

## RightCrowd FY22 H1 Half Year Results and Market Update:

**RightCrowd generates \$7.7m revenue for H1 (11% growth on PCP), wins first international Access Analytics deal and increases ARR by 13% to \$9.1m (\$8.1m @ 30 June 2021).**

RightCrowd Limited ("RightCrowd") or ("Company"), a leading global developer of physical security, safety, and compliance software, is pleased to provide its FY22 half year report inclusive of Appendix 4D for the period ended 31 December 2021.

### **Highlights** (All figures are audited and are expressed in Australian dollars unless stated otherwise):

- The Company's revenue for the half-year period ended 31 December 2021 was \$7.7m, up 11% on prior corresponding period (H1 FY21: \$7.0m) which was driven by new client sales particularly in Presence Control where ~15,000 Badgeholder hardware units and subscriptions were sold during the period.
- Contracted Annual Recurring Revenue (ARR)<sup>1</sup> at 31 December 2021 closed at \$9.1m, up 50% versus prior comparison period (H1 FY21: \$6.1m), and up \$1.1m, or 13%, since end of FY21 (Q4 FY21: \$8.1m).
- Churn during H1 was 4.9% (as measured on an ARR basis) which relates to a small portion of customers choosing to not renew their annual SaaS subscriptions for Presence Control contact tracing solutions. All other customers continue to renew their annual contracts with many of the enterprise accounts extending their RightCrowd solutions across their workforce.
- Net loss for the half-year period ended 31 December 2021 was \$3.4m, an increase of 18% on prior comparison period (H1 FY21: \$2.9m loss). The increase in revenue was more than offset by the reduction in COVID related subsidies received by the Company in the prior period.
- As of 31 December 2021, RightCrowd's cash and cash equivalent balance closed at \$8.2m, down 17% since the end of FY21 (30 June 2021: \$9.9m) and up \$4.4m or 117% over the last 12 months (31 December 2020: \$3.8m).
- RightCrowd achieved its first international sale of Access Analytics during H1. Pipeline continues to build and further sales are forecast to close in H2.
- 16 new customers and partners have been added in H2 as work continues to accelerate commercial activity via indirect channels.
- COO and CTO hires were made to strengthen the executive team and build a market profile in the North American and European markets. Brian McIlravey joined as Chief Operating Officer based in Canada, and Bryan Jones as Chief Technical Officer based in Switzerland. Both

<sup>1</sup> ARR is measured as the total annualised value of active customer contracts for annual subscription, support, and maintenance services as at 31<sup>st</sup> of December 2021.

executives will help drive forward commercialisation of the RightCrowd portfolio and bring a great deal of market experience and connections in the North American and European markets.

- RightCrowd made some structural adjustments to its product business units during the period. The Core business unit was renamed Workforce Management, while the New Products business unit was split into Presence Control and Access Analytics. Evacuation management solutions were consolidated within Presence Control which resulted in the Offsite Vision business unit being restructured, generating annual savings of AUD \$1.2m per annum.
- Investor relations activity expanded to the US following the addition of RightCrowd shares to the American OTCQB exchange (Ticker: RCWDF)
- RightCrowd was awarded \$1.073m under the Australian Federal Government's Cyber Security Skills Partnership Innovation Fund to build the pool of cybersecurity professionals in the Australian market.

### **FY22 Outlook:**

- RightCrowd set its FY22 outlook of 30% revenue growth to \$19.8m and growth in ARR of 43% to \$11.5m at the Company's AGM in November 2021. Growth was focused across the portfolio as the Company made investments into the commercialization of RightCrowd solutions and recruited senior executives within international markets.
- H1 performance has demonstrated the strong recurring revenue base of the Company. However, the key focus areas of the new executive team, being acceleration of sales and an expansion of the partner network are yet to make a discernable impact on YTD FY22 financial results.
- Whilst the ramp-up in sales during H1 was lower than prior period, the Company has a strong H2 pipeline including several major new enterprise customers and anticipated traction to build from the early success of its Access Analytics product launch.

The Company maintains guidance on its FY22 revenue target of \$19.8m and ARR of \$11.5m by 30 June 2022.

### **Investor Conference Call:**

RightCrowd CEO, Peter Hill, and CFO, James Stewart, will host a conference call and Q&A session with investors at 1:00pm (Brisbane time) on Thursday 3<sup>rd</sup> of March.

Investors wishing to join the conference will need to use the following [link](#)

For personal use only



**Note to Market:**

None of the information included in this announcement should be considered individually material, unless specifically stated.

This Company presentation may include certain statements, estimates or projections with respect to the anticipated future performance of the Company, the projects or both. Those statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties, many of which are outside the control of the Company. Those assumptions may, or may not, prove correct. No representation is made as to the accuracy of those statements, estimates or projections.

**- END -**

**Investor contact:**

<p><b>Peter Hill</b> Chief Executive Officer ✉ peter.hill@rightcrowd.com ☎ +61 7 5593 2581</p>	<p><b>James Stewart</b> Chief Financial Officer ✉ james.stewart@rightcrowd.com ☎ +61 7 2113 4238</p>
--	--

The release of this announcement was authorised by the Board of Directors.

For personal use only

