000,000	-	2,940,000	3,060,000	6,000,000
Stephen Kerr	1,775,000	-	869,750	905,250	1,775,000
	7,775,000	-	3,809,750	3,965,250	7,775,000

There were no other transactions with key management personnel and their related parties

This concludes the remuneration report, which has been audited.

Options

At the date of this report, the unissued ordinary shares of Knosys Limited under option are as follows:

Date of expiry	Option type	Exercise price	Number under options
1 July 2026	unlisted	$0.15	5,089,500

Each option carries no rights other than the right, once vested, to subscribe for one fully paid ordinary share at the exercise price.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

The Board is responsible for the maintenance of audit independence. Specifically, the Board Charter ensures the independence of the auditor is maintained by:

- limiting the scope and nature of non audit services that may be provided; and
- requiring that permitted non audit services must be pre approved by the Chairman of the Board.

During the year William Buck, the Group's auditor, has performed certain other services in addition to the audit and review of the financial statements. The Board has considered the non audit services provided during the year by the auditor and in accordance with the advice provided by the Board, is satisfied that the provision of those non audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; andd
- The non audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) as they did not involve reviewing or auditing the auditors own work, acting in a management or decision making capacity for the consolidated entity, acting as an advocate for the consolidated entity or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the consolidated entity, William Buck, for audit and non audit services provided during the year are set out in Note 18.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

William Buck Audit (VIC) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the

Corporations Act 2001. On behalf of the directors

Hon. Alan Stockdale AO
Director

29 August 2024
Melbourne

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Knosys Limited

As lead auditor for the audit of Knosys Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Knosys Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

R. P. Burt
Director
Melbourne, 29 August 2024

Knosys **empowers organisations.**

Boosting productivity, collaboration and connectivity in the digital workplace.

Financial Statements

Consolidated

30 June 2024
ABN 96 604 777 862

Contents

General information

The financial statements cover Knosys Limited as a consolidated entity consisting of Knosys Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Knosys Limited's functional and presentation currency.

Knosys Limited is listed on the Australian Securities Exchange (ASX:KNO) and is incorporated and domiciled in Australia.

Registered office and principal place of business

Part Level 8
31 Queen Street
Melbourne VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue on 29 August 2024, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Revenue	3	9,630,249	9,947,859
Research and development tax refund	2	1,026,292	858,149
Other income		75,927	39,278
Expenses			
Licence fee and support expense		(1,644,865)	(1,572,143)
Payments to suppliers for research and development activities		(73,159)	(499,501)
Employee benefits expense	4	(5,971,059)	(7,876,739)
Depreciation and amortisation expense		(928,711)	(876,847)
Legal and accounting expense		(306,868)	(321,075)
Travel and accommodation expense		(199,831)	(143,287)
Finance costs		(4,568)	(4,135)
Administration and corporate expense		(1,357,713)	(1,673,040)
Profit / (Loss) before acquisition costs[1] and income tax		245,694	(2,121,481)
Transaction costs related to acquisition of businesses	4	0	(30,702)
Profit / (Loss) before income tax		245,694	(2,152,183)
Income tax expense	5	(50,507)	(43,421)
Profit / (Loss) after income tax expense for the year attributable to owners of the Knosys Limited		195,187	(2,195,604)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss Foreign currency translation		326	(51,533)
Total comprehensive profit/(loss) for the year attributable to owners of Knosys Limited		195,513	(2,247,137)
Earnings per share attributable to the owners of the parent		Cents	Cents
Basic earnings per share	27	0.09	(1.04)
Diluted earnings per share	27	0.09	(1.04)

[1]This is a non-GAAP disclosure included due to the material level of transaction costs related to acquisition of businesses

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position
As at 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Assets			
Current assets			
Cash and cash equivalents		4,185,251	2,017,110
Trade receivables	6	413,029	2,427,234
Accrued research and development tax refund receivable		1,676,292	650,000
Prepayments & sundry receivables	7	258,682	325,554
Total current assets		6,533,254	5,419,898
Non-current assets			
Intangible assets and goodwill	8	7,460,928	8,173,786
Buildings – Right-of-use asset	9	192,769	89,557
Plant and equipment	10	77,420	157,662
Total non-current assets		7,731,117	8,421,005
Total assets		14,264,371	13,840,903
Liabilities			
Current liabilities			
Trade and other payables	11	750,266	911,388
Provisions	12	808,516	708,378
Lease liability	13	115,015	89,958
Contract liabilities	14	5,056,975	5,017,665
Total current liabilities		6,730,772	6,727,389
Non-current liabilities			
Provisions	12	39,134	24,050
Lease liability	13	79,361	-
Total non-current liabilities		118,495	24,050
Total liabilities		6,849,267	6,751,439
Net assets		7,415,104	7,089,464
Equity			
Issued capital	15	17,488,521	17,488,521
Share based payments reserve	25	1,503,659	1,452,442
Foreign currency translation reserve		(80,498)	(80,823)
Accumulated losses		(11,496,578)	(11,770,676)
Total equity		7,415,104	7,089,464

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity
For the year ended 30 June 2024

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2022	17,488,521	1,012,236	(9,575,072)	8,925,685
Loss after income tax expense for the year	-	-	(2,195,604)	(2,195,604)
Foreign currency translation	-	(51,533)	-	(51,533)
Total comprehensive loss for the year	-	(51,533)	(2,195,604)	(2,247,137)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (Note 15)	-	-	-	-
Share based payments (Note 25)	-	410,916	-	410,916
Transfer from share based payments reserve to accumulated losses on expiry of share based remuneration instruments	-	-	-	-
Balance at 30 June 2023	17,488,521	1,371,619	(11,770,676)	7,089,464

