ACN 604 777 862

Offer Document

for a non-renounceable rights issue by Knosys Limited to Eligible Shareholders of 1 New Share for every 1 Share held on the Record Date for an Issue Price of $0.02 per New Share.

The Offer closes at 5.00pm (Melbourne time) on Friday, 11 December 2026.

This is an important document and requires your immediate attention. You should read this document in its entirety before making any investment decision. If you are in any doubt about what to do, please consult your professional adviser.

This document is not a prospectus or other form of disclosure document. It does not purport to contain all of the information that an investor may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

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IMPORTANT INFORMATION

This Offer Document has been prepared by Knosys Limited ACN 604 777 862 (**Knosys** or **Company**) and is dated 24 November 2026. This Offer Document is not a prospectus or other disclosure document under the Corporations Act and is not required to be, and has not been, lodged with ASIC. The Offer contained in this Offer Document is being made without disclosure in accordance with section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2026/98 and ASIC Corporations (Disregarding Technical Relief) Instrument 2026/180.

Neither ASIC nor ASX nor any of their officers or employees takes responsibility for the Offer or the merits of the investment to which the Offer relates.

The Offer Document does not constitute financial product advice and has been prepared without taking into account an Eligible Shareholder's investment objectives or financial circumstances. The Offer Document does not purport to contain all the information that Eligible Shareholders may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

Before deciding whether to apply for New Shares, each Eligible Shareholder should consider whether Knosys is a suitable investment for them in light of their own investment objectives and financial circumstances and should seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to invest.

Investment Decisions

The information provided in this Offer Document is not intended to be relied on as advice to investors and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. If, after reading this Offer Document, you have any questions about the Offer, you should contact your stockbroker, lawyer, accountant or other professional adviser.

There are a number of risk factors that could potentially impact on Knosys and its operations. For information about these risks, please refer to section 6. The potential tax effects of the Offer will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by Knosys in connection with the Offer. Neither Knosys nor any other person warrants the future performance of Knosys or any return on any investment made under this Offer Document, except as required by law and then only to the extent so required.

Neither Knosys' respective advisers nor any of its respective affiliates or related bodies corporate nor any of their respective directors, officers, partners, employees, representatives or agents has authorised or caused the issue of this Offer Document and they do not take any responsibility for the information set out in this Offer Document or any action taken by you on the basis of such information.

To the maximum extent permitted by law, Knosys' respective advisers and their respective affiliates or related bodies corporate and their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer or this Offer Document being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

Future performance and forward-looking statements

Eligible Shareholders should note that the past share price performance of Knosys provides no guidance as to its future share price performance. Any financial information provided in this Offer Document is for illustrative purposes only and is not represented as being indicative of Knosys' future financial performance.

Any forward-looking statements in this Offer Document are based on Knosys' current expectations about future events. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Knosys and its directors, which could cause actual results, performance and achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in this Offer Document.

Ineligible Shareholders

The Offer is only made to Eligible Shareholders. The Offer is not extended to, and no New Shares are offered or will be issued to, persons with registered addresses outside Australia or New Zealand.

Knosys considers it is unreasonable to extend the Offer to Shareholders with registered addresses in jurisdictions outside Australia and New Zealand having regard to the number of ineligible Shareholders, the number and value of New Shares that would be offered in such jurisdictions and the costs of complying with the legal and regulatory requirements in those jurisdictions.

Foreign jurisdictions and restrictions on the distribution of this Offer Document

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside Australia or New Zealand. The distribution of this Offer Document and the accompanying Entitlement and Acceptance Form outside of Australia or New Zealand may be restricted by law and persons who come into possession of this Offer Document and the accompanying Entitlement and Acceptance Form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws. By applying for New Shares under this Offer Document, including by making a payment by BPAY®[1] or EFT you represent and warrant that there has been no breach of such laws.

The Company disclaims all liabilities to such persons.

Eligible Shareholders who are not resident in Australia or New Zealand are responsible for ensuring that taking up New Shares under the Offer Document does not breach the selling restrictions set out in this Offer Document or otherwise violate the securities laws in the relevant overseas jurisdictions.

In particular, the Offer has not been, and will not be, registered under the *Securities Act of 1933*, as amended (**U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States and is not being made in the United States or to persons resident in the United States. The Offer may not be purchased, traded, taken up or exercised by persons in the United States, and the New Shares may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The New Shares being offered to Eligible Shareholders with registered addresses in New Zealand under this Offer Document are offered in reliance on the *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*. This Offer Document and the accompanying Entitlement and Acceptance Form have been prepared in accordance with Australian law and have not been registered, filed or approved by any New Zealand regulatory authority. This Offer Document is not a product disclosure statement under New Zealand law and is not required to contain, and may not contain, all the information that a product disclosure statement under New Zealand law is required to contain.

[1] ® Registered to BPAY Pty Ltd ABN 69 079 137 518

No action has been taken to register or qualify this Offer Document, the New Shares or the Offer, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

Defined terms and abbreviations

Terms and abbreviations used in this Offer Document are defined in section 8.

References to sections are to sections of this Offer Document, unless otherwise stated.

Queries

If you have not received a personalised Entitlement and Acceptance Form or have any queries on how to complete the Entitlement and Acceptance Form, please contact Knosys Limited on (03) 9046 9700 (within Australia) or +61 3 9046 9700 (outside Australia) or the Knosys Share Registry, Automic, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

LETTER FROM THE CHAIRMAN

24 November 2026

Dear Knosys shareholder,

1:1 Non-renounceable Rights Issue

On behalf of Knosys Limited (**Knosys** or the **Company**), I am pleased to invite you to participate in a 1 for 1 non-renounceable rights issue at $0.02 per share to raise up to approximately $4.3 million (before costs), if fully subscribed (**Rights Issue**). The funds raised will be applied primarily to the next stage of the Company's entry into the United States with its Libero library management platform, on the priority basis set out in section 4.1.

Knosys is an Australian technology company that develops and commercialises software for public libraries and for enterprise knowledge management. Over the past two years we have invested in the next generation of our Libero library management platform – the Libero Community Experience & Discovery Hub. Libero is designed to give public libraries a library management solution and to offer library users a single platform on mobile devices for patron discovery, engagement and branch operations. The Knosys system replaces between two and five separate external systems for a single flat annual subscription fee (see section 2.2).

That development work is now largely complete. Libero is already used by approximately 100 library customers across Australia and Germany, and their feedback has helped shape the platform. Knosys is now moving from building to selling, and this Rights Issue is about taking Libero into the largest library software market in the world – the United States.

Why the United States, and why now? The US public and academic library sector represents approximately 40% of the global library management market and is around ten times the size of the Australian market. Many US libraries operate on legacy systems designed for a pre-cloud environment and, in our view, there is currently no modern, independent alternative operating at scale. Library systems typically remain in place for seven to ten years, so each contract renewal is an opportunity to win a long-term customer. We intend to be ready for those opportunities.

Knosys has already taken actions to prepare for participation in the US market. This has included research, allocation of staff, sponsorship of library association events and initial prospecting of US libraries interested in procuring a new library management solution.

A disciplined entry: win proof before we scale. Our US entry has been deliberately staged so that Shareholders' capital is deployed progressively, and only as results are delivered.

Early Adopter Phase (Months 1–12). Our further US entry will be staged, so that capital is committed progressively (see section 3.4). The next stage, the Early Adopter Phase, is the primary focus of the Rights Issue. The Company will establish a lean US team, supported by our Australian product and implementation teams, with five objectives for the first 12 months:

> **Anchor customers** – securing 3 to 5 referenceable US anchor customers, focusing on mid-sized municipal library systems;
>
> **Smaller library customers** – an aspiration to win 10 to 20 smaller library customers through fast-track procurement, offering a paid migration pilot or a subscription priced within each library's purchasing threshold;

Libero 7 – the commercial release of Libero 7 in Q3 FY27, onto which our US anchor customers will be deployed;

Procurement access – registration on US public-sector procurement portals and applications for cooperative purchasing and state contract programs, with an aspiration to win early adopter library customers through fast-track procurement; and

Pipeline – a qualified US sales pipeline to support the next phase.

Initial Scale Phase (Months 13–24). The next succeeding phase is success-contingent. We will only expand the US team and increase our marketing and implementation capacity once we have secured the anchor customers and procurement access that demonstrate Libero can grow in the US market. Nonetheless, Knosys approaches the US market confident in the competitiveness of our products.

Why the US matters. The US represents almost 40% of the global library management software market, around ten times the size of the Australian market.[2] Libero is well placed to compete there on value: it replaces two to five separate systems for a single annual fee, and a typical Libero implementation costs a library 20–30% less over five years than incumbent systems. At the same time, library software prices in the US are generally higher than in Australia, so a US contract has the potential to generate more revenue per customer than an equivalent Australian one.[3] Our aim is to win new customers on value while increasing average revenue per customer. We also expect to use US cooperative purchasing programs, state contracts and consortia to lower the cost of winning each customer, and the seven-to-ten-year contract cycles across a much larger market should create a steady flow of opportunities. Each milestone reported, such as winning 3 to 5 anchor customers, 10 to 20 smaller library customers and procurement program access, is intended to demonstrate the Company's progress in the US market (see sections 3.4 and 4.3). These outcomes are targets, not guarantees, and the risks are set out in section 6.

Knosys has been working towards its entry into the US market for several years, and the next generation of Libero was developed with this opportunity in mind. The Rights Issue is intended to fund the next stage of that entry, a lean US presence focused on winning the first customers, before further capital is committed (see section 4.1).

Funding the plan. The Rights Issue is not underwritten and has no minimum subscription, so we have prioritised the use of funds so that the plan does not depend on the Rights Issue being fully subscribed. The first approximately $2.0 million raised is intended to fund the Early Adopter Phase, the costs of the Offer and working capital, and funds raised above that amount will be reserved for the Initial Scale Phase. If less than approximately $2.0 million is raised, the scope or pace of the Early Adopter Phase may be reduced (see sections 4.1 and 6.2).

Tracking our progress: Knosys will report progress against the Early Adopter Phase milestones above in its periodic reports to the ASX (see section 3.4).

Shareholder Entitlements

Under the Rights Issue, Eligible Shareholders may subscribe for 1 new Share in Knosys for every 1 Share held at 7:00pm (Melbourne time) on Monday, 23 November 2026 at an issue price of $0.02 per Share (**Issue Price**) (**New Shares**). The Rights Issue is not underwritten.

Eligible Shareholders who take up their full Entitlement may also apply for additional New Shares under the Top-Up Facility, and the Directors may place any remaining shortfall within three months after the Closing Date (see section 1.9).

