

ASX Announcement

1 September 2021

Knosys completes acquisition of LIBERO

Knosys Limited (ASX: KNO) (“Knosys”), is pleased to announce the completion of the acquisition of LIBERO, a leading library management software provider.

Knosys, a global software-as-a-service (SaaS) information technology company offering a range of software solutions designed to boost productivity, collaboration and connectivity in the digital workplace, announced on 1 July 2021 that, on 30 June 2021, it had executed a conditional asset and share-sale agreement to acquire the LIBERO business and assets. Completion of the acquisition on 31 August 2021 follows the successful satisfaction of conditions precedent and delivery of other completion requirements under the sale agreement.

The \$5 million acquisition price consisted of \$4 million in cash and \$1 million in fully paid Knosys shares. The cash component of the LIBERO acquisition, net of cash acquired in the LIBERO business, has been self-funded by Knosys from its cash resources. The share component has been satisfied by the issue of 6,896,551 fully paid ordinary Knosys shares at a notional issue price of 14.5 cents per share. The shares were issued within Knosys’ 15% limit under ASX LR 7.1.

LIBERO is a leading Library Management Software (“LMS”) business which delivers a new digital experience in managing asset collections, employees and interactions with their members for public libraries, tertiary education institutions and other similar organisations. LIBERO has 116 clients located across 8 countries, predominately in Australia and Germany/EU.

LIBERO is headquartered in Brisbane with 17 employees. The LIBERO business currently generates approximately \$2.2 million in Annual Recurring Revenue (ARR), with annual EBITDA in excess of \$600,000. Knosys will receive a 10-month contribution from the LIBERO business in FY22.

Building global scale through a multi-SaaS offering

Knosys’ acquisition strategy is to acquire complementary SaaS businesses to create a multi-SaaS offering with a diversified customer base across key global markets.

In March 2021, Knosys completed the acquisition of GreenOrbit Pty Ltd, a leading provider of Employee Experience Platforms to form the second pillar of its multi-SaaS offering, and the acquisition of LIBERO represents the third pillar.

Knosys acquired both GreenOrbit and LIBERO on attractive revenue multiples of <3x and both acquisitions have the potential to deliver significant value through cross-selling to the combined customer base on a shared cost base.

The consolidated business, including LIBERO, now has over 60 employees and 380 customers across 14 countries, generating over \$8 million in ARR. The sales teams in the US and Australia have expanded and are now prepared to sell all three SaaS solutions in their respective territories.

Knosys Managing Director, John Thompson said, “We are very pleased to have completed the acquisition of LIBERO, which is highly complementary to our operations. Our employees are now part of a global team and our combined customer base now has access to a broader product range. We are continuing to invest in our sales and marketing initiatives and we are now prepared to sell all three SaaS solutions to our global customers, in order to further accelerate our revenue growth over the years ahead.”

ABOUT KNOSYS

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

“Connecting People and Information”

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