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2023	17,488,521	1,371,619	(11,770,675)	7,089,464
Loss after income tax expense for the year	-	-	195,187	195,187
Foreign currency translation	-	326	-	326
Total comprehensive loss for the year	-	326	195,187	195,513
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (Note 15)	-	-	-	-
Share based payments (Note 25)	-	130,126	-	130,126
Transfer from share based payments reserve to issued capital on realisation of share based remuneration instruments	-	(78,910)	78,910	-
Balance at 30 June 2024	17,488,521	1,423,161	(11,496,578)	7,415,104

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows
For the year ended 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Cash flows from operating activities			
Receipts from customers		11,683,763	10,386,088
Payments to suppliers and employees		(9,392,070)	(11,920,093)
Research and development tax refund		–	758,149
Interest received		75,927	39,278
Interest paid		(4,568)	(4,135)
Tax paid		(60,507)	(43,421)
Net cash (used in) / from operating activities	24	2,302,545	(784,134)
Cash flows from investing activities			
Payment of transaction costs related to acquisition of businesses		–	(30,702)
Payments for plant and equipment		(7,488)	(124,653)
Net cash (used in) / from investing activities		(7,488)	(155,355)
Cash flows from financing activities			
Repayment of lease liability		(126,916)	(139,103)
Proceeds from issue of shares		–	(139,103)
Net cash (used in) financing activities		(126,916)	(139,103)
Net increase (decrease) in cash and cash equivalents		**2,168,141**	**(1,078,592)**
Cash and cash equivalents at the beginning of the financial year		2,017,110	3,095,702
Cash and cash equivalents at the end of the financial year		**4,185,251**	**2,017,110**

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements 30 June 2024

Note 1. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The amendment to AASB 101 'Presentation of Financial Statements' requires the consolidated entity to disclose material accounting policy information rather than significant accounting policies. Accounting policy information is material if, when considered together with other information included in the consolidated entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make based on the financial statements.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The consolidated entity has assessed that these new or amended Accounting Standards and Interpretations will not have any material effect on the financial statements of the company for this reporting period.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Legal Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the legal parent entity is disclosed in Note 21.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Knosys Limited's presentation currency. The consolidated entity operates in functional currencies relative to the specific geographical location of the entity within the consolidated entity.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

The consolidated entity earns revenues from its software services. Of these, a portion relates to licensing and support of its software, which is performed over a period of time and for which revenue is recognised over a period of time due to the customer only having a right of access over the software throughout the contract period. For software implementation services provided to the customer, which is specified in the customer contract, revenue is recognised over time as that implementation is performed.

Research and development tax refund income

Research and development tax refund income is measured on an accruals basis when the refund can be reliably determined.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Refer to Note 26 segment note for a disaggregation of revenue per geographical location.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are expensed as they have not satisfied the requirement for capitalisation under AASB 138 - Intangible assets.

Impairment of non-financial assets

At each reporting date, the consolidated entity's Directors review the carrying values of the consolidated entity's tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Employee benefits

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Black-Scholes option pricing model, the Binomial Option Valuation model or the Hoadley Barrier option valuation model, each of which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Contract liabilities

Revenue billed in advance represents contract liabilities that the consolidated entity is obliged to transfer services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations have recently been issued or amended and have not been adopted by the consolidated entity for the annual reporting period ended 30 June 2024. These are not listed in this report because the consolidated entity has assessed that these new or amended Accounting Standards and Interpretations will not have a material effect on the financial statements of the company for the reporting period commencing 1 July 2024..

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The following key judgements are relevant to these financial statements:

Estimation of accrued research and development tax refund

As at 30 June 2023 the consolidated entity had accrued $650,000 in accrued research and development tax refund credits in-respect of the 2023 tax return. The directors of the consolidated entity engaged an industry expert to prepare and lodge this return. An amount of $1,126,292 is receivable at 30 June 2024 in accordance with the June 2023 tax return and R&D claim. At the date of this report, $1,005,770 of this amount has been receipted subsequest to the year ended 30th June 2024. Based upon the methodology adopted by the industry expert, the consolidated entity has accrued a research and development tax refund receivable of $550,000 for the June 2024 financial year. Key matters considered by the directors in calculating this accrual included the following:

- The historical success of lodging and receipting such claims;
- The quantum of eligible research and development spend made during the period; and
- A consideration of any potential change in the assessment of eligibility criteria as gazetted by the Federal government.

Share based payments

As stated in Note 1, the consolidated entity has issued options and loans shares to directors, executives and staff as part of their remuneration arrangements and has issued options and shares to third parties in consideration for consultancy services received. Management judgements and estimates are required in determining the cost of these equity-settled transactions which have been measured by taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent and future sales experience and historical collection rates.