Entitlements of Eligible Shareholders under the Rights Issue are non-renounceable and entitlements as such are not tradeable on ASX or otherwise transferable. New Shares acquired in the Rights Issue will be tradeable on the ASX if the application for listing the New Shares is successful (refer section 1.10).

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[2] © Technavio 2023 - Global Library Management Software Market 2023-2027.

[3] Knosys Limited, Annual Report 2026, "Libero's competitive advantage". Based on Company analysis of comparisons with incumbent system costs.

To the extent that an Eligible Shareholder does not take up all or part of their Entitlement under the Rights Issue, that Entitlement (or the relevant proportion not taken up) will lapse and the New Shares, the subject of that Entitlement (or the relevant proportion not taken up), will be made available under the proposed Top-Up Facility and shortfall facility.

Shareholders who do not elect to take up all or any part of their Entitlements will not receive any payment or value in respect of those Entitlements and their equity interest in the Company will be diluted.

Further details of the proposed use of funds, including how funds will be applied if the Rights Issue is not fully subscribed, are set out in section 4.1.

Following the Rights Issue, the Company will have up to approximately 432,277,396 Shares on issue (assuming the Rights Issue is fully subscribed).

Your personalised Entitlement and Acceptance Form accompanies this Offer Document. Instructions on how to apply and pay, including the payment methods available, are set out in that form and in section 5.

This Offer Document should be read carefully and in its entirety before deciding whether or not to participate in the Rights Issue. If you have any questions in respect of the Rights Issue, please consult your stockbroker, accountant, lawyer or other professional adviser.

On behalf of the Board of Knosys, I invite you to consider this investment opportunity and thank you for your ongoing support of our Company.

Yours faithfully



Dr Phillip Carter
Chairman

KEY OFFER DETAILS

The Offer to Eligible Shareholders	1 New Share for every 1 Share held on the Record Date
Issue Price per New Share	$0.02
Discount of the Issue Price to the 15-day VWAP of Shares on ASX to 17 November 2026	Approximately 7%
Maximum number of New Shares to be offered under the Offer	216,138,698* New Shares
Proceeds from the Offer (excluding costs associated with the Offer)	$4.322 million*
Total number of Shares on issue following the Offer	432,277,396*

* These figures are approximate and assume no Options are exercised by Eligible Shareholders before the Record Date and the Rights Issue is fully subscribed.

TIMETABLE AND KEY DATES

Announcement of the Rights Issue	Wednesday, 18 November 2026
Securities quoted on an "ex" entitlement basis	Friday, 20 November 2026
Record Date to determine Entitlement to New Shares	7:00pm (Melbourne time) on Monday, 23 November 2026
Dispatch of Offer Document and personalised Entitlement and Acceptance Forms to Eligible Shareholders	No later than Thursday, 26 November 2026
Closing Date	**5:00pm (Melbourne time) on** Friday, 11 December 2026
New Shares quoted on a deferred settlement basis	Monday, 14 December 2026
Allotment of New Shares	Friday, 18 December 2026
Normal trading of New Shares expected to commence on ASX	Monday, 21 December 2026
Holding statements expected to be despatched to shareholders	Tuesday, 29 December 2026

** These dates are indicative only and are subject to change. Knosys reserves the right, subject to the Corporations Act and the Listing Rules, to amend this indicative timetable. In particular, Knosys reserves the right to extend the Closing Date or to withdraw the Rights Issue without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the allotment of New Shares and other key dates in the indicative timetable.

ANSWERS TO KEY QUESTIONS

Question	Comment	Reference
Who is the issuer?	Knosys Limited ACN 604 777 862 (ASX:KNO)	
What is the Offer?	1 New Share for every 1 Share held on the Record Date at an Issue Price of $0.02 per New Share	Section 1.1
Who is Knosys and what does it do?	Knosys is an innovative technology company developing and commercialising enterprise software positioned as a critical "System of Record" in the global AI value chain. Our products help large organisations securely integrate external AI tools while providing a single source of verified information to reduce data inconsistency and strengthen confidence in their systems. Knosys offers next-generation library management solutions for public libraries, in Australia and internationally, and market-leading Knowledge Management solutions for enterprise customers.	2026 Annual Report
What is the purpose of the Offer?	Funds raised will be applied as a priority to the Early Adopter Phase of the Company's US market entry for Libero over the 12 months following the Offer, and to working capital. The Early Adopter Phase is focused on securing 3 to 5 referenceable US anchor customers and 10 to 20 smaller library customers through fast-track procurement, the commercial release of Libero 7 in March 2027, establishing a lean team on the ground in the US and gaining access to US public-sector procurement systems and programs. Funds raised above approximately $2.0 million will be reserved for the success-contingent Initial Scale Phase (Months 13–24). The Offer is not underwritten and the use of funds has been structured so that the Early Adopter Phase can proceed if the Offer is not fully subscribed.	Section 4.1
What is the Company's strategy?	Knosys' strategy is to establish Libero in the United States, the world's largest library software market, by offering libraries a modern, cloud-native and mobile-first alternative to legacy incumbent systems – one platform that can replace two to five external systems, for a single flat annual subscription fee. US entry will follow a disciplined two-phase "Win Proof Before Scale" approach: a 12-month Early Adopter Phase led by a lean on-the-ground team, focused on anchor customers, smaller library customers won through fast-track procurement, the Libero 7	Sections 2 and 3

	release and US procurement access; followed by an Initial Scale Phase (Months 13–24) that will only commence once the Early Adopter Phase milestones have been achieved.	
Who are the Directors?	The directors are as listed in the Company's 2026 Annual Report	Section 5.2
Who can participate in the Offer?	Only Eligible Shareholders can participate in the Offer. Eligible Shareholders are persons with registered addresses in Australia or New Zealand and who are registered holders of Shares on the Record Date.	Section 1.2
What is the Record Date?	The Record Date is the date for determining the Entitlement of Eligible Shareholders to New Shares under the Offer, being 7.00 pm (Melbourne time) on Monday, 23 November 2026.	
How much do I have to pay to participate in the Offer?	The Issue Price for each New Share is $0.02. You may subscribe for all, or part, of your Entitlement.	Section 1.4
What are the terms of the New Shares?	The New Shares issued under the Offer will rank equally with all existing Shares.	Section 1.12
Who are the substantial shareholders of Knosys?	The Company has one substantial shareholder: Skiptan Pty Ltd <P&M Meurs Family Trust> Number of ordinary shares held 41,263,715 percentage holding 19.09%	2026 Annual Report
Is the Offer underwritten?	The Offer is not underwritten.	Section 1.8
Can I apply for shares in excess of my Entitlement?	Yes. Eligible Shareholders who take up their full Entitlement under the Offer will also be able to apply for New Shares that are not subscribed for under the Rights Issue under the Top-Up Facility. Applications for Top-Up Shares will be considered if a shortfall under the Offer exists. There is no guarantee that you will receive Top-Up Shares.	Section 1.9
What are the risks associated with applying for New Shares under the Offer?	An investment in Knosys involves general risks associated with any investment in the share market, including that the price of New Shares may rise or fall. There are also a number of risk factors, both specific to Knosys and of a general nature, which may affect the future operating and financial performance of Knosys and the value of an investment in Knosys.	Sections 1.14 and 6

What are my choices?	You may either: • take up all, or part, of your Entitlement; • take up all of your Entitlement and apply for Top-Up Shares; or • do nothing and allow all of your Entitlement to lapse, in which case the New Shares comprising your Entitlement will be made available under the Top-Up Facility. Any such New Shares not taken up by Eligible Shareholders may subsequently be placed by the Directors under the shortfall facility.	Section 5
How do I accept my Entitlement?	If you are an Eligible Shareholder, and you wish to subscribe for all or some of the New Shares making up your Entitlement, you must pay the Application Monies by Bpay® or EFT in accordance with the instructions on your personalised Entitlement and Acceptance Form. You do not need to return the Entitlement and Acceptance Form. Please refer to section 5 for further details on how to accept your Entitlement. As noted above, those Eligible Shareholders who subscribe for their full Entitlement may also apply for Top-Up Shares. There is no guarantee that you will receive Top-Up Shares. If you have not received an Entitlement and Acceptance Form, or if you have any queries about how to accept your Entitlement, please call the Company on +61 3 9046 9700 or the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (from overseas).	Section 5.2
Can I sell or transfer my Entitlement?	No. The Offer is non-renounceable and, accordingly, you cannot sell or transfer any of your Entitlement.	Section 1.6
How can I obtain further information?	Knosys encourages you to seek advice from your financial or other professional adviser in respect of the Offer.	

1 DETAILS OF THE OFFER AND ELIGIBILITY

1.1 The Offer

Knosys is offering Eligible Shareholders the opportunity to subscribe for **1 New Share** for every **1 Share** held at 7:00pm (Melbourne time) on Monday, 23 November 2026 at an Issue Price of **$0.02 per New Share**.

The number of New Shares for which you are entitled to subscribe is shown on the accompanying Entitlement and Acceptance Form. You may also apply for additional New Shares under the Top-Up Facility set out in section 1.9.

The total number of New Shares issued under the Offer will be approximately 216,138,698. The gross proceeds (before costs) of the Offer will be approximately $4.3 million, if fully subscribed.

1.2 Eligibility to participate in the Offer

A person will be eligible to participate in the Offer if:

(1) the person was a registered holder of Shares at 7:00pm (Melbourne time) on Monday, 23 November 2026 (**Record Date**); and

(2) the person's registered address is in Australia or New Zealand.

1.3 Shareholders outside Australia and New Zealand

The Company has determined that it is not practical for holders of Shares with registered addresses in jurisdictions outside Australia and New Zealand to participate in the Offer, having regard to the number of Shareholders with registered addresses outside Australia and New Zealand, the number and value of New Shares they would be offered and the costs of complying with the regulatory requirements in those jurisdictions.

To the extent that a person holds Shares on behalf of another person resident outside Australia or New Zealand, it is that person's responsibility to ensure that any acceptance complies with all applicable foreign laws.

1.4 Issue Price

The Issue Price payable for each New Share is $0.02, which represents a discount of approximately 7% to the 15-day VWAP of Shares on ASX to 17 November 2026.

Eligible Shareholders should not be obliged to pay brokerage or other fees in respect of New Shares acquired under the Offer. However, a controlling participant may charge a fee to action acceptance of your Entitlement.

Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Offer and the date when New Shares are allotted under the Offer. Accordingly, the price you pay per New Share pursuant to this Offer may be either higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are allotted under this Offer.

Knosys recommends that you monitor the price of Shares, which can be found in the financial pages of major Australian metropolitan newspapers or on the ASX website at www.asx.com.au (ASX code: KNO).

