



3 November 2022

ELMO Software Limited

(ASX:ELO)

## ELMO business update

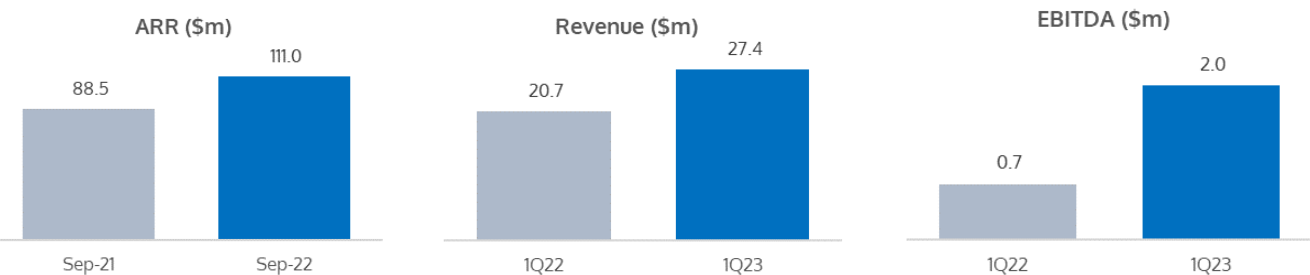
ARR of \$111 million with organic growth of 25.4% pcp

### Key Highlights

- Annualised Recurring Revenue ('ARR') closed at \$111.0 million, an increase of 25.4% pcp
- 1Q23 Revenue of \$27.4 million, up 32.3% pcp
- 1Q23 EBITDA of \$2.0 million from \$0.7 million pcp
- Year to date cash receipts of \$32.9 million, up 18.7% pcp
- Underlying cash burn has reduced to \$1.2 million per month
- \$43.4 million cash balance at 30 September 2022

**Sydney, Australia 3 November 2022:** ELMO Software Limited ('ELMO' or 'Group') today announced its unaudited business update for the first quarter of FY23 ('1Q23'), reporting growth in annualised recurring revenue ('ARR'), revenue, EBITDA, cash receipts and a reduction in monthly cash burn.

### Group financial metrics



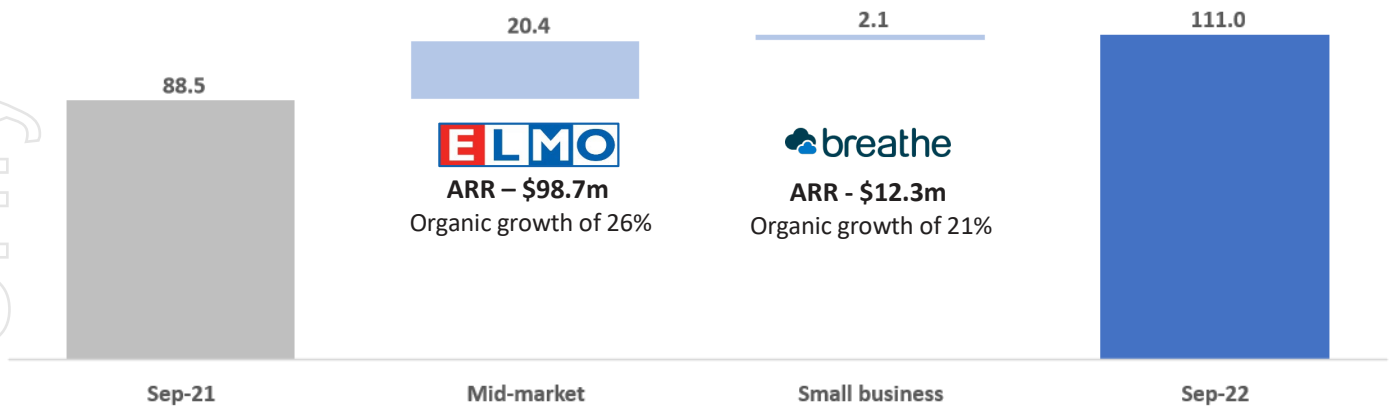
Note 1: EBITDA does not reflect non-recurring items

The ELMO Group continues to grow with ARR increasing to \$111.0 million at 30 September 2022, reflecting a 25.4% organic increase when compared to 30 September 2021. Year to date revenue increased to \$27.4 million, up 32.3% when compared to the same period in FY22. EBITDA grew to \$2.0 million, up \$1.3 million pcp.

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25% Organic growth

ARR September 2021 to September 2022 (\$m)



**ELMO - Mid-market:**

Mid-market ARR grew to \$98.7 million, a 25.9% increase compared to 1Q22. This highlights the continued growth currently experienced in the mid-market. Growth is being driven through securing new customers and the cross sell of modules to existing customers.

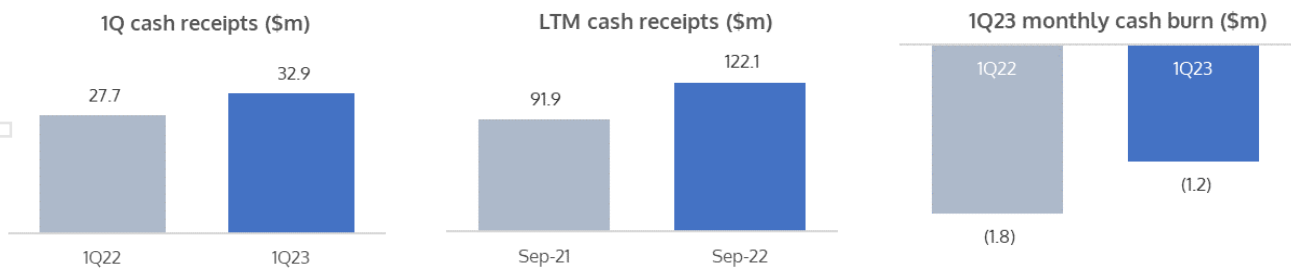
**Breathe - Small business market:**

ARR generated in the small business segment has continued to grow, recording growth of 21.3% through the past 12 months on a reported basis. Growth in the small business segment is primarily being driven by the onboarding of new customers complimented with the cross sell of additional modules.

**Capital management and cash flow:**

Through 1Q23 the Group has collected \$32.9 million in cash receipts (18.7% growth on pcp). ELMO remains well capitalised and funded to break even with a cash balance of \$43.4 million at 30 September 2022.

Capital management and the commitment to operating cash flow breakeven remained a focus through 1Q23 as demonstrated by the reduction in the rate of cash burn to \$1.2 million per month through the period.



Note 1: Cash expenses exclude non-recurring items of \$0.7m through 1Q23

-ENDS-

## **Contacts**

### **Investor Enquiries**

Darryl Garber

Chief Commercial Officer

+61 2 8405 4600

[investors@elmosoftware.com.au](mailto:investors@elmosoftware.com.au)

### **About ELMO**

Established in 2002, ELMO Software offers cloud-based solutions for small businesses and mid-market organisations to manage people, process, pay and expenses. Spanning across Australia, New Zealand and the United Kingdom, ELMO operates on a software-as-a-service ("SaaS") business model, based on recurrent subscription revenues.

For more information, please visit [www.elmosoftware.com.au](http://www.elmosoftware.com.au)