Note 3. Revenue

	Consolidated	
	2024 $	**2023 $**
Sales revenue		
Licence and support fees	9,468,213	9,644,055
Rendering of services	162,036	303,804
Revenue	9,630,249	9,947,859

Refer Note 26

Note 4. Expenses

	Consolidated	
	2024 $	**2023 $**
Loss before income tax includes the following specific expenses:		
Transaction costs related to acquisition of businesses	-	30,702
Employee benefits expense		
Superannuation expense - Accumulation fund	456,218	533,928
Share based payments expense	130,126	410,916

Note 5. Income tax expense

	Consolidated 2024 $	Consolidated 2023 $
Income tax expense		
Current Tax benefit	328,682	(359,549)
Deferred tax - origination and reversal of temporary differences	(19,182)	24,093
Deferred tax assets not recognised	(258,992)	378,877
Aggregate income tax expense	50,507	43,421
Unrecognised deferred tax assets		
Unused tax losses for which no deferred tax asset has been recognised	999,960	1,258,952
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(Loss) before income tax expense	245,695	(2,152,183)
Tax at the statutory tax rate of 25% (30 June 2023: 25%)	61,424	(538,046)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	9,194	6,371
Research and development costs	316,092	361,111
Share based payments expense	32,531	102,729
Sundry items	96,324	(96,504)
Non-assessable R&D refund	(256,573)	(214,537)
	258,992	(378,876)
Deferred tax assets not recognised	(258,992)	378,876
Income tax paid in foreign jurisdiction	50,507	43,421
Income tax expense	50,507	43,421

Note 6. Current assets - trade receivables

	Consolidated 2024 $	Consolidated 2023 $
Trade receivables	413,029	2,427,234

The aging analysis of trade receivables is as follows:

			Past due but not impaired			
	Total $	Neither past due nor impaired $	< 30 days $	30-60 days $	61-90 days $	90+ days $
2024	413,029	412,587	3,429	825	0	(3,812)
2023	2,427,234	2,255,047	61,552	78,983	23,915	7,737

As at 30 June 2024 no trade receivables were impaired (2023: Nil)

Refer Note 2 - Allowance for expected credit losses, which explains how the consolidated entity make judgements, estimates and assumptions for trade receivables.

Note 7. Prepayments and other receivables

	Consolidated 2024 $	Consolidated 2023 $
Prepayments	237,912	296,448
Other receivables	20,770	29,106
	258,682	325,554

Note 8. Intangibles

Reconciliations of the carrying values of each class of intangibles at the beginning and end of the current financial period, for the consolidated entity, are as follows:

	Goodwill $	Customer contracts $	Marketing assets $	Consolidated Total $
Carrying value at 1st July 2023	3,303,215	4,393,872	476,699	8,173,786
Amortisation	-	(554,512)	(158,346)	(712,858)
Carrying value at 30 June 2024	3,303,215	3,839,360	318,353	7,460,928
Cost as at 30 June 2024	3,303,215	5,533,000	790,000	9,626,215
Accumulated Amortisation at 30 June 2024	-	(1,693,639)	(471,648)	(2,165,287)
Carrying value at 30 June 2024	3,303,215	3,839,361	318,352	7,460,928

The Customer Contracts and Marketing Assets are identifiable intangible assets and are subject to amortisation, at annual rates of 10% and 20% respectively, as determined by the company, with effect from acquisition date.

Impairment of intangibles

All intangible assets are assessed at each reporting period for indicators of impairment. The consolidated entity operates as a single operating segment and cash generating unit being a developer and licensor of computer software. Intangible assets with an indefinite useful life are assessed for impairment under this cash generating unit.

The recoverable amount of the cash-generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections for the next five years and the terminal value. The cash flows are discounted using estimated discount rate based on Capital Asset Pricing Model adjusted to incorporate risks associated with the software development sector.

Management has based the value-in-use calculations on five-year budget forecasts of the software developer and licencing business. Revenue has been projected on the below mentioned assumptions. Costs are calculated taking into account historical gross margins as well as estimated weighted inflation rates over the period which is consistent with inflation rates applicable to the locations in which the unit operates. Discount rates are pre-tax and reflect risks associated with the software development business.

The following assumptions were used in the value-in-use-calculations:

a. Revenue growth for year 1 is based on the Board approved budget of the consolidated entity. An average revenue growth rate of 12.5% per annum (2023:7.5%) has been estimated for years 2 to 5 of the model. This is considered to be a conservative estimate of the future growth of the business.

b. Projected cash flows have been discounted using a pre-tax discount rate of 14.15% (2023: 13.97%). The consolidated entity is debt free and is therefore not subject to borrowing costs and the beta used is based on market available data.

c. An annual growth rate of 2.5% (2023: 2.5%) has been estimated in the calculation of terminal value being in line with comparable market companies.

Based on the above assumptions, the recoverable amount of the cash generating unit has been determined to exceed its carrying amount as at 30 June 2024 and accordingly, no impairment loss has been recognised.

Sensitivity to changes in assumptions

The impairment model is most sensitive to the following assumptions:

- Revenue forecasts assumption;
- Employment costs; and
- Discount rate.

No reasonable possible change in assumptions would result in an impairment charge being recognised.

Note 9. Right of use asset

	Consolidated	
	2024 $	**2023 $**
Buildings – right-of-use	772,670	541,336
Accumulated depreciation	(579,901)	(451,779)
	192,769	89,557

The consolidated entity leases its Melbourne based head office under an agreement of four years duration, with a further two years extension on the current lease. The lease has an annual 4% escalation clause. For the reporting period, the consolidated entity incurred $128,122 in depreciation expense related to the right of use asset, and $4,568 on interest expense on lease liability. The consolidated entity leased two serviced offices under specific agreements. These agreements had short-term month to month lease arrangements and are of low-value, so have been expensed as incurred and not capitalised as right-of-use assets and are not considered material to the consolidated entity.