1.5 **Closing Date**

The Offer is scheduled to close at **5.00pm (Melbourne time) on Friday, 11 December 2026**. Please refer to section 5 for details on how to accept your Entitlement.

Please note that Knosys reserves the right, subject to the Corporations Act and the Listing Rules, to amend the Closing Date of the Offer. Any extension of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

1.6 **No trading of Entitlements**

The Offer is made on a non-renounceable basis and, accordingly, Eligible Shareholders may not sell, trade or transfer all or part of their Entitlement. But see section 1.10 below.

1.7 **Minimum Subscription**

There is no minimum subscription for the Offer.

1.8 **Underwriting**

The Offer is not underwritten.

1.9 **Top-Up Facility**

Subject to the Corporations Act and the requirements of the Listing Rules, Eligible Shareholders who subscribe for their full Entitlement may apply for more New Shares than the number shown on their Entitlement and Acceptance Form. The issue price of each Top-Up Share will be $0.02, being the same price as for New Shares under the Offer.

Applications for Top-Up Shares will be at the discretion of the Directors and will be considered if a shortfall exists under the Rights Issue.

Eligible Shareholders may apply for Top-Up Shares by making a single payment for their full Entitlement plus the number of Top-Up Shares they wish to apply for multiplied by the Issue Price (please refer to section 5.3 for further information).

There is no guarantee that you will receive Top-Up Shares and the directors do not represent that any application for Top-Up Shares will be successful. In particular, the directors may allocate to an Eligible Shareholder a lesser number of Top-Up Shares than the Eligible Shareholder applied for, or reject any Application for Top-Up Shares. If the number of Top-Up Shares allotted to an Eligible Shareholder is less than the number applied for by that Eligible Shareholder, surplus Application Monies will be refunded in full. Interest will not be paid on monies refunded.

All the Top-Up Shares will be allotted at the same time as the New Shares under the Offer are allotted.

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place any shortfall (after the application of the Top-Up Facility) at their discretion within three months after the Closing Date of the Rights Issue at not less than the Issue Price. Under the Listing Rules, the Directors have the discretion to issue any shortfall pursuant to the Rights Issue at not less than the Issue Price provided such issue occurs no later than three months after the Closing Date.

1.10 **Quotation and Trading**

Knosys has applied to the ASX for official quotation of the New Shares in accordance with the Listing Rule requirements. If ASX does not grant quotation of the New Shares, Knosys will repay all Application Monies (without interest).

1.11 **Allotment of New Shares and Top-Up Shares**

Knosys expects to issue the New Shares, including any Top-Up Shares which the directors exercise their discretion to allot, on or before Friday, 18 December 2026 and expects to despatch holding statements for New Shares including any Top-Up Shares on or before Tuesday, 29 December 2026.

No issue of New Shares or any Top-Up Shares will be made unless permission is granted for quotation of the New Shares and any Top-Up Shares on ASX.

Application Monies will be held in trust for applicants until New Shares and any Top-Up Shares are allotted. Interest earned on Application Monies will be for the benefit of Knosys and will be retained by Knosys irrespective of whether New Shares or any Top-Up Shares are issued.

1.12 **Rights attaching to New Shares**

New Shares and any Top-Up Shares will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements at the date they are issued.

1.13 **Privacy Statement**

As a Shareholder, Knosys and the Share Registry have already collected certain personal information from you. If you apply for New Shares, Knosys and the Share Registry may update that personal information or collect additional personal information for the purposes of:

(1) processing your Application and assessing your acceptance of the New Shares;

(2) servicing your needs as a Shareholder and providing facilities and services that you request; and

(3) carrying out appropriate administration.

The information may also be used from time to time and disclosed to persons inspecting the register of members, bidders for your securities in the context of takeovers and regulatory bodies.

You can access, correct and update the personal information that is held about you.

If you wish to do so, please see section 7.9 for further details on privacy.

1.14 **Risk Factors**

An investment in Knosys involves general risks associated with any investment in the share market including that the price of New Shares may rise or fall.

There are a number of risk factors, both specific to Knosys and of a general nature, which may affect the future operating and financial performance of Knosys and the value of an investment in Knosys. Accordingly, an investment in the Company should be considered speculative. The specific and general risk factors are described in section 6. Before deciding to invest in Knosys, you should consider those factors carefully and, if necessary, consult your stockbroker, lawyer, accountant or other professional adviser.

2 COMPANY OVERVIEW

2.1 Company overview

(1) Business model

Knosys is an innovative technology company 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 includes library management, knowledge management and intranet solutions. Knosys' library management products have been sold for over 10 years and are market-proven by virtue of our circa 100 library customers in Australia and Germany.

Knosys is leveraging AI to enhance its core Software-as-a-Service (SaaS) products, positioning them as critical "Systems of Record" in the global AI value chain. By establishing a single source of verified information, Knosys allows large organisations to securely integrate external AI tools while eliminating the risk of data inconsistency. In addition, the Company is using various AI applications within its own business to accelerate and improve its suite of business solutions.

(2) Product Portfolio

(a) **Libero** is an all-in-one library management system for elevating library success and delivering the best experiences for both members and staff. Developed by librarians in collaboration with industry experts, Libero is the secure cloud-based solution enabling accessibility and seamless interaction across all customer devices.

Over the past two years, the Company has completed a significant product development program to build Libero into the next generation of library management solutions. This work is now largely complete, and the Company has moved into the commercialisation phase for this next-generation Libero library management solution. Modern libraries require a unified foundation for patron discovery, engagement and branch operations. The Libero Community Experience & Discovery Hub has a mobile-first user experience, an all-in-one system with relatively fast deployment and is content provider agnostic.

The Libero platform has the potential to replace two to five existing systems within the public library ecosystem, delivering clear value and a simplified offering for customers;

(b) **KnowledgeIQ** is a market leading cloud-based (or on-premises) omni-channel knowledge management solution that simplifies and centralises the organising and sharing of knowledge and information. KnowledgeIQ is trusted by over 40,000 users to find the right information, exactly when they need it, improving productivity and delivering the best in brand and customer experience;

(c) **Greenorbit** (GO) provides a legacy intranet solution which delivers a digital workplace experience. GO has entered into an agency agreement with Oak Engage to introduce the Oak intranet and employee experience platform to the GO customer base, offering a technology upgrade. Knosys has decided to exit the intranet and employee experience product vertical and has commenced the process to gradually migrate the GO customer base to the UK-based Oak Engage. Knosys is now earning commissions from Oak for customers who migrate to the Oak Engage platform.

2.2 **Libero – Community Experience & Discovery Hub**

Libero is a cloud-based library management solution designed predominantly for public libraries. It brings the functions library staff rely on – cataloguing, acquisitions, circulation and member management – together with the discovery, self-service and engagement tools library members expect, in a single integrated, mobile-first system.

Libero is an established, revenue-generating platform. It is used by approximately 100 library customers across Australia and Germany, and generated revenue of $2m in FY26.

(1) **Why libraries choose Libero**

The Company considers that libraries select Libero over competing systems for seven principal reasons:

(a) **One platform replacing two to five systems** – in addition to its core library management functions, Libero is designed to replace between two and five external systems that a public library would otherwise buy and run separately, such as member marketing, catalogue discovery, and resource and event booking tools. Instead of maintaining multiple vendors, contracts, integrations and data sets, a library operates one platform, with one staff interface and one authoritative record of its collection and members;

(b) **A single flat annual subscription fee** – Libero is offered for a single flat annual subscription fee that covers all modules, the member app, cloud hosting, upgrades and standard support, together with the functionality of the external systems it replaces. Libraries do not pay separate licences for each module, or separate fees for member marketing, discovery or booking tools. This gives libraries predictable costs that fit fixed municipal budgets, and means they do not pay more as they adopt more of the platform;

(c) **AI engine** – AI-driven personalisation that improves the accuracy and relevance of the recommendations members receive;

(d) **Rapid deployment** – Libero can typically be deployed in approximately three weeks, compared with six to twelve months for a migration to many legacy systems;

(e) **Cost efficiency** – the Company estimates that Libero delivers a total cost of ownership that is 20% to 30% lower over five years than comparable legacy systems, reflecting both the flat annual subscription fee and the retirement of the external systems Libero replaces;

(f) **Pure-play and independent** – Libero is not tied to any content provider, giving libraries freedom of choice over content, and the flexibility to innovate their services and adopt AI on their own terms;

(g) **System of record** – Libero is the authoritative keeper of a library's data, providing a single source of verified information on which other tools, including AI tools, can rely; and

(h) **A proven solution** – Libero is a market-proven library management solution and a leader in its mobile application. Libero has provided its products to libraries in Australia and Germany for many years and customers regularly renew their purchase of our products.

(2) **AI-driven discovery and engagement**

AI sits at the core of the Libero platform. The Company is using AI to transform how members discover and engage with their library in three ways: intelligent recommendations, which suggest resources matched to each member's interests and learning goals; predictive insights, which forecast demand trends to help

libraries plan acquisitions and programming; and natural language queries, which allow members to search the catalogue conversationally rather than through rigid search forms.

The Company also uses AI-assisted development internally, which Knosys expects will shorten product release cycles and reduce the cost of maintaining and documenting the platform as the customer base grows.

(3) **Libero 7 – commercial release scheduled for March 2027**

Libero 7 is the culmination of the Company's next-generation development program. It features enhanced automation and personalisation, and is designed to allow a public library to replace between two and five patron-facing systems with one platform. Libero 7 is scheduled for commercial release in Q3 FY27, within the first half of the Early Adopter Phase described in section 3.4.

The remaining work on Libero 7 is directed at commercial readiness for the US market, including US library data standards, integrations with the content and e-lending platforms commonly used by US public libraries, and US accessibility and data security requirements, rather than new product development. The Company's intention is that its first US anchor customers will be deployed on Libero 7.

3 LIBRARY INDUSTRY AND US MARKET ENTRY STRATEGY

3.1 The library management software market

The global library management software market was estimated at approximately US$2.35 billion in 2024 and is projected to grow to approximately US$2.7 billion by 2027, with growth rates of between 2.5% and 5% per annum depending on segment. North America accounts for approximately 40% of the global market.[4]

The Company considers the following features of the market to be particularly relevant to its strategy:

(a) **a shift from legacy to modern systems** – libraries are moving to digital-first, member-centric service models, and cloud-native providers are better positioned to support engagement and AI integration than systems built on pre-cloud architecture;

(b) **stable, long-term customers** – government and academic libraries are long-term, stable customers and, once adopted, library systems typically remain in place for seven to ten years, supporting long-term recurring revenue; and

(c) **consolidation has created a gap** – consolidation among major vendors between 2019 and 2021, including within the ProQuest and Clarivate group, has reduced the number of independent library management vendors across the public, academic and specialty segments. In the Company's view, there is no modern, independent option operating at scale, and Libero is positioned to address that gap.

