



ELMO Software

HR | Payroll | Expense Management



Jarden Inaugural Future Leaders Conference

ASX:ELO
October 2021



Group overview

A leading provider of cloud HR, payroll and expense management solutions across ANZ & UK

Convergent solution

- ✓ Multiple modules/revenue streams
- ✓ Integrated solution
- ✓ Competitive advantage: width of solution
- ✓ Two fit-for-purpose platforms

Robust SaaS business model

- ✓ High recurrent subscription revenue
- ✓ High customer retention
- ✓ High level of organic growth
- ✓ Land and expand strategy



Mid-market solution



Small business solution

Providing customers with an all-in-one platform
to manage people, process and pay

Financial snapshot – Q1 FY22

Delivering on our growth strategy

\$88.5 million

ARR



61% growth from Q1 FY21

\$20.7 million

Q1 Revenue



52% growth from Q1 FY21

\$27.7 million

Q1 Cash receipts



Up 78% from Q1 FY21



35%

Q1 FY22 organic ARR
growth



\$76 million

Cash balance

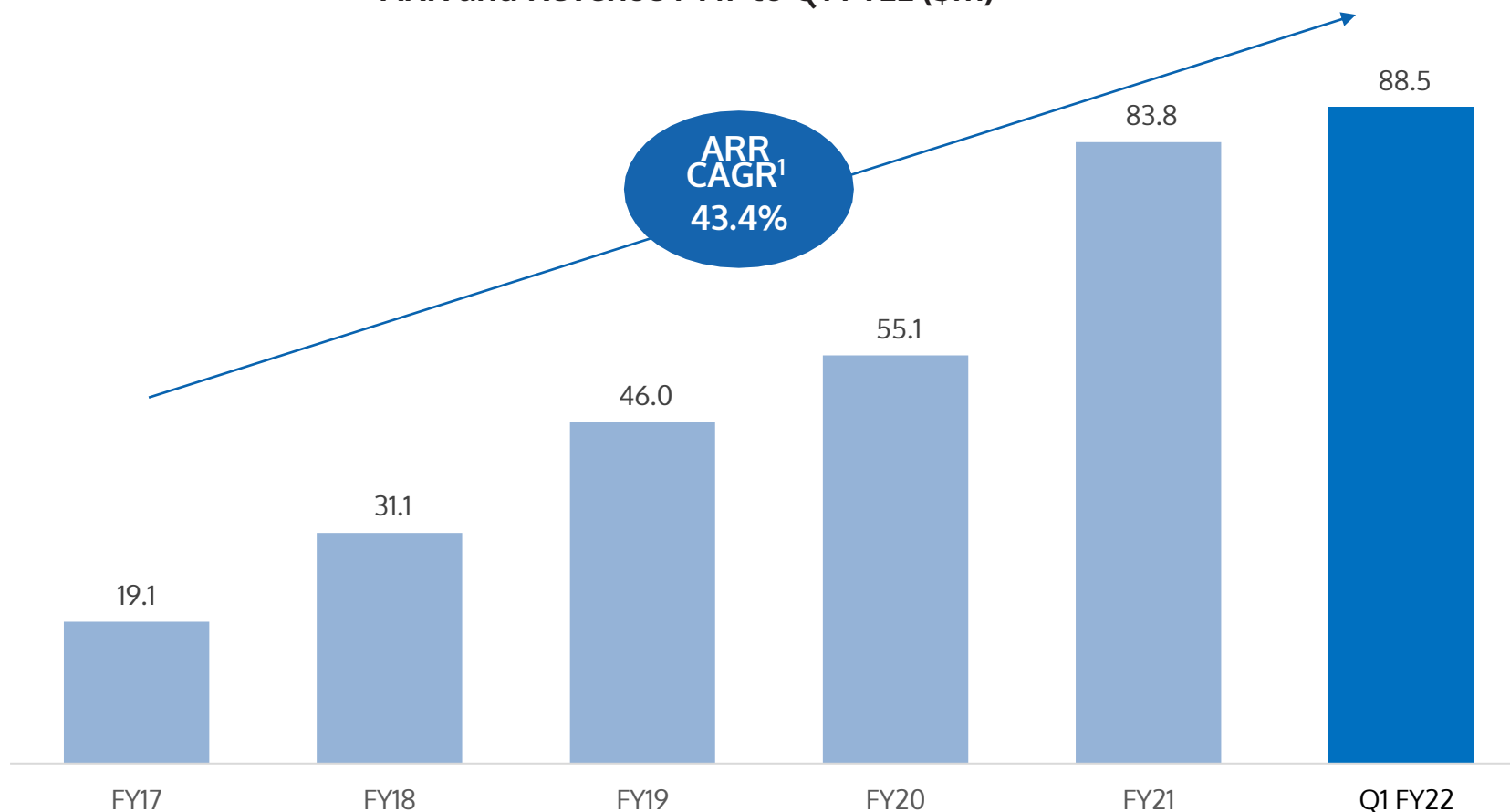
The ELMO Group reaffirms FY22 guidance

Group Annualised Recurring Revenue growth

ARR CAGR of 43.4% per annum from IPO in FY17

- ARR \$88.5 million at June 2021, up 61% from Q1 FY21

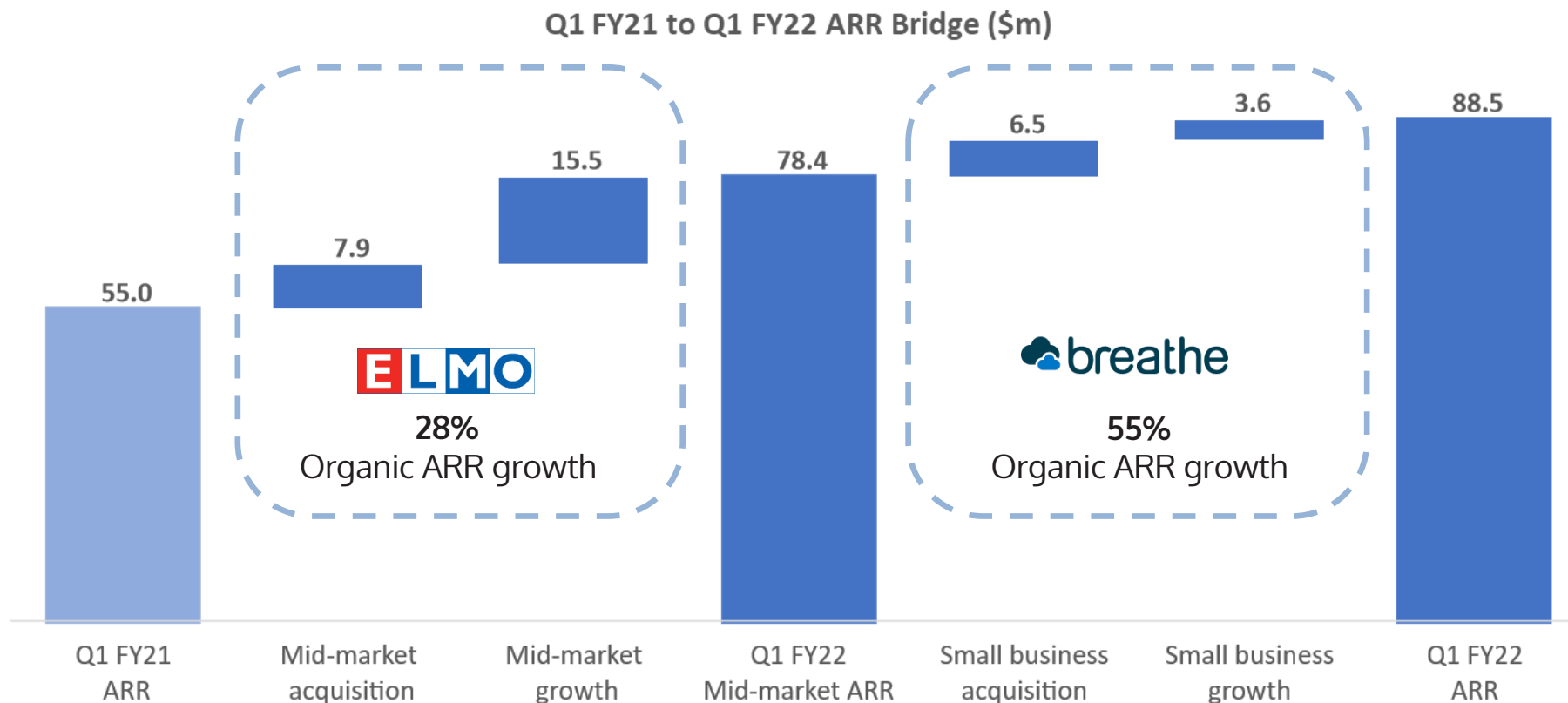
ARR and Revenue FY17 to Q1 FY22 (\$m)