Note 10. Plant and equipment

Reconciliations of the carrying values of each class of property, plant and equipment at the beginning and end of the current and previous financial years, for the consolidated entity, are as follows:

	Furniture & fittings $	**Office equipment $**	**Consolidated Total $**
Carrying value at 30 June 2022	6,003	73,758	79,761
Additions	41,384	84,859	126,243
Depreciation	(9,828)	(38,514)	(48,342)
Carrying value at 30 June 2023	37,559	120,103	157,662
Cost as at 30 June 2023	214,747	314,727	529,474
Accumulated depreciation at 30 June 2023	(177,188)	(194,624)	(371,812)
Carrying value at 30 June 2023	37,559	120,103	157,662
Additions	-	7,490	7,490
Depreciation	(37,559)	(50,173)	(87,732)
Carrying value at 30 June 2024	0	77,420	77,420
Cost as at 30 June 2024	214,747	322,217	536,964
Accumulated depreciation at 30 June 2024	(214,747)	(244,797)	(459,544)
Carrying value at 30 June 2024	-	77,420	77,420

Note 11. Current liabilities - trade and other payables

	Consolidated	
	2024 $	2023 $
Trade payables	116,403	154,937
Other payables	633,863	756,451
	750,266	911,388

The table below summarises the maturity profile of the consolidated entities current trade and other payables.

	Total $	On demand $	< 3 months $	3 to 12 months $
2024	116,403	-	116,403	-
2023	154,937	-	154,937	-

Refer Note 1 - Trade and other payables, which explains how the consolidated entity manages and accounts for trade and other payables.

Note 12. Provisions

	Consolidated	
	2024 $	2023 $
Provision for employee benefits - current		
Provision for employee benefits – current	808,516	708,378
Provision for employee benefits – non-current		
Provision for employee benefits – non-current	39,134	24,050

Note 13. Lease liabilities

	Consolidated	
	2024 $	2023 $
Lease Liability - current		
Lease liability – current	115,015	89,958
Lease Liability – non-current		
Lease liability – non-current	79,361	-

Refer Note 9 – Right of use asset, the consolidated entity has recognized an additional $231,336 in lease liability during the reporting period as a result of a further two years extension on the current lease.

Note 14. Current liabilities – Contract liabilities

	Consolidated	
	2024 $	2023 $
Contract liabilities	5,056,975	5,017,665

Reconciliation of the values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	5,017,665	4,534,870
Amounts billed in advance during the year, where the performance obligations were and will be satisfied over the FY24 and FY25 years	9,475,440	9,617,129
Balances acquired on acquisition of business	-	-
Transfer to revenue – performance obligations satisfied	(9,436,130)	(9,134,334)
	5,056,975	5,017,665

Note 15. Equity - issued capital

	Consolidated	
	2024 $	2023 $
Ordinary shares - fully paid	17,488,521	17,488,521

Movements in ordinary share capital

Details	**No. of shares Legal Parent 2024**	**No. of shares Legal Parent 2023**
Legal parent		
Balance at start of year	216,138,698	216,138,698
Balance at end of year	216,138,698	216,138,698

Details	**2024 $**	**2023 $**
Consolidated entity		
As at start of the financial year	17,488,521	17,488,521
Issue of share capital to shareholder on completion of acquisition of Libero business	-	-
Repayment of loan on loan funded shares	-	-
Issue of share capital to shareholders on exercise of options	-	-
Transfer from share-based payments reserve	-	-
Balance as at end of the financial year	17,488,521	17,488,521

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Movements in options on issue

Details	No. of options Legal Parent 2024	No. of options Legal Parent 2023
Legal parent		
Balance at start of year	10,550,000	10,550,000
Options exercised	-	-
Options forfeited during the year	(335,000)	-
Balance at end of year	10,215,000	10,550,000

All options are unlisted and are subject to a range of vesting conditions. Refer Note 25.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Note 16. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to two financial risks: credit risk and liquidity risk. The consolidated entity's overall risk management program, which is managed at Board level, focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include ageing analysis for credit risk and cash flow forecasting for liquidity risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits.

The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. All amounts payable are within agreed terms. All third party payment terms are less than 60 days (2023: less than 60 days).

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. All liabilities are to be settled within 12 months except for lease liabilities which are to be settled as per the following categories:

	Consolidated	
	2024 $	2023 $
Lease liabilities		
Payable at the reporting date:		
Within 6 months	55,120	67,173
6 to 12 months	59,895	22,785
1 to 5 years	79,361	-
	194,376	89,958

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. The consolidated entity monitors the materiality of foreign exchange transactions and balances and manages any material exposures to foreign exchange rate fluctuations. At balance date there were no material foreign currency risks.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reasonably approximate their fair value.

Note 17. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024 $	**2023 $**
Short-term employee benefits	950,183	891,471
Share based payments	109,536	280,764
Post-employment benefits	68,276	67,438
Long-term benefits	13,095	20,578
	1,141,090	1,260,251

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (VIC) Pty Ltd ("William Buck"), the auditor of the company, its network firms and unrelated firms:

	Consolidated	
	2024 $	**2023 $**
Assurance services – William Buck		
Audit or review of the financial statements	57,820	57,211
Other services – William Buck		
Taxation advice	12,185	14,072

Note 19. Contingent liabilities

The consolidated entity has no material contingent liabilities at reporting date.