3.2 The United States – the priority market

The United States is the world's largest library software market. The US public and academic library sector represents approximately 40% of the total addressable market and is approximately ten times the size of the Australian market, with long-term contract stability. US public and academic libraries are the largest application segment for library management software.

The Company estimates the addressable market for Libero across the United States and Germany at approximately US$1.2 billion, of which approximately US$767 million is serviceable by the Company's current product set.

3.3 Competitive landscape

The US market is served by a small number of established vendors. In the public library segment, the principal incumbents are SirsiDynix (Symphony), Innovative (Polaris) and TLC, which maintains regional strength. In the Company's assessment, many of these platforms were originally architected for a pre-cloud environment, and several are modular, requiring libraries to assemble multiple products and third-party add-ons.

The Company believes the clearest gap is in the mid-market: mid-sized public libraries that are served by complex, content provider-led systems but lack modern member engagement tools. These libraries typically operate on fixed annual budgets with limited in-house IT capacity, and the Company believes a single platform that replaces multiple external systems for one flat annual subscription fee will be particularly compelling for them. This is the segment the Company will target first.

In the Company's view, Libero is differentiated from incumbent systems in five respects:

(a) **user experience** – a mobile-first member app, compared with traditional online catalogues;

[4] © Technavio 2023 - Global Library Management Software Market 2023-2027.

(b) **deployment speed** – deployment in weeks, compared with multi-year legacy migrations;

(c) **product approach** – an all-in-one system that can replace two to five separate systems, compared with fragmented modules and third-party add-ons that libraries must buy, integrate and maintain separately;

(d) **commercial model** – a single flat annual subscription fee covering all modules, the member app, hosting, upgrades and standard support, and replacing the cost of separate external systems, compared with per-module licensing, add-on charges and separate third-party contracts that increase a library's costs as it expands its services; and

(e) **independence** – an advanced library management system that is content provider agnostic.

The Company regards Libero as a rising challenger in the US market: a platform with high growth potential but, as a new entrant, a limited current US market share, competing against established leaders with larger installed bases.

3.4 **US market entry strategy – "Win Proof Before Scale"**

The Company's planned US entry will follow a disciplined, two-phase approach designed to prove product-market fit in the US before committing significant capital to scale. The Rights Issue is primarily intended to fund the first of these phases.

The milestones, timeframes and outcomes described in this section 3.4 are targets only and are forward-looking statements. There is no guarantee that they will be achieved. Please refer to the Important Information section and to section 6, including the risks described in section 6.2.

Pre-launch activities funded from existing resources are already underway: US marketing commenced in Q1 FY27, including a US website and a US-based telemarketing team, and the Company has begun responding to US library tenders. Funds raised under the Offer will take the Company from these pre-launch activities to an on-the-ground commercial presence.

(1) **Early Adopter Phase (Months 1–12)**

The Early Adopter Phase will commence on completion of the Offer. Its purpose is to secure proof that Libero can win and serve US customers, while keeping the Company's US cost base lean. It has six elements:

(a) **Lean team on the ground first** – the Company will establish a small US landing team of two to three people, comprising a US-based sales lead and solutions and implementation staff relocated from Australia, supported by the Company's existing product, development and customer success teams in Australia. The Company does not intend to build a larger US cost base until the Early Adopter Phase milestones are met.

(b) **Capturing anchor customers** – the landing team will target 3 to 5 referenceable US anchor customers, focusing on mid-sized municipal library systems whose incumbent contracts expire within the next 12 to 18 months. Anchor customers are intended to act as reference sites and case studies for subsequent sales, which the Company considers essential to credibility with US public-sector buyers. The Company's lead proposition to these libraries will be consolidation at a flat annual subscription fee: replacing two to five external systems, and their separate contracts and renewal dates, with Libero.

(c) **Libero 7 release** – the commercial release of Libero 7 in Q3 FY27 will give the landing team its next-generation product to take to market, and the

Company intends that its first US anchor customers will be deployed on Libero 7.

(d) **Becoming part of US procurement systems and programs** – many US libraries buy technology through public tenders, state contracts and cooperative purchasing programs, which allow a library to purchase from a pre-approved vendor without running its own full tender. The Company will register as a vendor on relevant federal, state and municipal procurement portals, pursue places on cooperative purchasing and state contract programs and engage with state library agencies and library consortia. The Company expects that procurement access of this kind will shorten sales cycles and broaden its reach beyond individual tenders.

(e) **Fast-track procurement for smaller libraries** – approximately 80% of US public library systems serve populations of fewer than 25,000 people.[5] Many such libraries may purchase without a formal tender where the total value of a contract is below the competitive bidding threshold that applies to them, which varies between states and between counties, cities and library districts (in Texas, for example, the threshold for counties and cities is US$100,000). Alongside its work on procurement programs, the Company intends to offer three commercial models, so that a library can buy Libero through the route its purchasing rules allow: (a) a paid migration pilot of approximately 90 days, in which a copy of the library's own data is loaded into Libero and tested alongside its existing system without go-live, priced within typical small-purchase limits; (b) a Libero subscription for smaller libraries, priced so that the total value of a contract over its full term falls within the applicable threshold; and (c) where a contract would exceed the applicable threshold, purchase through a cooperative purchasing or state contract program, or through the library's own tender. The Company aspires to win 10 to 20 smaller library customers through these routes during the Early Adopter Phase, in addition to its anchor customers. Each contract will be priced for the library's full requirements, and the Company will not divide a purchase to bring it below a threshold.

(f) **Building pipeline and market presence** – the Company will build a qualified pipeline through targeted digital marketing, its telemarketing program and attendance at US library sector events, including the American Library Association annual conference and state library association conferences.

(2) **Early Adopter Phase milestones**

The Company has set the following milestones for the Early Adopter Phase, against which shareholders can track progress. Months are measured from completion of the Offer.

Early Adopter Phase milestone	Target timing
US landing team in place on the ground	Months 1–3
Commercial release of Libero 7	Months 1-3
Registered as a vendor on relevant US federal, state and municipal procurement portals, and applications lodged for cooperative purchasing and state contract programs	Months 1–6
First US anchor customer contracted	Months 4–9
First US anchor customer live on Libero 7	Months 9–12
3 to 5 referenceable US anchor customers contracted	Month 12

[5] IMLS Public Libraries Survey.

Early Adopter Phase milestone	Target timing
Aspiration: 10 to 20 smaller library customers contracted through fast-track procurement	Month 12
Position secured on at least one US cooperative purchasing or state contract program	Month 12
Board decision on commencement of the Initial Scale Phase, announced to ASX	Month 12

The Company intends to monitor progress against these milestones.

(3) **Initial Scale Phase (Months 13–24) – success-contingent**

Progression to the Initial Scale Phase is contingent on the Early Adopter Phase succeeding. The Board will only approve commencement of the Initial Scale Phase if, at the relevant time:

(a) at least three referenceable US anchor customers have been contracted, of which at least one is live on Libero 7;

(b) the Company has secured access to at least one US cooperative purchasing or state contract program;

(c) the Company has a qualified US sales pipeline of at least $2m; and

(d) sufficient funding is available, whether from the Offer, operating cash flows or otherwise.

If these conditions are met, the Initial Scale Phase will involve expanding the US team to four to six people, adding US implementation and customer success capacity, increasing marketing activity and extending into additional US regions and, in time, the academic segment. If they are not met, the Board will not commit capital to the Initial Scale Phase and will reassess the US strategy, including whether to extend the Early Adopter Phase, adjust its target segment or redeploy the reserved funds.

4 USE OF FUNDS AND EFFECT OF THE OFFER

4.1 Use of proceeds

The Offer will result in Knosys raising up to approximately $4.3 million (before costs), if fully subscribed.

The net proceeds of the Offer will be used primarily to fund the Company's US market entry strategy for Libero, as described in section 3.4. The Offer is not underwritten and there is no minimum subscription, and the Board recognises that the Offer may not be fully subscribed. The Board has therefore set the use of funds on a priority basis:

Priority 1 – Early Adopter Phase and working capital. The first approximately $2.0 million raised (before costs) will be applied to the Early Adopter Phase over the 12 months following completion of the Offer, to the costs of the Offer and to working capital. This is the Company's primary focus.

Priority 2 – Initial Scale Phase. Funds raised above approximately $2.0 million will be reserved for the Initial Scale Phase and applied only if the conditions for commencing the Initial Scale Phase set out in section 3.4 have been met.

The table below sets out the proposed use of proceeds at a raise of approximately $2.0 million and on a fully subscribed basis.

Proposed use of proceeds	Indicative raise of $2.0m	Full subscription ($4.32m)
Early Adopter Phase (Months 1–12) – funded first		
US landing team deployment and establishment – personnel (sales lead and implementation staff), relocation and US office expansion.	$650,000	$650,000
US marketing, sector events and procurement program registration	$300,000	$300,000
Libero 7 US commercial readiness (US standards, integrations and compliance)	$250,000	$250,000
Early Adopter Phase subtotal	**$1,200,000**	**$1,200,000**
Initial Scale Phase (Months 13–24) – success-contingent		
Expansion of US team	–	$1,400,000
US implementation and customer success capacity	–	$500,000
Expanded US marketing and demand generation	–	$450,000
Initial Scale Phase subtotal	**–**	**$2,350,000**
Costs of the Offer	$120,000	$120,000
Working capital	$680,000	$652,000
TOTAL	**$2,000,000**	**$4,322,000**

If the Offer raises less than approximately $2.0 million, the Early Adopter Phase will remain the Company's priority. The Directors will reduce and re-prioritise Early Adopter Phase expenditure to match the funds received (for example, by relying to a greater extent on Australian-based resources and phasing US hires), and may supplement those funds from

the Company's existing cash reserves and operating cash flows. If the Offer raises between approximately $2.0 million and $4.32 million, the additional funds will be applied to the Initial Scale Phase and working capital in the proportions the Directors consider appropriate. If the Offer raises approximately $2.0 million or less, no funds from the Offer will be available for the Initial Scale Phase and the Company may need to seek additional funding (see section 6.2(5)).

If the conditions for commencing the Initial Scale Phase are not met, funds reserved for the Initial Scale Phase will be retained and applied as the Directors consider appropriate, including to an extended Early Adopter Phase or to working capital.

The proposed use of proceeds set out above is a statement of current intentions as at the date of this Offer Document only. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way in which the proceeds will be applied. Accordingly, the Directors reserve the right to alter the way in which the proceeds are ultimately applied.

4.2 Effect of the Offer on the capital structure of, and cash held by, Knosys

The total number of New Shares to be issued pursuant to the Offer will be approximately 216,138,698.

