

RIGHTCROWD (ASX:RCW)
FY21 FULL YEAR RESULTS

23 September 2021



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Authorised for release by the Board of RightCrowd.





▶ **1. FY21 Highlights**

2. Company, Market and Product

3. Company Strategy

4. Appendices

FY21 Financial Highlights.

Sales Revenue

\$15.2m

+32% on FY20
(\$11.5m)

ARR

\$8.1m

+103% since FY20
(\$4.0m)

Total Income

\$19.4m

+20% on FY20
(\$16.2m)

Cash Balance

\$9.9m

+571% on FY20
(\$1.5m)

New Customers

101.2%

Growth in total active
customers in FY21

Cost Increase

0.5%

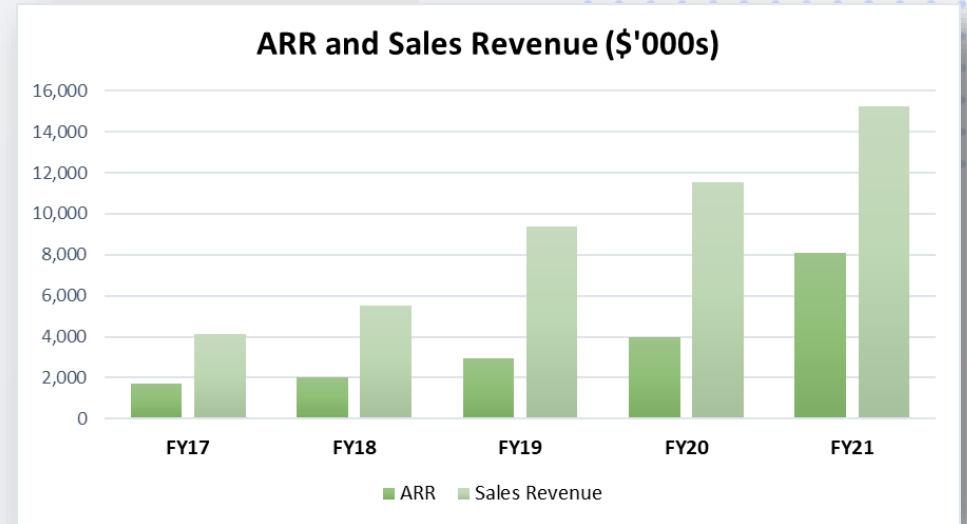
Increase of \$0.1m YoY
in total expenses
excluding COGS and
impairment



FY21 Financial Highlights.

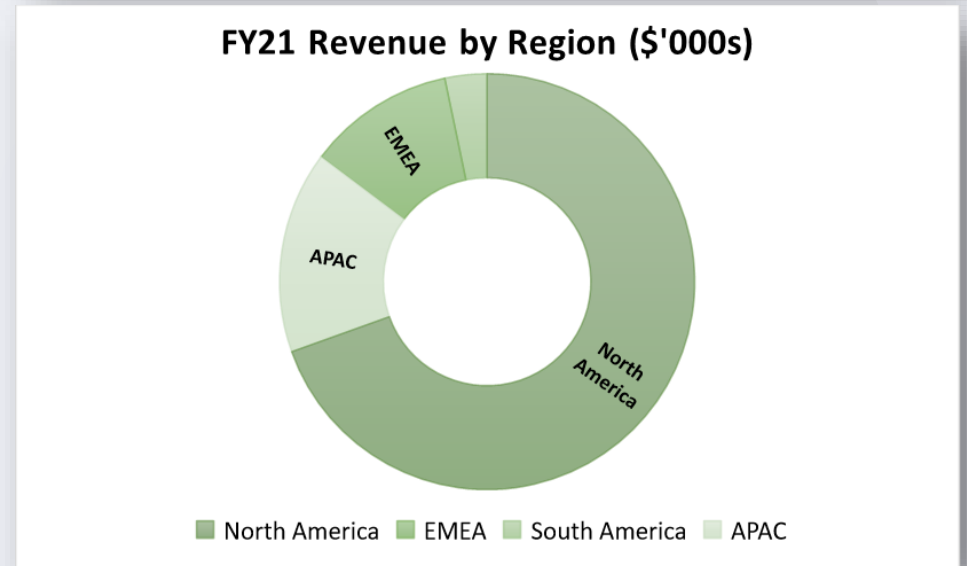
ARR & Sales

ARR growth of 103% and sales revenue growth of 32% driven by new SaaS and SMA contracts signed in FY21.