Note 20. Related party transactions

Legal parent entity

Knosys Limited is the legal parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 22.

Key management personnel

Disclosures relating to key management personnel are set out in Note 17 and the remuneration report in the directors' report.

Note 21. Legal parent entity information

Set out below is the supplementary information about the legal parent entity.

Statement of profit or loss and other comprehensive income

	Legal Parent	
	2024 $	**2023 $**
Profit (Loss) after income tax	524,841	100,998
Total comprehensive profit (loss)	524,841	100,998

Statement of financial position

	Legal Parent	
	2024 $	**2023 $**
Total current assets	4,625,598	1,808,563
Total assets	19,463,968	18,885,842
Total current liabilities	29,407	27,339
Total liabilities	29,407	27,339
Equity		
Issued capital	24,623,643	24,623,643
Reserves	1,493,659	1,442,442
Accumulated losses	(6,682,741)	(7,207,582)
Total equity	19,434,561	18,858,503

Contingent liabilities

The legal parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment

The legal parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information

The accounting policies of the legal parent entity are consistent with those of the consolidated entity, as disclosed in Note 1. The group does not designate any interests in subsidiaries as being subject to the requirements of accounting standards specifically applicable to financial statements.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of Knosys Limited and the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 1:

Name	Principal place of business /Country of incorporation	2024 %	2023 %
Knosys Solutions Pty Ltd Principal activities – Operating company for the Knosys knowledge management business, providing operational infrastructure, employees, sales resources, Knosys Platform research, development and customer support.	Australia	100%	100%
Knosys Products Pty Ltd Principal activity – Holder of the Knosys Platform intellectual property.			
	Australia	100%	100%
Knosys Asia Pte Ltd Principal activity - Provider of sales and marketing resources to sell Knosys Platform in Singapore and surrounding regions.	Singapore	100%	100%
Greenorbit Pty Ltd Principal activity - Australian operating company of the GreenOrbit business, providing operational infrastructure, employees, sales resources, research, development and customer support	Australia	100%	100%
Greenorbit Inc. Principal activity - Provider of sales and marketing resources to sell and support the GreenOrbit intranet software in USA	United States	100%	100%
Greenorbit Software Limited Principal activity - Provider of sales and marketing resources to sell and support the GreenOrbit intranet software in UK	United Kingdom	100%	100%
Greenorbit Software Pvt Ltd Principal activity - Provider of customer support to GreenOrbit customers and software development services to the GreenOrbit business	India	100%	100%
Libero Systems Pty Ltd Principal activity - Provider of sales and marketing resources to sell and support the GreenOrbit intranet software in UK	Australia	100%	100%
Libero IS GmbH Principal activity - Provider of sales resources for the Libero business and customer support to Libero customers	Germany	100%	100%

Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 24. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2024 $	2023 $
Loss after income tax expense for the year	195,187	(2,195,604)
Adjustments for:		
Depreciation and amortisation	928,711	876,847
Share based payments expense	130,126	410,916
Transaction costs related to acquisition of businesses	-	30,702
Change in operating assets and liabilities:		
Decrease/(increase) in trade receivables	2,014,206	(44,566)
Increase /(decrease) in revenue billed in advance	39,309	482,795
(Increase) in accrued research and development tax refund receivable	(1,026,292)	(100,000)
(Increase)/decrease in prepayments and other debtors	66,872	11,454
Increase in trade and other payables	(161,122)	(127,165)
(Decrease) in foreign currency translation reserves	326	(51,533)
Increase in provision for employee benefits	115,222	(77,980)
Net cash used in operating activities	2,302,545	(784,134)

Note 25. Share-based payments

Loan funded share plan and loan funded shares

A loan funded share plan (LFSP) has been established by the consolidated entity, whereby the consolidated entity may, at the discretion of the Board, issue loan funded fully paid ordinary shares in the company to personnel of the consolidated entity. Participants acquire loan funded shares using a loan provided by the consolidated entity. The loan is interest-free and limited recourse in

accordance with the loan terms and the LFSP rules. The LFSP rules require the loan to be repaid before a participant can receive any proceeds from the sale of their shares. The Board has the discretion to

impose such vesting conditions in relation to the loan funded shares as it deems appropriate. These may include conditions relating to continued employment or service, performance (of the participant, the consolidated entity or the share price) and the occurrence of specific events. The consolidated entity has also issued loan funded fully paid ordinary shares in the company to directors and executives on the same terms as the LFSP. The issuing of these loan funded shares gives rise to an ongoing employment benefit expense each financial period and this is accounted for in accordance with the accounting policy on employee benefits, as detailed in Note 1. The expense is included in the share-based payment expense amount listed in Note 4.