The table below summarises the number of shares on issue in Knosys before and after completion of the Offer:

	Shares	Options
Existing Shares	216,138,698	
Options with an exercise price of $0.04, vesting subject to certain common vesting conditions applicable to senior employees, including market based vesting conditions, service based vesting conditions and individual KPI based vesting conditions for each employee. First vesting date was 1 July 2025. Expiry date of 30 April 2030.		4,285,500
Options with an exercise price of $0.16, vesting subject to either time based or share price performance based vesting conditions. First vesting date is 13 October 2026. Expiry date of 26 November 2029.		5,000,000
New Shares to be issued under the Offer*	216,138,698	
TOTAL*	432,277,396	9,285,500

* These figures are approximate and are subject to rounding-up of individual holdings and assume no Options are exercised by Eligible Shareholders before the Record Date (which given the exercise price of the Options is likely to be the case) and the Offer is fully subscribed. The number of New Shares to be issued under the Offer and the total number of Shares on issue after completion of the Offer will be reduced to the extent that the Offer is not fully subscribed.

Assuming the Offer is fully subscribed, the effect of the Offer will be to increase the number of Shares on issue in Knosys and increase the cash held by Knosys by approximately $4.3 million (before costs). The number of New Shares issued and the increase in cash held by

Knosys following completion of the Offer will be reduced to the extent that the Offer is not fully subscribed.

Expenses of the Offer are expected to be approximately $120,000 (exclusive of GST).

4.3 The US opportunity and tracking progress

Knosys is taking Libero into the United States, which accounts for about 40% of the global library management software market and is around ten times the size of the Australian market. If Libero converts that opportunity into contracted US customers, the Company would have the kind of demonstrated growth that typically supports a re-rating of the Company.

Knosys sees the US strategy as more than just an opportunity to win additional customers. Knosys aims to take advantage of the pricing differential between the US and Australian markets, creating the potential to sell Libero at a higher subscription rate in the US market and convert that into higher Australian-dollar revenue per customer than an equivalent local contract. The US market structure is also expected to make sales more efficient. Many US libraries buy through cooperative purchasing programs, state contracts and library consortia. Once Knosys is an approved vendor, a single listing can give it access to many libraries without a separate full tender each time. Smaller libraries can also buy through a paid pilot or a subscription priced within their purchasing thresholds, without a formal tender. We expect this to lower customer acquisition costs and shorten sales cycles. Library systems typically stay in place for seven to ten years, so incumbent contracts come up for renewal across a larger installed base every year.

The Company's "Win Proof Before Scale" approach is designed so that investors can track the Company's progress against defined milestones. Over the 12-month Early Adopter Phase, Knosys is targeting 3 to 5 referenceable US anchor customers, 10 to 20 smaller library customers through fast-track procurement, a place on at least one cooperative purchasing or state contract program, and a qualified US pipeline. Knosys will report progress against these milestones in its periodic reports to the ASX. The outcomes are targets only and are not guaranteed. Achieving any or all of the milestones may not be reflected in the price of Shares, which may be affected by many factors outside the Company's control (see section 6). US expansion also brings its own risks, including exchange rate movements, long public-sector sales cycles and competition from established incumbents, as set out in the risk section of the Offer Document.

4.4 Pro Forma Unaudited Consolidated Statement of Financial Position

The pro-forma unaudited statement of consolidated financial position (balance sheet) set out below has been prepared to illustrate the financial position of Knosys following completion of the Offer had the Offer completed on 30 June 2026 (and assuming it is fully subscribed).

This pro-forma unaudited statement of consolidated financial position is intended to be illustrative only and will not necessarily reflect the actual position and balances as at the date of this Offer Document or at the conclusion of the Offer.

Assets	*Balance at 30 June 2026*		*Pro-forma as at 30 June 2026*[2]
Current assets			
Cash and cash equivalents	4,899,973	4,322,000	9,221,973
Trade receivables	221,877		221,877
Accrued research and development tax refund receivable	682,474		682,474
Prepayments & sundry debtors	332,624		332,624
Total current assets	6,136,948	4,322,000	10,458,948
Non-current assets			
Intangible assets and goodwill	6,053,559		6,053,559
Buildings – Right-of-use asset	212,917		212,917
Property, plant and equipment	47,856		47,856
Total non-current assets	6,314,333		6,314,333
Total assets	12,451,281	4,322,000	16,773,281
Liabilities			
Current liabilities			
Trade and other payables	808,263		808,263
Provisions	837,891		837,891
Lease liability	131,712		131,712
Contract liabilities	5,146,949		5,146,949
Total current liabilities	6,924,815		6,924,815

Non-current liabilities			
Provisions	8,776		8,776
Lease liability	82,976		82,976
Contract liabilities	1,884,170		1,884,170
Total non-current liabilities	1,975,922		1,975,922
Total liabilities	8,900,737		8,900,737
Net Assets	3,550,544	4,322,000	7,872,544
Issued capital	17,516,521	4,322,000	21,838,521
Reserves	738,276		738,276
Accumulated losses	(14,704,253)		(14,704,253)
Total equity	3,550,544	4,322,000	7,872,544

[2] Should the Offer not be fully subscribed, the net proceeds of the Offer will reduce and this amount and the Pro-forma balance of Cash and cash equivalents will reduce accordingly. Any reduction in the pro forma cash and cash equivalents balance will lead to a corresponding reduction in the pro forma balance of Issued capital.

4.5 Effect of the Offer on the control of Knosys

The effect of the Offer on control of Knosys will depend on the level of take-up by Eligible Shareholders and broader investor demand. If all Eligible Shareholders take up their Entitlements in full, the Offer will have no material effect on control. Otherwise, Shareholders who do not participate (including Ineligible Shareholders) will be diluted.

Skiptan Pty Ltd <P&M Meurs Family A/c> (**Substantial Shareholder**) currently holds approximately 19.09% of the Shares on issue in Knosys. If the Rights Issue is not fully subscribed, and any shortfall cannot be placed under the Top-Up Facility or shortfall facility, the Substantial Shareholder has the potential to obtain a shareholding in Knosys in excess of 20% by simply taking up some or all of its entitlement under the Rights Issue. If this were to occur, the Substantial Shareholder may need to rely on the exception in item 10 of section 611 of the Corporations Act in order to obtain that shareholding in Knosys.

ASIC has granted relief from the requirement to appoint a nominee to sell the New Shares to which the Ineligible Shareholders would be entitled. There are only three ineligible Shareholders holding approximately 0.16% of the issued capital of the Company.

The following table illustrates the Substantial Shareholder's maximum and minimum potential percentage holding (voting power) in the Company (and effect on control) following the issue of New Shares under the Rights Issue under various scenarios where remaining Eligible Shareholders take up 100%, 75%, 50% 25% or 0% of their entitlement under the Rights Issue.

Percentage of Entitlement taken up by Substantial Shareholder in the Rights Issue	Percentage holding of Substantial Shareholder in Knosys
Where remaining Eligible Shareholders take up 100% of their Entitlement	
100%	19.09%
75%	17.11%
50%	15.04%
25%	12.85%
0%	10.55%
Where remaining Eligible Shareholders take up 75% of their Entitlement	
100%	21.24%
75%	19.09%
50%	16.82%
25%	14.42%
0%	11.88%
Where remaining Eligible Shareholders take up 50% of their Entitlement	
100%	23.93%
75%	21.59%
50%	19.09%
25%	16.43%
0%	13.59%
Where remaining Eligible Shareholders take up 25% of their Entitlement	
100%	27.41%
75%	24.83%
50%	22.07%
25%	19.09%
0%	15.88%
Where remaining Eligible Shareholders take up 0% of their Entitlement	
100%	32.06%
75%	29.23%
50%	26.14%
25%	22.78%
0%	19.09%

As noted in the above table, the Substantial Shareholder's maximum potential voting power is approximately 32.06%, if it takes up its full Entitlement and no other Eligible Shareholder participates. If the Rights Issue is significantly undersubscribed by Eligible Shareholders, with the result that there is a large shortfall, the Company intends to mitigate the potential effect on control by placing the shortfall with a spread of institutional and wholesale investors (to the extent possible).

The potential effect of the issue of New Shares under the Rights Issue (including the Top-Up Facility) on the control of Knosys, and the consequences of that effect, is also set out in the Cleansing Notice lodged with ASX on 18 November 2026, which is available on the ASX website at www.asx.com.au (ASX code: KNO).

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5 HOW TO APPLY FOR NEW SHARES

5.1 What Eligible Shareholders may do

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

You may either:

(1) take up all of your Entitlement (refer to section 5.2);

(2) in addition to applying for all of your Entitlement, apply for Top-Up Shares under the Top-Up Facility described in section 1.9 (refer to section 5.3);

(3) take up part of your Entitlement and allow the balance of your Entitlement to lapse (refer to section 5.2); or

(4) allow all of your Entitlement to lapse (refer to section 5.6).

5.2 Applying for New Shares

Please note that if you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate payment of Application Monies must be made, using the CRN or unique entitlement reference number for that holding for each separate Entitlement you hold.

If you allow part of your Entitlement to lapse, your Shareholding in Knosys will be diluted.

5.3 Applying for Top-Up Shares

Eligible Shareholders who subscribe for their full Entitlement may apply for Top-Up Shares under the Top-Up Facility described in section 1.9.

To do this, make a single payment by Bpay® or EFT for your full Entitlement plus the number of Top-Up Shares you wish to apply for multiplied by the Issue Price.

The amount of Application Monies you submit with your Application (refer to section 5.4) must equal the Issue Price of $0.02 multiplied by the number of New Shares and Top-Up Shares you wish to subscribe for.

As noted in section 1.9, there is no guarantee that you will receive Top-Up Shares. In particular, the Directors may allocate to an Eligible Shareholder a lesser number of Top-Up Shares than the Eligible Shareholder applied for, or reject any Application for Top-Up Shares.

5.4 Form of payment

Payment of Application Monies (which must equal the Issue Price of $0.02 multiplied by the number of New Shares and any Top-Up Shares you wish to subscribe for) will only be accepted in Australian currency and as follows:

- Through BPAY®. Eligible Shareholders can make their payment by BPAY® in accordance with the instructions set out in the accompanying personalised Entitlement and Acceptance Form. Payment must be made using the Customer Reference Number

(**CRN**) on the form (the number following "Ref") and must be made by 5.00pm (Melbourne Time) on the Closing Date.

The CRN is used to identify your holding. If you have multiple holdings you will have multiple CRNs. You must use the CRN on each Entitlement and Acceptance Form to pay for each holding separately.

Eligible Shareholders making a payment by BPAY® are not required to return their Entitlement and Acceptance Form.