Region

North America continues to drive business growth (70% of total FY21 sales revenue).



FY21 Financial Highlights.

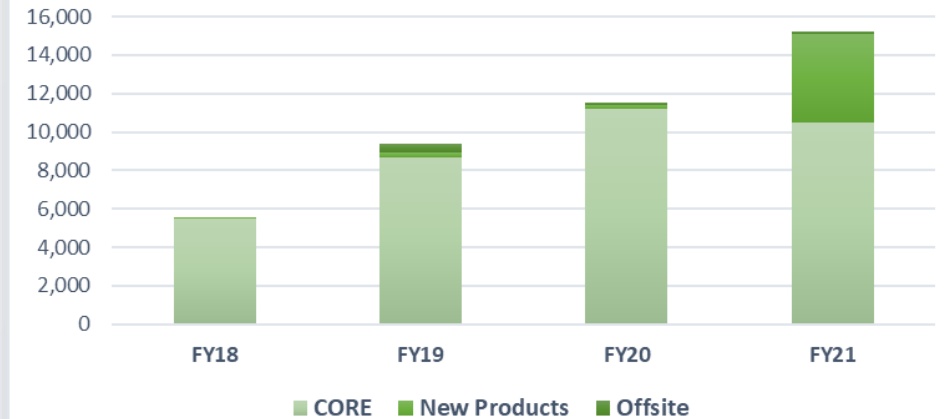
BU results

New Products revenue grows to \$4.6m. CORE revenue drops by 6% with travel restrictions impacting consulting revenue in FY21.

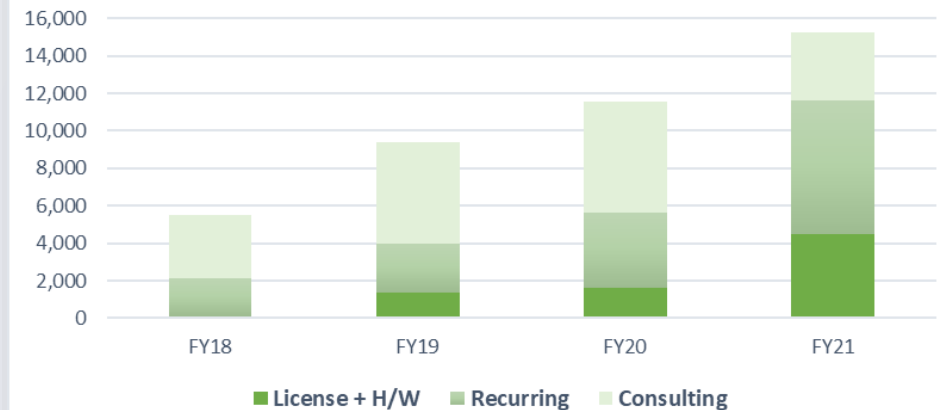
Revenue by type

Recognised recurring revenue increases by 78% while perpetual license + hardware revenue increases by 154% in FY21.*

Revenue by Business Unit (\$'000s)



Revenue by Type (\$'000s)



* Recognised recurring revenue consists of support and maintenance, subscription software, and software as a service revenue recognized during the period.

FY21 Operational Highlights.



Organisational Changes

RightCrowd has added key executives to drive forward commercialisation of the Company.



OTCQB Listing

RightCrowd Ordinary Shares became available for quotation on the OTCQB to capture significant interest from US investors.



ISO 27001

With a growing portfolio of Fortune 500 clients attaining ISO27001 demonstrates the Company's commitment to information security.



Cyber Grant

Australian Commonwealth Government grant of \$1.1m to train university graduates in cyber-physical security at RightCrowd from FY22 to FY24.



Access Analytics

RightCrowd launched its Access Analytics product (formerly known as RightCrowd IQ) internationally.



OSPA Award Nomination

Outstanding Security Partnership Nomination with Microsoft for its work digitally transforming security and access management at global scale.



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Company.

Our Mission Statement

To help our customers create a safe, secure and compliant workplace through innovative products that manage the access and presence of people.



157

Total Staff*



\$81m

Market Capitalisation
(ASX: RCW)*



8

Global Top 100**
as Customers



38%

Sales Revenue
CAGR
(FY17-FY21)

Market.

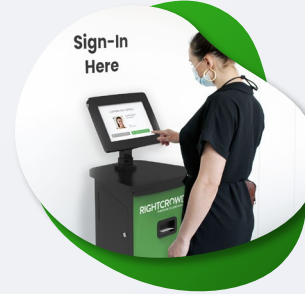
RightCrowd partners with Physical Access Control Systems (PACS)

Billions of dollars invested in legacy PACS that sit siloed from the enterprise; **RightCrowd** is the solution to digitally transforming PACS.