As at 30 June 2024 the following loan funded shares had been granted:

Grant date	Issue date	Loan expiry date	Issue price	Balance at 30 June 2023 Number	Issued during the period Number	Loan repaid during the period Number	Forfeited during the period Number	Balance at 30 June 2024 Number	Vested at end of the period Number	Share-based payments expense for 2024 $
28/11/2017	19/02/2018	18/02/2028	$0.06	1,200,000	-	-	-	1,200,000	1,200,000	0
30/01/2018	19/02/2018	18/02/2028	$0.10	1,600,000	-	-	-	1,600,000	1,600,000	0
26/11/2018	24/12/2018	26/11/2028	$0.08	250,000	-	-	-	250,000	250,000	0
24/12/2018	24/12/2018	24/12/2028	$0.08	550,000	-	-	-	550,000	550,000	0
27/11/2019	29/11/2019	29/11/2024	$0.101	1,900,000	-	-	-	1,900,000	1,900,000	0
27/01/2021	15/02/2021	14/02/2026	$0.175	1,000,000	-	-	-	1,000,000	1,000,000	0
29/01/2021	15/02/2021	14/02/2026	$0.175	500,000	-	-	-	500,000	500,000	0
04/06/2021	29/06/2021	28/06/2026	$0.175	725,000	-	-	-	725,000	725,000	0
05/10/2021	14/10/2021	13/10/2026	$0.15	3,250,000	-	-	-	3,250,000	1,072,500	26,156
04/10/2023	14/10/2023	31/10/2028	$0.05	-	1,000,000	-	-	1,000,000	500,000	11,754
Total				10,975,000	1,000,000	-	(1,000,000)	10,975,000	8,367,500	37,910
Weighted average issue price				$0.124				$0.114	$0.114	
Weighted average remaining contractual life (years)								2.94		

During the year the loan expiry dates for 250,000 fully vested loan funded shares, issued on 24 December 2018, were extended to 26 November 2028 and 550,000 fully vested loan funded shares, issued on 24 December 2018, were extended to 24 December 2028 . There was no additional share based payment expense recognised in relation to the extension of the expiry period.

The 1,000,000 loan shares granted to participants during the period were sourced from forfeited loan shares, transferred from the relevant participants.

Loan Shares granted to executives and employees

During the period 1,000,000 loan shares were granted to employees pursuant to the Knosys Loan Funded Share Plan. The loan shares have been valued by an independent expert as of issue date and have vesting criteria based on achieving employment service periods. Details are as follows:

Tranche	Number of Loan Shares	Service based vesting date	Fair value per share at issue date	Total fair value at issue date
Tranche 1	500,000	Vested on 30 June 2024	$0.0152	$7,591
Tranche 2	250,000	To vest on 31 December 2024	$0.0160	$3,992
Tranche 3	250,000	To vest on 30 June 2025	$0.0167	$4,175
Total	1,000,000			$15,758

The valuation undertaken by the independent valuer was based on the Cox-Ross-Rubenstein Binomial Model ("Binomial Model"), The inputs used in the model, in addition to the service based vesting dates in the table above, were as follows:

Grant date	Loan expiry date	Share price at grant date	Issue price	Marketability discount	Expected volatility	Dividend yield	Risk-free interest rate
04/10/2023	31/10/2028	$0.036	$0.05	0.00%	75%	0.00%	4.07%

As at 30 June 2023 the following loan funded shares had been granted:

Grant date	Issue date	Loan expiry date	Issue price	Balance at 30 June 2022 Number	Issued during the period Number	Sold during the period Number	Forfeited during the period Number	Balance at 30 June 2023 Number	Vested at end of the period Number	Share-based payments expense for 2023 $
28/11/2017	19/02/2018	18/02/2028	$0.06	1,200,000	-	-	-	1,200,000	1,200,000	0
30/01/2018	19/02/2018	18/02/2028	$0.10	1,600,000	-	-	-	1,600,000	1,600,000	0
26/11/2018	24/12/2018	26/11/2023	$0.08	250,000	-	-	-	250,000	250,000	0
24/12/2018	24/12/2018	24/12/2023	$0.08	550,000	-	-	-	550,000	550,000	0
27/11/2019	29/11/2019	29/11/2024	$0.101	1,900,000	-	-	-	1,900,000	1,900,000	0
27/01/2021	15/02/2021	14/02/2026	$0.175	1,000,000	-	-	-	1,000,000	1,000,000	0
29/01/2021	15/02/2021	14/02/2026	$0.175	500,000	-	-	-	500,000	500,000	227
04/06/2021	29/06/2021	28/06/2026	$0.175	725,000	-	-	-	725,000	725,000	2,544
05/10/2021	14/10/2021	13/10/2026	$0.15	3,250,000	-	-	-	3,250,000	1,072,500	81,784
Total				10,975,000	-	-	-	10,975,000	8,797,500	84,555
Weighted average issue price				$0.124				$0.124	$0.118	
Weighted average remaining contractual life (years)								3.74		

There were no loan funded shares issued during the 2023 financial year.

Options issued to Directors, executives and employees

Employee Incentive Plan – Options

The Knosys Limited Employee Incentive Plan (EIP) has been established by the consolidated entity, whereby the consolidated entity may, at the discretion of the Board, grant options over ordinary shares in the company to personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with time based and/or performance targets established by the Board. The consolidated entity has also issued options in the company to a director on the same terms as options issued under the EIP. The granting of these options gives rise to an ongoing employment benefit expense each financial period and this is accounted for in accordance with the accounting policy on employee benefits, as detailed in Note 1. The expense is included in the share-based payment expense amount listed in Note 4.

As at 30 June 2024 the following options had been granted:

Option grant date	Option expiry date	Exercise price	Balance at 30 June 2023 Number	Issued during the period Number	Exercised during the period Number	Expired or forfeited during the period Number	Balance at 30 June 2024 Number	Vested and exercisable at end of the period Number	Share-based payments expenses for 2024 $
8/12/2021	01/07/2026	$0.15	10,550,000	-	-	335,000	10,215,000	5,089,500	92,216
Weighted average exercise price			$0.15				$0.15	$0.15	
Weighted average remaining contract life (years)							2.0		

There were no options issued during the financial year.