Applicants who choose to use BPAY® should be aware that their own financial institution may implement earlier cut-off times with regard to electronic payment, and should therefore take this into consideration when making payment of Application Monies. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

- By EFT. Eligible Shareholders can make their payment by EFT in Australian dollars to the bank account of Automic Pty Ltd in accordance with the instructions set out in the accompanying personalised Entitlement and Acceptance Form. You must quote your unique entitlement reference number shown on your Entitlement and Acceptance Form as your payment reference or description when making your EFT payment. Failure to do so may result in your funds not being allocated to your Application and New Shares or any Top-Up Shares not being issued to you.

  If you have multiple holdings you will have multiple unique entitlement reference numbers. You must use the unique entitlement reference number on each Entitlement and Acceptance Form to pay for each holding separately.

  Eligible Shareholders making a payment by EFT are not required to return their Entitlement and Acceptance Form.

  Applicants who choose to pay by EFT should be aware of the cut-off times of the Share Registry's financial institution and their own financial institution, and of any fees associated with processing a funds transfer. It is your responsibility to ensure that your payment is received by the Share Registry by 5.00pm (Melbourne time) on the Closing Date, taking into account any delay that may occur if payment is made after 5.00pm (Melbourne time) or on a day that is not a Business Day.

- Payment by other methods, for example by cheque, will not be accepted. Eligible Shareholders are asked **not** to forward cash as cash payments will **not** be accepted. Receipts for payment will not be provided.

If the amount of Application Monies is insufficient to pay in full for the number of New Shares or any Top-Up Shares you applied for, or is more than the number of New Shares or any Top-Up Shares you applied for, you will be taken to have applied for such whole number of New Shares and any Top-Up Shares which is covered in full by your Application Monies. Alternatively, the Company may in its discretion reject your Application, in which case any Application Monies will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

If you do not receive any or all of the Top-Up Shares you applied for, any excess Application Monies will be returned to you (without interest).

5.5 **Effect of Application**

By applying for New Shares under the Offer (including by way of a payment by BPAY® or EFT), an Eligible Shareholder is taken to:

(1) agree to be bound by the terms and conditions set out in this Offer Document and the accompanying Entitlement and Acceptance Form;

(2) authorise the Company to place the Eligible Shareholder's name on the Company's shareholder register in respect of those New Shares; and

(3) agree to be bound by the Company's constitution.

Any application for New Shares under the Offer (including by way of a payment by BPAY® or EFT), once submitted, cannot be withdrawn.

5.6 **Allowing your Entitlement to lapse**

If you do nothing, all of your Entitlement will lapse and your Shareholding in Knosys will be diluted.

5.7 **Enquiries concerning Entitlement and Acceptance Form**

If you have any questions on how to complete the Entitlement and Acceptance Form or take up part or all of your Entitlement, please contact Knosys on (03) 9046 9700 (within Australia) or +61 3 9046 9700 (outside Australia) or the Share Registry, Automic, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

6 RISK FACTORS

6.1 Overview

The New Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business. There are numerous risk factors involved with the Company's business. This section 6 identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed.

Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. You should read the entire Offer Document and consult your professional advisers before deciding whether or not to apply for New Shares.

6.2 Risks specific to Knosys

A number of specific risk factors that may impact the future performance of the Company, its software solutions and the operations of the Company are described below. Shareholders should note that this list is not exhaustive.

(1) US market entry and execution

The Company's strategy depends significantly on the successful entry of Libero into the US market, where the Company has a limited operating history and brand presence. Success will depend on, among other things, the Company's ability to recruit and retain suitable US-based staff, relocate personnel, win and successfully implement anchor customers, and compete with established incumbents that have larger installed bases and greater resources. Sales cycles for US public-sector customers can be long and unpredictable and are influenced by municipal budgets, fiscal years and the timing of incumbent contract expiries. There is no assurance that the Early Adopter Phase milestones described in section 3.4 will be achieved within the expected timeframes, or at all. If they are not achieved, the Company may not proceed to the Initial Scale Phase, and the Company's financial performance and the value of its Shares may be adversely affected.

(2) US public-sector procurement

US libraries generally procure technology through public tenders, state contracts and cooperative purchasing programs. Admission to these programs involves eligibility requirements and ongoing compliance obligations, which may include insurance, data security, accessibility and state-specific privacy requirements. There is no assurance that the Company will be admitted to, or retain a place on, any particular program, or that tenders in which it participates will be successful. Incumbent vendors may already hold positions on these programs. Competitive bidding thresholds and purchasing rules differ between states, counties, cities and library districts, and may change. There is no assurance that libraries will purchase migration pilots or subscriptions below those thresholds, that pilots will convert to ongoing subscriptions, that the Company will win 10 to 20 smaller library customers, or that the Company's pricing will fall within the thresholds that apply to particular libraries.

(3) Pricing model

Libero is offered for a single flat annual subscription fee covering all modules, the member app, hosting, upgrades and standard support. There is a risk that the fee is not set at a level that adequately reflects the cost of serving larger or more complex customers, that competitors respond with aggressive pricing or bundling, or that libraries are unable to retire the external systems Libero is intended to replace as quickly as expected (for example, because of existing contract terms), which may

reduce the savings libraries realise and slow adoption. Any of these may adversely affect the Company's revenue and margins.

(4) **Timing of the Libero 7 release**

Libero 7 is scheduled for commercial release in March 2027. Software releases are subject to technical, resourcing and testing risks and may be delayed or may contain defects when released. A delay to the release of Libero 7, or problems with its performance, may delay the deployment of US anchor customers and the achievement of the Early Adopter Phase milestones.

(5) **Offer not underwritten and funding of the Initial Scale Phase**

The Offer is not underwritten and there is no minimum subscription. If the Offer is not fully subscribed and the shortfall is not placed, the Company may not raise sufficient funds from the Offer to fund the Initial Scale Phase, and if the Offer raises less than approximately $2.0 million, the scope or pace of the Early Adopter Phase may need to be reduced. In those circumstances the Company may need to fund its US expansion from operating cash flows or seek additional funding, which may not be available on acceptable terms, or at all, and which may be dilutive to Shareholders. Please also refer to section 6.2 "Additional requirements for capital".

(6) **Sales growth, technology, third party service provider reliance, competition and development timeframes**

One of the Company's key strengths is technological advantage; however, history in the information and communications technology industry shows that technical advantages are typically short-lived. Accordingly, the Company's success will depend, in part, on its ability to expand the use of its software solutions and grow its business' customer base and generate revenue in response to changing technologies, customer and third party service providers' demands and competitive pressures. Failure or delay to do so may impact the success of the Company.

(7) **Product distribution and usability of the Knosys software solutions depend upon various factors outside the control of the Company including device operating systems, mobile device design and operation and platform provider standards**

The Company is developing its software solutions for use across a number of internet access platforms, mobile and desktop devices and software operating systems. The Company will be dependent on the ability of the software solutions to operate on such platforms, devices and operating systems. The Company cannot control the maintenance, upkeep and continued supply of effective service from external suppliers in these areas. Any changes in such platforms, operating systems or devices that adversely affect the functionality of the Knosys software solutions or give preferential treatment to competitive products could adversely affect usage of the Knosys Platform.

(8) **Reliance on access to internet**

In most instances, the Company will depend on the ability of its users to access the internet. Access is provided by various classes of entities in the broadband and internet access marketplace. Should any of these entities disrupt, restrict or affect the cost of access to the Knosys software solutions, usage of the software solutions may be negatively impacted.

(9) **Reliance on key personnel**

The Company's operational success depends in part on the continuing efforts of senior executives and managers. The loss of services of one or more senior executives or managers may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and

other highly skilled employees and consultants, its business may be adversely affected.

(10) **Reliance on continual product development**

The Company's ability to grow the user base of its software solutions and generate revenue will depend in part on its ability to continue to develop the software solutions. The Company may invest in significant changes to the existing product, including technologies with which it may have little or no prior development or operating experience. If the enhanced product fails to attract users, the Company may fail to generate sufficient revenue or operating profit to justify its investments, and accordingly operating results could be adversely affected.

(11) **Key customer reliance**

The Company'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 Company continues to pursue the expansion and diversification of its customer base and geographic markets, broaden its product offerings, invest in technological innovation and provide dedicated customer service.

(12) **Growth, profitability and positive cashflow**

There is a risk that the Company will not be able to manage growth of the business. The capacity of the Company to properly implement and manage business growth may affect the Company's financial performance. The ability of the Company 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.

(13) **Access to capital markets**

The Company'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 Company on favourable terms and, if so, the Company may not be able to take advantage of growth opportunities or respond fully to adverse circumstances.

(14) **Operating system changes**

The Company uses third party operating systems with the providers of these systems regularly updating their systems. It is possible that, when these updates occur, one or more of them could cause some of the Company's products to not operate as efficiently as before. This will require the Company to change the code on its systems which may take some time to remedy.

(15) **Open source software**

The Knosys software solutions and possible future products contain or will contain open source software, and the Company licenses some of its software through open source projects, which may pose particular risks to its proprietary software and products in a manner that could have a negative effect on its business.

The Company utilises open source software in its product and will use open source software in the future. The terms of many open source licences to which the Company will be subject have not been interpreted by Australian or foreign courts, and there is a risk that open source software licences could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's ability to provide or distribute its products in the future.

(16) **Protection of the Company's intellectual property rights and infringement of third party intellectual property rights**

The Company has trade secrets, trademarks, brand names and other intellectual property rights that are important assets. The Company relies on a combination of registered trademarks, brand names, confidentiality and licence agreements with its customers, consultants and third parties with whom it has relationships, as well as domain name, trade secret and copyright, to protect its brand and other intellectual property rights. The Company does not have any patent protection of its intellectual property. If the Company fails to protect its intellectual property secrets, competitors may gain access to its technology which could harm the business.

If a third party accuses the Company of infringing its intellectual property rights or if a third party commences litigation against the Company for the infringement of patent or other intellectual property rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. Typically, patent litigation is expensive. Costs that the Company incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, parties making claims against the Company may be able to obtain injunctive or other equitable relief that could prevent the Company from further developing discoveries or commercialising its products. In the event of a successful claim of infringement against the Company, it may be required to pay damages and obtain one or more licences from the prevailing third party. If it is not able to obtain these licences at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any of these licences could prevent the Company from commercialising available products and could cause it to incur substantial expenditure.

(17) **The Knosys software solutions, although proven and stable, may contain programming errors, which could harm its brand and operating results**

The Knosys software solutions contain complicated programming and the Company aims to develop and launch new and innovative features. The software solutions, although proven and stable, may therefore contain, now or in the future, errors, bugs or vulnerabilities. Any errors, bugs or vulnerabilities discovered could result in (among other consequences) damage to the brand of the Knosys software solutions, loss of users, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect the Company's business and operating results.