\$94B*

\$8.6B*

\$789M*



Core Markets

Physical Security

- Attractive market full of incumbent systems that lack modern technical infrastructure

Physical Access Control System (PACS)

- This market is dominated by legacy players including Honeywell, Johnson Controls, Carrier and others

Physical Identity and Access Management

- Converging and integrating identity access management across the enterprise has created this market

Product.

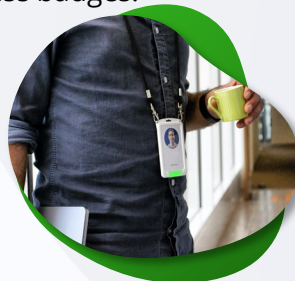
Safety, security and compliance across the entire physical identity lifecycle for every employee, contractor and visitor.

Proven deployments across:

-  Banking and Financial Services
-  Manufacturing
-  Pharmaceuticals
-  Healthcare
-  Mining and Resources
-  Critical Infrastructure
-  Technology
-  Logistics

Presence Control

Continuous validation of safety, security and compliance permissions through security wearables that leverage existing access badges.



Access Analytics

Proactive visibility of physical access security risks, identify anomalies and compliance breaches.



Workforce Access

Dynamic safety, security and compliance driven physical access controls for every type of worker and visitor.



Product.

Scalable access and presence management solutions that can adapt to changing business and policy requirements.



Optimising & Analytics

- On-boarding & off-boarding
- Access requests & approvals
- Access attestation and auditing
- Automated daily compliance controls



Before Work

- Request access for the day
- Complete health questionnaire on phone
- Receive safety & health notifications
- Receive access confirmation or denial

Arriving at Work

- Visitor check-in & visitor tethering
- I forgot my badge
- Random screening
- Fitness for work



While at Work

- Social distancing
- Contact tracing
- Presence control
- Restricted area control



Evacuating

- Automated check-in at mustering points
- Visual validation of people accounted for
- Live 'Last Seen' presence reporting
- Detailed evacuation reporting





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▶ 3. **Company Strategy**

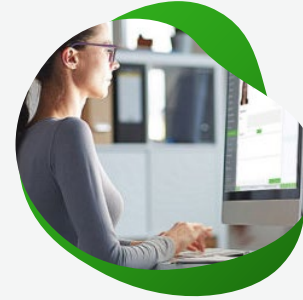
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Company Strategy.



Leverage Global Partnerships

- Revenue from partner relationships grew by \$0.5m to \$2.3m in FY21 (FY20: \$1.7m).
- Partner agreements signed during FY21 to extend product coverage to Presence Control and Access Analytics solutions. Training of partner channels commenced during FY21 on these new solutions.
- New sales hires added with a focus on growing partner generated revenue during FY22.



Market Leading Innovation

- Access Analytics has been launched geared towards clients seeking to manage their ongoing access control compliance. The solution leverages market leading analytic capability and is quick to deploy.
- Investment into product R&D continues with new patents filed in the UK during FY21, adding to active patents in the US, Europe, and China.



Boost Presence in US Market

- Revenue from North America grew by 36% to \$10.6m in FY21 (FY20: \$7.8m).
- Key hires have been made in the United States to support increased revenue from sales and consulting activities in FY22.
- Ongoing investment into Support, Customer Success, and Professional Services in the US to build further engagement in RightCrowd's largest geographical market.



P&L Profitability

- Investment into commercialisation to drive revenue growth, particularly in North America.
- Standardization of project implementations to drive up consulting margins.
- Total expenditure on R&D and other operating costs are forecast to remain stable with select investments in new resources to progress towards reducing the net loss in FY22.

Company Strategy.

Senior executive hires to help build market presence and execute on Company strategy



David Oller
VP, Sales & Alliances

David joins RightCrowd to lead sales and partnerships. David has over 30 years experience as a proven sales leader and has led direct and channel sales teams for 25+ years primarily in the Cybersecurity marketplace. David is based on the West Coast of the United States.



Brian McIlravey
Chief Operating Officer

Brian joins RightCrowd as an established Customer Success Senior Executive with a specific focus on increasing customer engagement and operational efficiencies in our US and North American markets. He is the former CEO of security incident management software company PPM 2000 and is based in Toronto, Canada.



