

## ASX Announcement

29 January 2026

# Q2 FY26 Activity Report and Appendix 4C

### Key Highlights:

- **Quarterly cash receipts of \$1.7m**, up 6.6% on pcp and first half FY26 cash receipts of \$5.2m, up 38% on pcp.
- **Annual Recurring Revenue (ARR) of \$9.5m.**
- **Agency agreement with Oak Engage**, to introduce the Oak intranet and employee experience platform to the GreenOrbit customer base.
- **Structurally lower fixed cost base in CY2026**, reflecting lower staff costs, R&D costs, and Admin/Corporate costs moving forward.
- **Cash balance of \$1.9m** at 31 December 2025, increasing to \$3.1m at 28 January 2026.
- **Positive outlook for 2H FY26:** Continued investment in Libero 6 and the next-generation, Libero X, product development program and ongoing investment in sales and marketing in preparation for entry into global markets in FY27.

**Knosys Limited (ASX:KNO)** ("Knosys" or the "Company"), is pleased to provide its December 2025 quarterly activity report and Appendix 4C ("Q2 FY26").

### Q2 FY26 Overview

Knosys generated cash receipts of \$1.7m in Q2 FY26, up 6.6% on pcp, and reflecting seasonally low annual license fee payments. The cash receipts of \$5.2m in 1H FY26 were up 38% on pcp.

The Annual Recurring Revenue run rate (ARR) of \$9.5m, at January 2026, is stable quarter-on-quarter, through strong client retention and recurring revenue streams with a blue-chip client base.

In the past quarter, Knosys continued to execute on its product development program for the next-generation library management solution, Libero X, with enhanced AI capabilities and is preparing for market launch in FY27.

In Q2 FY26, Knosys had net operating cash outflow of \$1.45m, primarily due to seasonally lower cash receipts from customers. Knosys undertook an operational cost restructure in the December quarter and enters 2026 with a structurally lower fixed cost base, reflecting lower staff, R&D and admin/corporate costs moving forward.

Cash balance as at 31 December 2025 was \$1.9m, with \$2.3m in receivables. The cash balance had increased to \$3.1m at 28 January 2026.



### **GreenOrbit customer migration agency agreement with Oak Engage**

In January 2026, Knosys announced a new agency agreement with Oak Engage to introduce the Oak intranet and employee experience platform to Knosys' Greenorbit (GO) customer base as a technology upgrade.

GO currently provides its GreenOrbit intranet solution (the GO Platform) to a portfolio of customers, primarily based in Australia and the United States of America.

Knosys is now focusing its product development resources on its next generation Libero library management solution and is also maintaining its knowledge management solution and its market position.

This agreement with Oak Engage enables GO customers to access new intranet technology without Knosys incurring development expenses. For an initial period of 2 years, GO will act as an agent for Oak, introducing the Oak Platform to GO customers. At the end of the 2 year period, Oak will take on the direct customer and billing relationship with that customer.

Whilst noting that there is no guarantee of any customers migrating to the Oak Platform, under this agency agreement Oak will remunerate GO for each GO customer that migrates to the Oak Platform, based on a multiple of that customer's GO ARR. The ARR multiple will be based on the timing of customer migration, the customer's annual subscription date and certain customer retention conditions being met.

### **Libero X Product Development on track**

In the past quarter, Knosys enhanced the current Libero 6 library management solution, adding new features sought by libraries, such as Discovery, Events, and Resource Booking, to strengthen the market positioning of the solution with respect to new sales and customer renewals in Australia and Germany. Going forward we will undertake specific regionalisation and localisation enhancements to Libero 6 to enable early entry into North America markets.

In parallel, Knosys is also working on the next generation Libero X program, which is expected to be ready for commercial sale in FY27. Libero X is the next generation library management solution, featuring enhanced automation and personalisation, powered by open-source AI, with a primary focus on public libraries. Libero X is a multi-faceted program delivering multiple innovative and AI solutions for commercial sale in FY27. These solutions are targeted at market expansion into North American and Germanic regions which are expected to build a stronger pipeline for new opportunities.