(18) **Customer service**

The Company is dependent on its customer service capability for the satisfaction of end users' customer service needs. Poor experiences may result in adverse publicity, litigation, regulatory enquiries and reduced use of the Knosys software solutions or services. If this occurs it may negatively affect the Company's revenue.

(19) **Competition**

The Company competes with other businesses and companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

(20) **Changes in technology**

The Company's success will depend, in part, on its ability to expand its product and grow its business in response to changing technologies, user and third party service providers' demands and competitive pressures. Failure to do so may impact the

success of the Company. Further, the cost of responding to changing technologies is unpredictable and may impact the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business. The Company will seek to offset such costs where possible through applications for the research and development tax concession. However, these concessions are available in only limited circumstances and, even where the Company makes a claim which it and its advisors believe has merit, it cannot be assured that the Australian Taxation Office and AusIndustry will deem the claim to be compliant.

(21) **Supplier relationships and hosting provider disruption risk**

The Company 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 Company 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.

(22) **Data loss, theft or corruption**

The Company's hosting providers generally carry the risk of data loss, theft or corruption. Hosting providers' networks will also be required to adhere to their customers' security and compliance standards. If the providers do not provide adequate safeguards and measures to prevent or mitigate data loss, theft or corruption, it could negatively impact upon the Company's business, revenues and profitability.

(23) **Security breaches**

If the Company's security measures are breached, or if its products are subject to cyber-attacks that restrict user access to its products, its product may be perceived as less secure than competitors' products and users may stop or reduce their use of the Knosys software solutions.

(24) **Misuse of the Knosys software solutions - privacy and surveillance legislation**

Users of the Knosys software solutions are subject to the Company's terms and conditions of use which state that a user must protect the privacy and details contained within the systems and is liable if the Knosys software solution is used unlawfully (for example, the user causing any data or information to be exposed or shared without consent).

Although the Company has strategies and protections in place to try and minimise misuse of the system (including disclaimers and indemnities in the Company's terms and conditions of use), there is no guarantee these strategies will be successful in the event a user uses the Knosys software solutions in an unlawful manner. If a user misuses a Knosys software solution, this may result in adverse publicity, litigation, regulatory enquiries in respect of state and federal privacy and surveillance legislation, and reduced use of the Knosys solutions. If this occurs, it may negatively affect the Company's revenues.

(25) **Insurance**

The Company will maintain insurance where it is considered appropriate for its needs; however, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company's assets may be at risk.

(26) **Liquidity and realisation risk**

There can be no guarantee of the future price and trading volumes of Knosys Shares, including the New Shares.

(27) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to continue to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back software development as the case may be.

(28) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(29) **The Company does not expect to declare any dividends in the foreseeable future**

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their securities to realise any future gains on their investment.

6.3 **General Risks**

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

(1) **General economic climate**

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. The Company's future revenues and securities' prices may be affected by these factors, which are beyond the Company's control.

(2) **Changes in legislation and government regulation**

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it. 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.

(3) **Global credit and investment market**

Global credit, commodity and investment markets have in recent times experienced a high degree of uncertainty and volatility. The factors which have led to this situation are outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's New Shares trade regardless of

operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(4) **Exchange rate risk**

Approximately 30% of the Company's income is sourced from customers outside Australia and New Zealand, mainly in the US, the EU (Germany) and the UK. The Company's planned US market entry is expected to involve US-based staff and operations. To the extent the Company's revenue or expenses are denominated in currencies other than Australian dollars, fluctuations in foreign exchange rates may adversely affect the Company's revenue, profitability, cash flows and financial position when translated into Australian dollars. To the extent the Company does not hedge its foreign currency exposure, or any hedging arrangements it enters into are ineffective, adverse movements in exchange rates may adversely affect the Company's financial performance and prospects.

(5) **Trade tariffs and other geo-political risks**

The Company could be exposed to trade tariffs and other geo-political tensions in the markets in which it operates. The Company provides licenced software to customers in three product lines: knowledge management, intranet and library management. Approximately 70% of total income is sourced from Australia and New Zealand. The balance of 30% is sourced mainly from the US, EU (Germany) and UK. Due to the limited geographic spread and the nature of the Company's software licencing business it is considered that trade tariffs and other geo-political tensions may impact its performance and position, but are currently not a material risk for the Company.

(6) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Offer Document which may impact on the Company, its operation and/or the valuation and performance of the Company's New Shares.

(7) **Combination of risks**

The Company may not be subject to a single risk. A combination of risks, including any of the risks outlined in this section could affect the performance, valuation, financial performance and prospects of the Company.

(8) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Offer Document. Although the Company is not aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(9) **Share market conditions**

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities.

(10) **Long term investment**

Investors are strongly advised to regard an investment in the Company as a long term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur. The Company cannot guarantee its future earnings and cannot provide a guaranteed level of return to investors.

(11) **Speculative nature of investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Document. Therefore, the New Shares offered pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the New Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisors before deciding whether to apply for New Shares.

7 ADDITIONAL INFORMATION

7.1 Reliance on Offer Document

This Offer Document has been prepared pursuant to section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2026/98 and ASIC Corporations (Disregarding Technical Relief) Instrument 2026/180, for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act.

This Offer Document was given to the ASX on the date of this document.

Section 708AA of the Corporations Act requires an entity that seeks to rely on the disclosure exemption in section 708AA to lodge a "cleansing notice" with ASX which:

(1) sets out any information that had been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:

    (a) the assets and liabilities, financial position and performance, profits and losses and prospects of Knosys; or

    (b) the rights and liabilities attaching to the New Shares; and

(2) states the potential effect of the issue of the New Shares on control of Knosys and the consequences of that effect.

Knosys lodged a cleansing notice in respect of the Offer with ASX on Wednesday, 18 November 2026.

In deciding whether or not to apply for New Shares and any Top-Up Shares under the Offer, you should rely on your own knowledge of Knosys, refer to the documents lodged and the disclosures made by the Company on ASX (which are available on the ASX website at www.asx.com.au (ASX code: KNO)) and seek advice from your financial or other professional adviser.

7.2 Interest of the Directors

The interests of the Directors and their related entities in securities of the Company at the date of this Offer Document are as follows:

Mr John Robert Thompson	2,473,576 Shares
Dr Phillip Carter	2,145,000 Shares
Hon. Alan Robert Stockdale AO	250,000 Shares

The Directors intend to participate in the Offer. By virtue of Listing Rule 10.11, each Director and their associates will be precluded from applying for Top-Up Shares under the Top-Up Facility.

7.3 Obtaining Copies of Documents

Knosys will provide free of charge to any Shareholder who requests before the Offer closes, a copy of:

- the annual financial report of Knosys for the year ended 30 June 2026, being the most recently lodged annual financial report of Knosys before the date of this Offer Document;
- the half-year financial report of Knosys for the half-year ended 31 December 2025, being the most recently lodged half-year financial report of Knosys before the date of this Offer Document; and
- any continuous disclosure notices given by Knosys to ASX after the lodgement of the annual financial report of Knosys for the year ended 30 June 2026 with ASIC and before lodgement of a copy of this Offer Document with ASX.

These documents are also available on the ASX website at www.asx.com.au (ASX code: KNO).

7.4 Taxation

Shareholders should be aware that there will be tax implications with participating in the Offer and receiving New Shares and Top-Up Shares (if applicable). Knosys considers that it is not appropriate for it to give advice regarding the tax consequences of subscribing for New Shares or Top-Up Shares under this Offer Document or the subsequent disposal of any such New Shares or Top-Up Shares (if applicable). Knosys does not accept responsibility in this regard and recommends that Shareholders consult their own professional tax advisers to obtain advice in relation to the taxation laws and regulations applicable to this Offer Document and their personal circumstances.

7.5 Alteration of terms

Knosys reserves the right, at its discretion, to vary, suspend or cancel the Offer at any time, subject to the Corporations Act, the Listing Rules and any other law or regulation to which the Company is subject.

Any variation, suspension or cancellation does not give rise to any liability on the part of, or any action against, Knosys or any Director and will be binding on all Eligible Shareholders.

If the Directors determine to suspend or cancel the Offer during the currency of the Offer, any Application Monies received by the Company will be refunded to Eligible Shareholders, without interest, as soon as reasonably practical after the suspension or cancellation and in any event within 10 Business Days after the Closing Date.

7.6 Overseas jurisdictions

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside Australia or New Zealand. The distribution of this Offer Document and the accompanying Entitlement and Acceptance Form outside of Australia or New Zealand may be restricted by law and persons who come into possession of this Offer Document and the accompanying Entitlement and Acceptance Form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws. By applying for New Shares under this Offer Document, including by making a payment by BPAY® or EFT, you represent and warrant that there has been no breach of such laws.

The Company disclaims all liabilities to such persons.

Eligible Shareholders who are not resident in Australia or New Zealand are responsible for ensuring that taking up New Shares under the Offer Document does not breach the selling restrictions set out in this Offer Document or otherwise violate the securities laws in the relevant overseas jurisdictions.

In particular, the Offer has not been, and will not be, registered under the Securities Act of 1933, as amended (**U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States and is not being made in the United States or to persons resident in the United States. The Offer may not be purchased, traded, taken up or exercised by persons in the United States, and the New Shares may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The New Shares being offered to Eligible Shareholders with registered addresses in New Zealand under this Offer Document are offered in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. This Offer Document and the accompanying Entitlement and Acceptance Form have been prepared in accordance with Australian law and have not been registered, filed or approved by any New Zealand regulatory authority. This Offer Document is not a product disclosure statement under New Zealand law and may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

No action has been taken to register or qualify this Offer Document, the New Shares or the Offer, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

7.7 Nominees and custodians

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

Knosys is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable foreign laws. Knosys is not able to advise on foreign laws.

7.8 Withdrawal of the Offer

Knosys reserves the right to withdraw all or part of the Offer and the information in this Offer Document at any time, subject to applicable laws in which case Knosys will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. To the fullest extent permitted by law, you agree that any Application Monies paid by you to Knosys will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Knosys.

7.9 Privacy

As a Shareholder, Knosys and the Share Registry have already collected certain personal information from you. If you apply for New Shares, Knosys and the Share Registry may update that personal information or collect additional personal information for the purposes of:

(1) processing your Application and assessing your acceptance of the New Shares;

(2) servicing your needs as a Shareholder and providing facilities and services that you request; and

(3) carrying out appropriate administration.

Company and tax laws require some of the information to be collected. If you do not provide your personal information we may not be able to process your Application.