Bryan Jones
Chief Technology Officer

Bryan joins RightCrowd as CTO after 18 years in senior executive positions with Honeywell. Bryan is a thought leader in the security industry, having registered several patents during his career around the physical access control space. Bryan is based in Lausanne, Switzerland.



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Financial Statements.

Sales revenue growth of 32% in FY21 driven by ramp-up of New Products business.

Costs have remained in line with growth in COGS partially offset by reduction in travel and professional expenses, resulting in a 31% improvement on the net loss.

FY21 PROFIT OR LOSS (AUD'000s)	30-Jun-21	30-Jun-20	% Change
Revenue	15,225	11,534	32%
Other income	4,201	4,712	-11%
Cost of goods sold	(2,355)	(128)	1738%
Impairment	(40)	(1,316)	-97%
Employee benefits expense	(16,919)	(16,213)	4%
Depreciation and amortisation expense	(1,060)	(1,065)	0%
Finance Costs	(159)	(103)	55%
Foreign exchange gains and losses	(5)	(54)	-91%
Other expenses	(3,540)	(4,146)	-15%
Loss before income tax	(4,652)	(6,779)	31%
Income tax expense	(12)	(7)	57%
Net Loss for the year	(4,663)	(6,786)	31%

Financial Statements.

BALANCE SHEET (AUD'000s)	30-Jun-21	30-Jun-20	% Change
Cash and cash equivalents	9,873	1,472	571%
Trade and other receivables	6,946	5,132	35%
Inventories	980	112	778%
Financial assets	120	120	0%
Other current assets	1,869	424	341%
Total Current Assets	19,788	7,259	173%
Property, plant & equipment	2,094	1,864	12%
Intangible assets	1,214	1,622	-25%
Goodwill	12,490	12,946	-4%
Total Non Current Assets	15,797	16,432	-4%
TOTAL ASSETS	35,585	23,692	50%
Trade and other payables	(1,506)	(1,072)	40%
Borrowings current	(664)	(1,256)	-47%
Contract liabilities	(4,122)	(3,188)	29%
Current tax liabilities	(2)	(6)	-71%
Provisions current	(1,739)	(1,549)	12%
Total Current Liabilities	(8,032)	(7,071)	14%
Borrowings non-current	(1,516)	(1,353)	12%
Provisions non-current	(153)	(92)	66%
Total Non Current Liabilities	(1,669)	(1,445)	16%
TOTAL LIABILITIES	(9,701)	(8,516)	14%
Issued capital	56,133	40,089	40%
Reserves	(96)	727	-113%
Retained earnings	(30,154)	(25,640)	18%
TOTAL EQUITY	25,884	15,175	71%

Increase in cash has resulted in reduction in borrowings, increase in inventory, and strong balance sheet position to fund investment into commercial growth.

Financial Statements.

Cash raised from financing activities during FY21 helps drive investment into inventory and strategic initiatives.

FY21 CASHFLOW STATEMENT (AUD'000s)	30-Jun-21	30-Jun-20	% Change
Cash receipts from customers	13,275	12,727	4%
Cash payments to suppliers and employees	(23,514)	(19,201)	22%
Grant income received	4,286	3,181	35%
Finance costs, interest and income tax paid	(161)	(124)	29%
Net Cash (used in) from operating activities	(6,113)	(3,417)	79%
Purchase of property, plant and equipment	(236)	(293)	-19%
Cash deposits greater than 3 months	-	(120)	
Net Cash (used in) from investing activities	(236)	(413)	-43%
Proceeds from issue of ordinary shares	16,507	-	
Share issue costs	(605)	-	
Proceeds from borrowings	1,800	1,175	53%
Repayment of borrowings	(2,323)	(197)	1080%
Repayment of lease liabilities	(667)	(550)	21%
Net Cash (used in) from financing activities	14,712	438	3261%
Net increase (decrease) in cash / cash equivalents	8,363	(3,392)	-347%
Cash and cash equivalents at 30 June	9,873	1,472	571%

Glossary.

Term

Definition

Annualised Recurring Revenue (ARR)

ARR is measured as the total annualised value of active customer contracts for subscription, support & maintenance, and software as a service as at a given reporting date.

CAGR

Compound Annual Growth Rate.

CORE Business Unit

In house developed enterprise software for workforce and visitor management solutions targeted at large multi-nationals.

New Products Business Unit

Combination of acquired and in-house developed software focussing on presence control, cyber-security, and evacuation management solutions for small to large corporations.

Offsite Vision

New Jersey (USA) based business acquired by RightCrowd in October 2018, which specialises in evacuation and asset management software solutions.

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