### **Appendix 4C cashflow report – released with this activity report**

In Q2 FY26, Knosys received \$1.7m in cash receipts from customers (compared to \$1.6m in Q2 FY25). The December quarter is seasonally the lowest cash inflow quarter for Knosys.

Knosys had net operating cash outflow of \$1.45m, reflecting the low operating cash receipts. Knosys incurred non-recurring expenses in December 2025, related to restructuring and redundancy payments undertaken to achieve on-going cost savings of circa \$1m per annum. The Company entered January 2026 with this structurally lower fixed cost base. The cash balance at 31 December 2025 was \$1.9m.

The aggregate payments to related parties, as disclosed in item 6.1 of the Appendix 4C, is comprised of director fees paid to the non-executive directors and salary payments to the managing director, in accordance with contractual arrangements.



## Outlook

Managing Director, John Thompson, commented, "We continue to benefit from strong client retention and renewals in our core Knowledge Management and Libero businesses, which enables us to execute on our ambitious product development program in Libero 6 and Libero X. We are preparing detailed sales and marketing plans to roll-out our market-leading, next-generation library management solutions globally in FY27."

## ABOUT KNOSYS

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

"Connecting People and Information"

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

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Knosys Limited

**ABN**

96 604 777 862

**Quarter ended ("current quarter")**

31 December 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,699	5,239
1.2 Payments for		
(a) research and development	(753)	(1,464)
(b) product manufacturing and operating costs	(678)	(1,326)
(c) advertising and marketing	(31)	(89)
(d) leased assets	-	-
(e) staff costs	(1,179)	(2,790)
(f) administration and corporate costs	(509)	(1,039)
1.3 Dividends received (see note 3)		
1.4 Interest received	13	38
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid (refund)	(15)	(31)
1.7 Government grants and tax incentives	-	617
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,454)</b>	<b>(847)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses – net of cash acquired		
(c) property, plant and equipment	(7)	(17)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other – M&A consulting and legal fees		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(7)</b>	<b>(17)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings – ROU liability	(30)	(60)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(30)</b>	<b>(60)</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	3,398	2,825
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,454)	(847)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(7)	(17)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(30)	(60)
4.5	Effect of movement in exchange rates on cash held	(45)	(39)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,862</b>	<b>1,862</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	926	1,250
5.2	Call deposits	604	1,071
5.3	Bank overdrafts	-	-
5.4	Other – term deposits	332	1,077
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,862</b>	<b>3,398</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1 – Director remuneration	119
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other – ROU lease liability (AASB16)	21	21
<b>7.4 Total financing facilities</b>	<b>21</b>	<b>21</b>
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>The amount above is disclosed under AASB 16. This is the Right of Use lease liability relating to the company's property lease for its head office in Melbourne.</p>	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,454)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,862
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,862
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>1.3</b>
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: The entity does not expect it will continue to have the current level of net operating cash outflows as reported for the December 2025 Quarter.</p> <p>The Dec'25 quarter is seasonally the lowest cash receipts quarter for the entity. Receipts from Customers for the month of January 2026 to date are in excess of \$2.1m, exceeding those of the December 2025 Quarter by \$0.4m.</p> <p>In addition, the entity undertook a staff restructure in December 2025. The December 2025 Quarter cash outflows incurred the impact of redundancy costs and incurred monthly staff, R&amp;D and other admin and corporate costs at a higher level than those that will be incurred in the month of January 2026 and onwards. The lower level of staff, R&amp;D and corporate costs are expected to continue until the entity's cash resources allow otherwise.</p>	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: No. However, the entity does have the ability to raise funds via placement and or rights issue if the directors are of the opinion that such action is required. The directors are of the view that such action would be supported by the market to enable continued pursuit and acceleration of the Libero product development and sales plan.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The entity expects to be able to continue its operations and to meet its business objectives on the basis of the answers in section 8.6.1 and 8.6.2.

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 January 2026

Date: .....

By the Board

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.