Knosys and the Share Registry may disclose this information for these purposes to its subsidiaries and relevant organisations involved in providing, managing or administering your Shareholding such as third party suppliers, other organisations, loyalty and affinity partners, printers, posting services, call centres, and our advisers. Knosys runs its business in Australia and overseas, so might need to share some of your information with organisations outside Australia.

Where personal information is disclosed, Knosys will take reasonable steps in the circumstances to ensure the recipient complies with the Australian Privacy Principles or is bound by a substantially similar privacy scheme.

You can ask us to access information that we hold about you or to correct information we hold about you by telephoning or writing to Knosys through the Share Registry as set out in section 9 below.

7.10 **Governing Law**

This Offer Document, the Offer and the contracts formed on acceptance are governed by the laws of Victoria. Each applicant for New Shares submits to the exclusive jurisdiction of the courts of Victoria.

7.11 **Enquiries**

If you have any questions in respect of the Offer, please contact Knosys Limited on (03) 9046 9700 (within Australia) or +61 3 9046 9700 (outside Australia) or the Share Registry, Automic, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

8 DEFINITIONS

Terms and abbreviations used in this Offer Document have the following meanings:

Application	An application to subscribe for New Shares under the Offer in accordance with the instructions set out in this Offer Document and the Entitlement and Acceptance Form
Application Monies	Monies paid by Eligible Shareholders in respect of New Shares under the Offer including any Top-Up Shares they apply for under the Top-Up Facility
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ABN 98 008 624 691, or the market operated by it, as the context requires
Business Day	An Australian business day that is not a Saturday, Sunday, or any other day which is a public holiday or bank holiday in the place where an act is to be performed or a payment is to be made
EFT	Electronic Funds Transfer
Knosys or **Company**	Knosys Limited ACN 604 777 862
Knosys Software Solutions	The Libero Library management solution, the Knowledge IQ knowledge management solution and the Greenorbit intranet solution
Closing Date	5:00 pm (Melbourne time) on Friday, 11 December 2026 (unless extended)
Corporations Act	*Corporations Act 2001* (Cth)
Directors	The directors of the Company
Eligible Shareholder	A person who meets the requirements set out in section 1.2
Entitlement	The entitlement of an Eligible Shareholder to apply for 1 New Share for every 1 Share held on the Record Date
Entitlement and Acceptance Form	The entitlement and acceptance form which accompanies this Offer Document
Issue Price	$0.02 per New Share
Listing Rules	The Listing Rules of ASX as amended or waived
New Share	A Share to be issued pursuant to the Offer
Offer	The offer of New Shares under this Offer Document, including, as applicable, the Top-Up Facility
Offer Document	This document, including the Entitlement and Acceptance Form
Option	An option to acquire a Share

Record Date	7:00 pm (Melbourne time) on Monday, 23 November 2026
Rights Issue	The 1 for 1 non-renounceable rights issue of New Shares to be undertaken pursuant to this Offer Document
Share	A fully paid ordinary share in the capital of the Company
Share Registry	Automic Pty Ltd ACN 152 260 814
Shareholder	A registered holder of Shares
Top-Up Facility	The top-up facility as set out in section 1.9
Top-Up Shares	New Shares applied for by Eligible Shareholders in excess of their Entitlement under the Top-Up Facility. These Top-Up Shares form part of the shortfall following the Rights Issue

9 CORPORATE DIRECTORY

Directors

Dr Phillip Carter AO – *Non-executive chairman*
Hon Alan Robert Stockdale AO – *Non-executive director*
Mr John Robert Thompson - *Managing director*

Chief Executive Officer

Mr John Thompson

Company Secretary

Mr Stephen Kerr

Registered Office

Level 8, 31 Queen Street
MELBOURNE VIC 3000
Phone: +61 3 9046 9700
Email: cosec@knosys.it

Website

www.knosys.it

Legal Advisers

Norton Rose Fulbright Australia
Olderfleet
Level 38, 477 Collins Street
MELBOURNE VIC 3000
Phone: +61 (0)3 8686 6000

www.nortonrosefulbright.com

Share Registry

Automic Pty Ltd ACN 152 260 814
GPO Box 5193 Sydney NSW 2001
Phone: 1300 288 664
https://www.automicgroup.com.au/

All Registry Communication to:
AUTOMIC GROUP
GPO Box 5193, Melb NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

Knosys

Knosys Limited | ACN 604 777 862

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Holder Number:
[HolderNumberMasked]

Shares held as at the Record Date at 7.00 pm (Melbourne time) on 23 November 2026

ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSES 5.00PM (MELBOURNE TIME) ON 11 DECEMBER 2026 (UNLESS EXTENDED)

On 18 November 2026, Knosys Limited (ASX: KNO) (**Knosys** or **Company**) announced a non-renounceable rights issue at an issue price of $0.02 per New Share to Eligible Shareholders on the basis of 1 New Share for every Share held as at the Record Date to raise up to approximately $4.3 million (before costs) (**Rights Issue**).

The Offer Document dated 26 November 2026 contains important information about the Rights Issue and you should read it carefully before applying for New Shares. This Entitlement and Acceptance Form should be read in conjunction with the Offer Document. If you do not understand the information provided in the Offer Document or you are in doubt as to how you should proceed, you should contact your financial or other professional adviser. Other than as defined in this Entitlement and Acceptance Form, capitalised terms have the same meaning as defined in the Offer Document.

1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

	Payment Amount ($0.02 per New Share)	Number of New Shares Entitled
Full Entitlement	[EntPayable]	[Entitlement]

2 APPLICATION FOR TOP-UP FACILITY

If you have taken up your full Entitlement, you are eligible to apply for Top-Up Shares under the Top-Up Facility. To apply for Top-Up Shares, (unless you are a director of the Company or any other person to whom ASX Listing Rule 10.11 applies). please make a single payment for the total number of New Shares you wish to apply for, including both Entitlement and Top-Up Shares. To calculate your payment, add the Entitlement Payment Amount stated above to the number of Top-Up Shares you wish to apply for multiplied by the issue price of $0.02.

3 PAYMENT - YOU CAN PAY BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made in Australian dollars via BPAY or EFT. You do not need to return this Entitlement and Acceptance Form.

Option A – BPAY

Biller Code: [BPayBillerCd]

Ref: [BPayCRN]

Mobile & Internet Banking – BPAY®
Make this payment from your cheque or savings account.

Note: Please ensure you use the BPAY details stated above as they are unique for each Offer. Your BPAY reference number or unique entitlement reference number will process your payment for your application for new shares electronically.

Option B – Electronic Funds Transfer (EFT)

Funds are to be deposited in AUD currency directly to following bank account:

Account name: Automic Pty Ltd
Account BSB: [CreditAccountBsb]
Account number: [CreditAccountNumber]
Swift Code: WPACAU2S

Your unique entitlement reference number:
[HolderId]-[CorporateActionID]-[CompanyASXCode]

IMPORTANT: You must quote your **unique entitlement reference number** as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and new shares subsequently not issued.

4 ELECT TO RECEIVE COMMUNICATIONS ELECTRONICALLY

If you have received this form by post, you have not provided your email address or elected to receive all communications electronically.

We encourage you to elect to receive shareholder communications electronically to:

- Help the Company reduce its printing and mailing costs
- Receive investor communications faster and more securely
- Help the environment through the need for less paper

SCAN THE QR CODE TO VISIT
PORTAL.AUTOMIC.COM.AU/INVESTOR
AND UPDATE YOUR COMMUNICATION PREFERENCE

® Registered to BPAY Pty Ltd ABN 69 079 137 518

INSTRUCTIONS FOR COMPLETING THIS ENTITLEMENT AND ACCEPTANCE FORM

The right to participate in the Rights Issue is optional and is offered exclusively to all Shareholders who are registered as holders of fully paid ordinary Shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

ACCEPTANCE OF OFFER

By making a BPAY or EFT payment:

- you represent and warrant that you have read and understood the Offer Document and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form;
- you represent and warrant that you are an Eligible Shareholder, that you are not in the United States and are not acting for the account or benefit of a person in the United States, and that your acceptance does not breach the laws of any jurisdiction outside Australia or New Zealand; and
- you provide authorisation to be registered as the holder of new securities acquired by you and agree to be bound by the Constitution of the Company.

1 Acceptance of full or partial Entitlement

If you wish to accept your full Entitlement:

- make payment by BPAY or EFT for your full Entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your Entitlement:

- calculate the payment amount for the portion of your Entitlement that you wish to take up by multiplying the number of New Shares you wish to take up by the issue price of $0.02; and
- make payment by BPAY or EFT for that portion of your Entitlement by following the instructions on this Entitlement and Acceptance Form.

2 Application for Top-Up Facility

If you accept your full Entitlement and wish to apply for Top-Up Shares under the Top-Up Facility in excess of your Entitlement:

- make payment by BPAY or EFT for the total payment amount of your full Entitlement AND your participation in the Top-Up Facility by following the instructions on this Entitlement and Acceptance Form.

Note your Top-Up payment should be calculated by multiplying the number of Top-Up Shares you wish to apply for by the issue price and added to your Entitlement payment.

Your application for Top-Up Shares may not be successful (wholly or partially). The decision in relation to the number of Top-Up Shares in excess of your Entitlement to be allocated to you will be final. No interest will be paid on any Application Monies received and returned.

3 Payment

By making a payment via BPAY or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the Closing Date and time. Payment must be received by the Share Registry by 5.00 pm (Melbourne time) on the Closing Date.

By making payment of Application Monies, you certify that you wish to apply for New Shares under the Rights Issue as indicated on this Entitlement and Acceptance Form and acknowledge that your acceptance is irrevocable and unconditional.

It is your responsibility to ensure your BPAY reference number or unique entitlement reference number is quoted, as per the instructions in Section 3. If you fail to quote your BPAY reference number or unique entitlement reference number correctly, Automic Group may be unable to allocate or refund your payment. If you need assistance, please contact Automic Group.

Payment by BPAY: You can make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions. To BPAY this payment via internet or telephone banking use your CRN on this Entitlement and Acceptance Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique entitlement reference number on this Entitlement and Acceptance Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the Closing Date and time, including taking into account any delay that may occur as a result of payments being made after 5.00 pm (Melbourne time) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Entitlement and Acceptance Form if you have made payment via BPAY or EFT. Your BPAY reference number or unique entitlement reference number will process your payment to your application electronically and you will be deemed to have applied for such New Shares for which you have paid.

4 Elect to receive communications electronically

As a valued shareholder, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

If you require further information about the Offer, please contact Automic Group on 1300 288 664 (within Australia) or +61 2 9698 5414 (international) between 8:30 am and 7:00 pm (Melbourne time), Monday to Friday or email corporate.actions@automicgroup.com.au.