1. ARR CAGR FY17 to Q1 FY22

Group ARR growth

Organic growth accelerating



ELMO Group organic growth of 35% in Q1 FY22

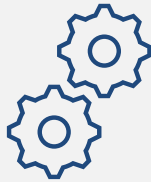
Executing on the growth strategy

Three pillar strategy driving expansion

Key pillars of our expansion strategy:



1. Segment Expansion



2. Module Expansion



3. Geographic Expansion



Multiple levers to continue high growth through FY22

Segment expansion

Growth opportunities across two key market segments



Small business solution
(<50 employees)

- ✓ >9,000 customers
- ✓ Market penetration: <3%
- Update**
- ✓ Contextualised for local market
- ✓ Added modules in the UK platform with initial cross-sales completed
- ✓ Introduced to ANZ in H2 FY21, ramping up in FY22



Mid-market solution
(50 - 2,000 employees)

- ✓ >3,000 customers
- ✓ Market penetration: ANZ <8%, UK <3%
- Update**
- ✓ Expenses module integrated into ELMO platform
- ✓ New modules **Predictive Analytics** and **Experiences** and **COVIDsecure**
- ✓ ELMO launched in the UK in FY22

Fit-for-purpose solution for each market segment

1. Frost & Sullivan independent market report 2019/2020

Module expansion

Continuing to broaden our customer offering



PAY



Payroll

Self-Service

Rostering / Time and Attendance

Expenses

ENGAGE



HR Core

Survey

Connect

Experiences

COVIDsecure

HIRE



Recruitment

Onboarding

RETAIN



Performance Management

Rewards & Recognition

Remuneration

Succession Management

DEVELOP



Learning Management

Course Builder

Course Library

Video Library

PREDICT



Predictive People Analytics



HR



ROSTER



LEARN



PAYROLL

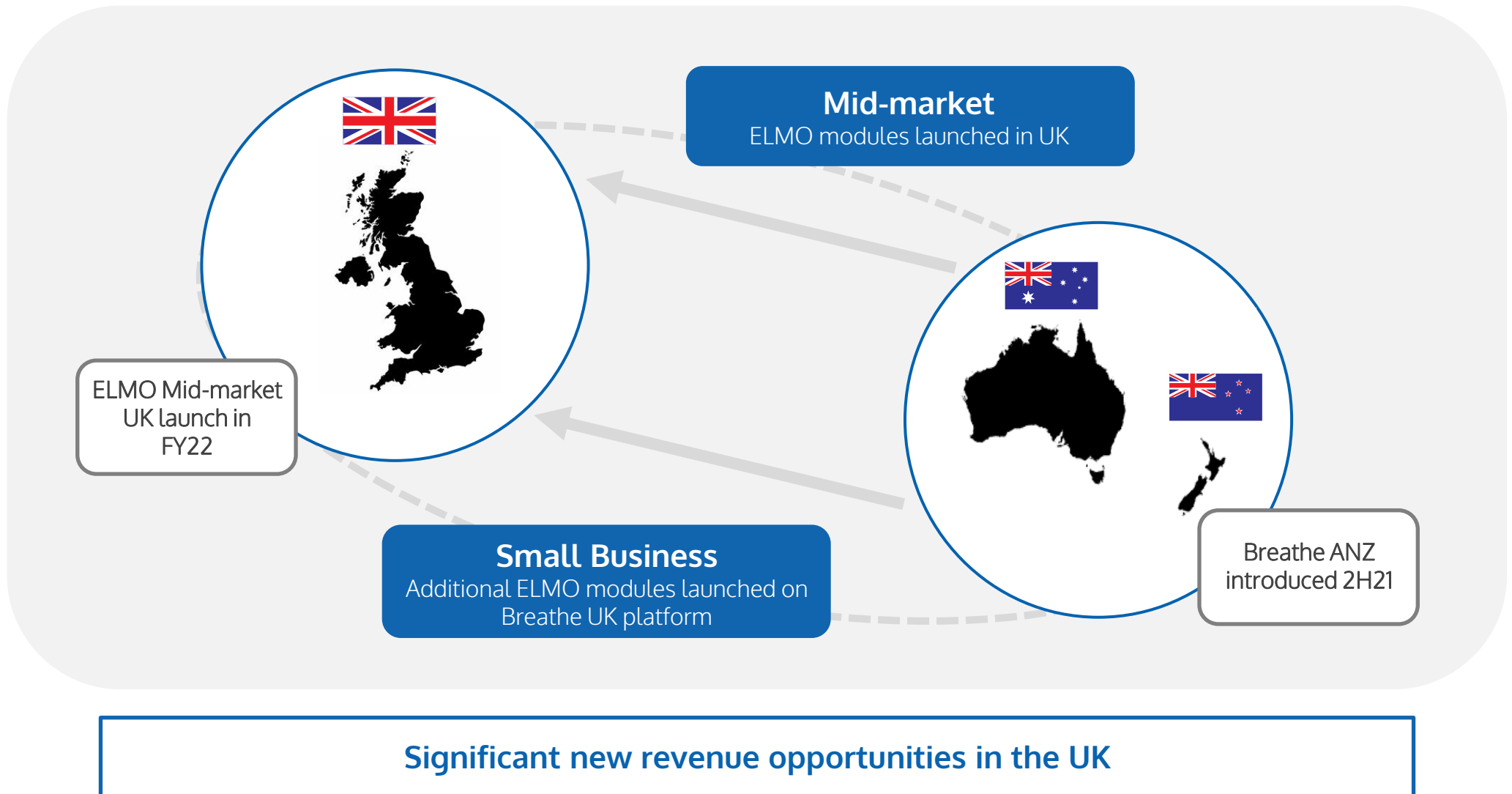


New FY21

New FY22

Geographic expansion

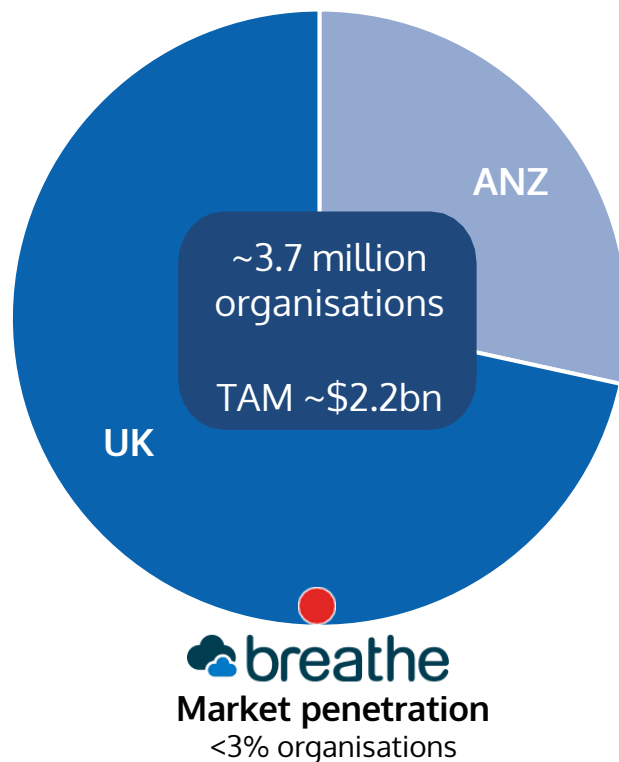
Leveraging our technology in the UK and ramping up Breathe in ANZ