The Options are not transferrable or tradeable. The Options will not automatically convert to Shares upon satisfaction of the above vesting criteria, but rather the holder of the Options must complete a notice of exercise to convert the Options to Shares, deliver this notice to the Company and pay the requisite exercise price for each Option exercised.

As at 30 June 2023 the following options had been granted:

Option grant date	Option expiry date	Exercise price	Balance at 30 June 2022 Number	Issued during the period Number	Exercised during the period Number	Expired or forfeited during the period Number	Balance at 30 June 2023 Number	Vested and exercisable at end of the period Number	Share-based payments expenses for 2023 $
8/12/2021	01/07/2026	$0.15	-	10,550,000	-	-	10,550,000	2,215,500	326,361
Weighted average exercise price							$0.15	$0.15	
Weighted average remaining contract life (years)							3.0		

No options were issued during the 2023 financial year.

Note 26. Segment information

Identification of reportable operating segments

The consolidated entity has one operating segment, being a developer and licensor of computer software, however it operates across multiple geographical regions. The operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Geographical information

	Sales to external customers		Geographical non-current assets	
	June 2024 $	**June 2023 $**	**June 2024 $**	**June 2023 $**
Australia	5,658,349	6,300,034	7,731,117	8,421,005
United States	1,649,287	1,759,392	-	-
New Zealand	873,278	675,816	-	-
Europe	893,834	635,963	-	-
Asia	412,259	380,038	-	-
Rest of World	143,242	196,616	-	-
	9,630,249	9,947,859	7,731,117	8,421,005

Concentration of key customers

The concentration of customers for the 2024 year was as follows:

- A major customer in Australia and New Zealand in the finance sector represented 17.6% of operating revenue
- A major customer in Australia in the telecommunications sector represented 10.8% of operating revenue

The concentration of customers for the 2023 year was as follows:

- A major customer in Australia and New Zealand in the finance sector represented 17.1% of operating revenue
- A major customer in Australia in the telecommunications sector represented 10.4% of operating revenue

Note 27. Earnings per share

	Consolidated	
	2024 $	**2023 $**
Loss after income tax attributable to the owners the parent	195,513	(2,247,137)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	216,138,698	216,138,698
	Cents	**Cents**
Basic profit/(loss) per share	0.09	(1.04)
Diluted profit/(loss) per share	0.09	(1.04)

10,215,000 options on issue at June 2024 are included in the diluted profit per share calculation. The 10,550,000 options on issue in FY23 could have potentially diluted basic earnings per share in the future, but were not included in the calculation of FY23 diluted loss per share because they are anti-dilutive for that period.

Consolidated Entity Disclosure Statement as at 30 June 2024

Entity name	Entity type	Body corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
Knosys Limited	Body corporate	Australia	n/a	Australia	n/a
Knosys Solutions Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Knosys Products Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Knosys Asia Pte Ltd	Body corporate	Singapore	100%	Both	Singapore
GreenOrbit Pty Ltd	Body corporate	Australia	100%	Australia	n/a
GreenOrbit Inc	Body corporate	United States	100%	Both	United States
GreenOrbit Software Ltd	Body corporate	United Kingdom	100%	Both	United Kingdom
GreenOrbit Software Pvt Ltd	Body corporate	India	100%	Both	India
Libero Systems Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Libero IS GmbH	Body corporate	Germany	100%	Both	Germany

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the consolidated entity.

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Hon. Alan Stockdale AO
Director

29 August 2024
Melbourne

Independent Auditor's Report

WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Knosys Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Knosys Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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+61 3 9824 8555
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williambuck.com.au

William Buck
ACCOUNTANTS & ADVISORS

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue under service contracts	Area of focus (refer also to notes 1, 3 & 14)	How our audit addressed the key audit matter
	The consolidated entity has service contracts with its customers. These service contracts have invoicing, and payment milestones included within their terms, which may or may not be directly aligned with the performance of services under the contract in accordance with *AASB 15 Revenue from Contracts with Customers* ('AASB 15'). In order to accrue revenue appropriately in the correct accounting period, management has developed a model to recognise revenue when the performance obligation is satisfied in each contract. This includes identifying the specific performance obligations within each customer agreement on commencement. There is judgement in determining the period to which the revenue should be attributed. In applying its revenue model management has considered: — When the performance obligation is identified and satisfied in respect to each component of each contract; and — The potential for any post-contract servicing work to be performed at the conclusion of the contract and whether an additional performance obligation exists. This area was considered a Key Audit Matter due to judgements involved and the significance of the revenue amount.	Our audit procedures included: — Examining management's revenue recognition model to assess if in compliance with AASB 15; — Examining and verifying a sample of customer contracts for the achievement of performance milestones relevant to key customer contracts; — Examining a sample of customer contracts to support the existence and completeness of revenue recognised in the period by agreeing to contract, invoices and subsequent receipts from their customers; and — Performing detailed cut-off testing to assess if revenue transactions at the year-end had been recorded in the correct financial period. We also assessed the appropriateness of financial statement disclosures at note 3 with respect to the requirements of AASB 15.