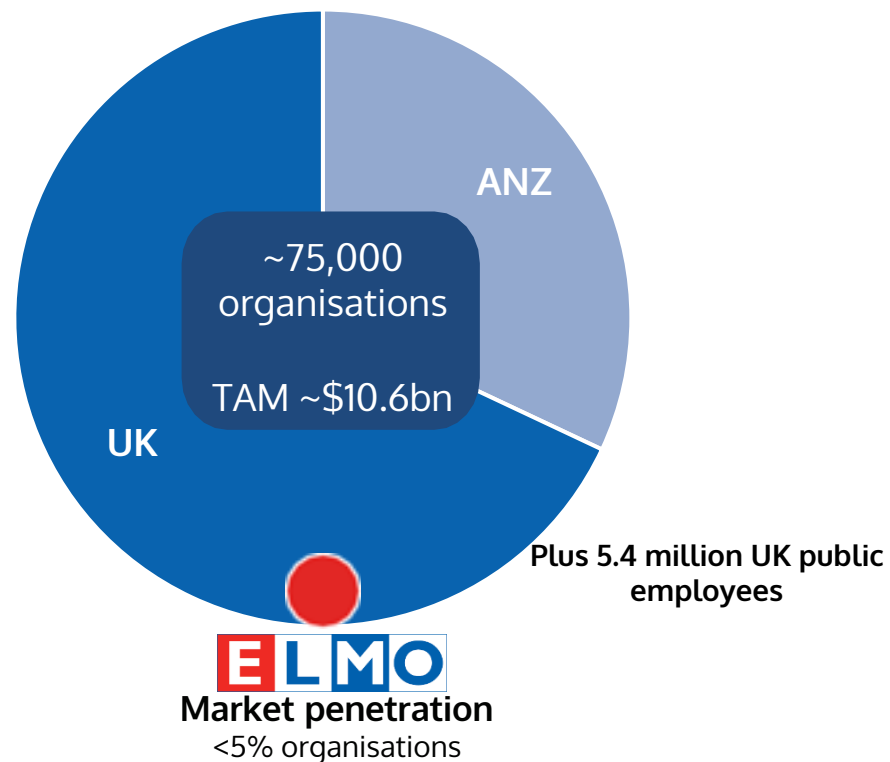
ELMO Group Total Addressable Market (TAM)

Large market opportunity and headroom for growth

Small business TAM^{1,2}
(<50 employees)



Mid-market TAM^{1,3}
(50+ employees)



\$12.8 billion opportunity across small business and mid-market

1. Frost & Sullivan independent market report 2019/2020
2. Assumes full penetration of Breathe platform
3. Assumes full penetration of ELMO platform

FY22 guidance

Breaking through \$100 million in Annualised Recurring Revenue



Mid-market solution

ARR
\$93.0 – 97.0 m

Revenue
\$80.0 – 84.0m

EBITDA
\$5.0 – 8.0m



Small business solution

ARR
\$12.0 - 14.0m

Revenue
\$10.5 – 11.5m

EBITDA
\$(4.0) – (2.0)m

+

=

FY22 Group Guidance

ARR
\$105.0-111.0m
(25 to 33% YOY growth)

Revenue
\$90.5 – 95.5m
(31 to 38% YOY growth)