Impairment of non-current assets including goodwill and intangible assets	Area of focus (refer also to notes 1 & 8)	How our audit addressed the key audit matter
	As disclosed in Note 8, the carrying value of the Group's goodwill and intangible assets was $7.46 million. This amount is reflective of the acquisitions of the GreenOrbit Group and Libero Group completed in prior financial periods. As required by Australian Accounting Standards, the Group assesses at the end of each reporting period whether there is any indication that its non-current assets may be impaired. In addition, goodwill and indefinite life intangibles are tested for impairment at least annually. The consolidated entity continues to operate as a single Cash Generating Unit ("CGU") being a developer and licensor of computer software. Management has assessed that the activities of the acquired groups operate within this core activity segment. The recoverable amount of the CGU has been calculated based on a value-in-use discounted cashflow model, that examines the expected discounted cashflows of its sole CGU over a five-year period extending from reporting date, plus a terminal value. The Group has disclosed in note 8 the Group's impairment approach including the significant underlying assumptions applied. This area was considered a Key Audit Matter due to complexity of judgements involved in the impairment process and the significance of the carrying amounts of the balances.	Our audit procedures included: — Assessing the appropriateness of the allocation of goodwill and intangible assets to the Group's identified CGU; — An examination of the discounted cashflow model, testing for: a. its arithmetical accuracy; b. the reasonableness key assumptions applied to approved forecast cashflows, comparing to historical trends of the business and its pipeline of future sales transactions and the overall industry climate affecting the economics of the business model; and c. the reasonableness of key inputs into the model, including growth rates, the discount rate and the working capital levels associated with the derivation of those growth rates. — Assessed the Group's current year actual results in comparison to prior year forecasts to assess forecast accuracy; — Assessed the discount rates through comparing the weighted average cost of capital for the Group with comparable businesses; and — Performed sensitivity analysis in respect of the assumptions noted above to ascertain the extent of changes in those assumptions which either individually or collectively would materially impact the recoverable amount of the CGU. We assessed the likelihood of these changes in assumptions arising. We also assessed the adequacy of disclosures in relation to the impairment testing approach and key assumptions as disclosed in note 8 of the financial report.

WilliamBuck
ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Knosys Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

R. P. Burt
Director
Melbourne, 29 August 2024

Additional information for listed companies

Corporate Governance Statement

The company's corporate governance statement can be found on the company website at https://www.knosys.co/investor-centre/

Shareholder information as at 13 August 2024

Distribution of Shareholders	Number	Number
Category (size of holding)	Holders	Ordinary Shares
above 0 up to and including 1,000	28	4,676
above 1,000 up to and including 5,000	45	160,623
above 5,000 up to and including 10,000	54	460,854
above 10,000 up to and including 100,000	203	8,399,611
above 100,000	211	207,112,934
Totals	541	216,138,698

The number of shareholdings held in less than marketable parcels is 131, with a total of 671,596 ordinary shares, amounting to 0.31% of issued capital.

Substantial shareholders listed in the company's register:

Shareholder	Number Ordinary shares	%
Skiptan Pty Ltd <P&M Meurs Family Trust>	41,263,715	19.09

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

– Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

20 Largest Shareholders – Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	SKIPTAN PTY LTD P&M MEURS FAMILY A/C	41,263,715	19.09%
2	MR SEAN PATRICK MARTIN THE AVEBURY FAMILY A/C	8,300,270	3.84%
3	MOAT INVESTMENTS PTY LTD MOAT INVESTMENT A/C	7,801,124	3.61%
4	VABAKE PTY LTD LEVY FAMILY A/C	7,066,130	3.27%
5	VUE-IT PTY LTD PATANE FAMILY AC	6,896,551	3.19%
6	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,855,935	3.17%
7	EARTHRISE HOLDINGS PTY LTD CAMPION INVESTMENT A/C	6,635,000	3.07%
8	DMX CAPITAL PARTNERS LIMITED	5,266,257	2.44%
9	JET INVEST PTY LTD RJC INVESTMENT A/C	5,045,144	2.33%
10	TDF PROPERTIES PTY LTD TDF PROPERTY A/C	4,388,509	2.03%
11	MAST FINANCIAL PTY LTD A TO Z INVESTMENT A/C	4,000,000	1.85%
12	BJT903 PTY LTD BJT903 SUPERANNUATION A/C	3,440,204	1.59%
13	HUNTINGDALE CAPITAL PTY LTD	3,414,286	1.58%
14	GRACEY FAMILY INVESTMENTS PTY LTD GRACEY FAMILY INVESTMENT A/C	2,980,732	1.38%
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,638,792	1.22%
16	ADC (INVESTING) PTY LTD AL COOK ASSET A/C	2,475,000	1.15%
17	NATIONAL NOMINEES LIMITED	2,406,867	1.11%
18	MRS DENISE JANE CAMPBELL	2,376,346	1.10%
19	GALE ENTERPRISES (AUST) PTY LTD CAVALIER FAMILY A/C	2,080,889	0.96%
20	JOHN ROBERT THOMPSON	2,075,000	0.96%
	Total	127,406,751	58.95%
	Total issued capital - selected security class(es)	216,138,698	100.00%

Registers of securities are held at the following address:

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000

Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

In accordance with ASX Listing Rule 4.10.19, the Consolidated Group advises that, since listing on 9 September 2015, it has used its cash in a way consistent with its business objectives.

No matter where you are in the world, **we are there**

Customers around the globe depend upon Knosys to create a business advantage to help businesses leverage their knowledge, information and insights and make smart connections that drive strong outcomes.

Knosys

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www.knosys.co

Libero
Library Management
libero.com.au

GreenOrbit
Intranet Solution
greenorbit.com

KnowledgeIQ
Knowledge Management
knoiq.co