EBITDA¹
\$1.0 – 6.0m

The ELMO Group reaffirms FY22 guidance

1. EBITDA guidance excludes significant non-recurring transactions and non-cash share-based payments

Agenda

 Q&A

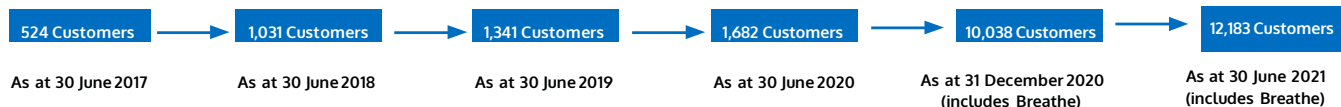
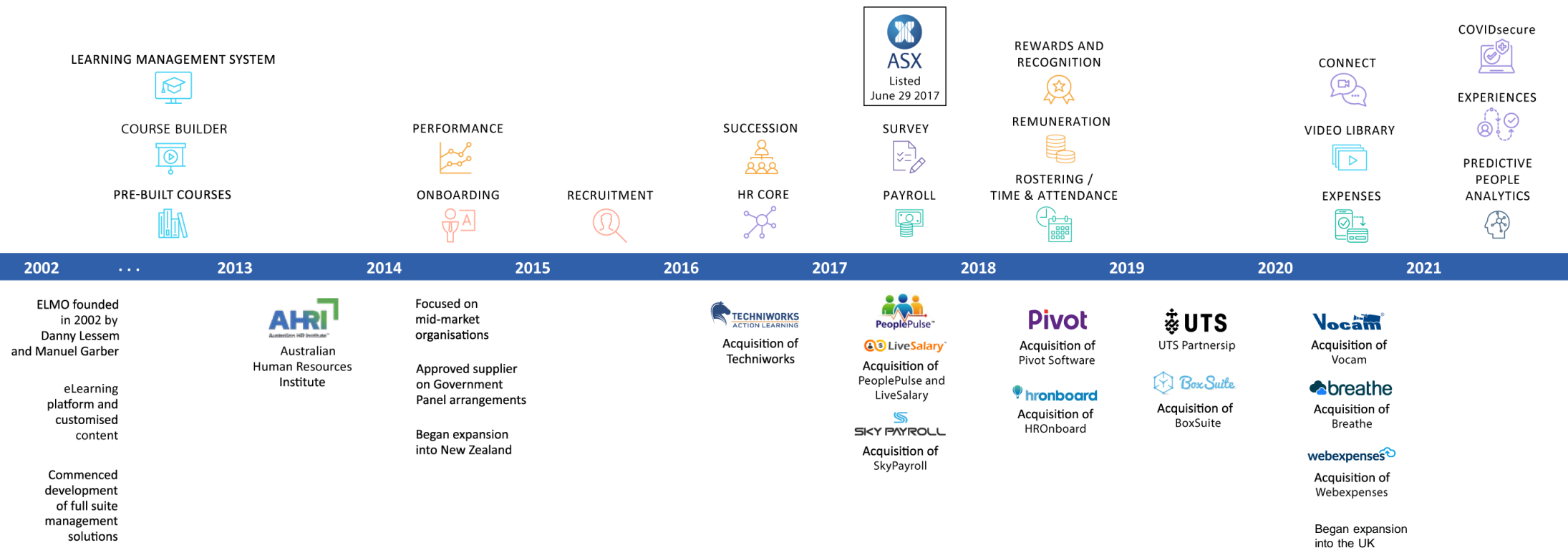
ELMO Software
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Appendix

History

ANZ's leading unified cloud HR, payroll, expense management solution



Glossary

Term	Definition
Annualised recurring revenue (ARR)	<i>Annualised recurring revenue at the period end</i>
Customer retention rate	<i>Customer retention is calculated by dividing the number of customers in the current period who were active customers at the end of the prior period by the number of customers at the end of the prior period</i>
Lifetime value (LTV)	<i>LTV is calculated by multiplying the average ARR per customer over the past 12 months by gross profit margin (%) divided by ARR churn</i>
TAM	<i>Total Addressable Market</i>
Net customer dollar retention	<i>Customer dollar retention is calculated by dividing the ARR at June 2021 by the ARR at June 2020 of the same customer cohort</i>
CAGR	<i>Compound annual growth rate</i>
EBITDA	<i>Earnings before interest, taxation, depreciation and amortisation</i>
CAC	<i>Customer acquisition cost: includes the allocation of sales and marketing costs associated with acquiring new customers</i>

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