

Announcement

Update on Software sales and expected Financial Year 2024 (FY2024) result.

2 July 2024

RPMGlobal Holdings Limited (ASX: RUL) [RPM[®], Company], is pleased to provide the following update on Total Contracted Value (TCV) derived from software sales, and expected Gross Revenue, Operating EBITDA and Profit Before Tax (PBT) for FY2024 (subject to audit).

The Company sold \$50.4 million in software TCV in the second half of FY2024, bringing expected full year TCV sold to \$77.0 million (FY2023: \$70.5 million) - \$75.4 million in subscription licenses (FY2023: \$65.8 million), \$1.3 million in perpetual licenses (FY2023: \$2.9 million) and new maintenance of \$0.3 million (FY2023: \$1.8 million).

The Company now has \$161.0 million in pre-contracted, recurring, non-cancellable software revenue, which will be recognised in future years, up \$28.8 million (22%) from the same time last year (FY2023: \$132.2 million).

The \$75.4 million in TCV software subscription sales for FY2024, will deliver Annually Recurring Revenue (ARR) of \$9.2 million. As at 1 July 2024, the total value of ARR is \$62.0 million, comprising \$50.7 million from subscriptions and \$11.3 million from maintenance. As the Company's software becomes more and more mission critical, mining companies are asking for longer subscription terms to ensure certainty of supply. In the second half of FY2024, the Company sold \$18.4 million in software subscriptions with a committed term of eight-years and \$6.4 million with a committed term of ten-years.

The Company expects Gross Revenue for FY2024 to finish between \$113.0 million and \$114.0 million (FY2023: \$98.4 million), EBITDA (before management incentives) to be in the range of \$18.7 million to \$19.3 million (FY2023: \$15.0 million) and Profit before Tax (pre management incentives) to be in the range of \$14.0 million to \$14.5 million (FY2023: \$9.2 million). The lower than forecasted profitability is due to reduced perpetual license sales and the timing of subscription licenses signed during the second half of FY2024.

Given the Company's strategy and preference to sign subscription license sales (that deliver stable and predictable recurring revenue reported over multiple financial years) over one off perpetual license sales (which are fully reported as revenue in the financial year they are sold), the Company was comfortable seeing perpetual license revenue reduce by \$1.6 million year on year at the expense of an increase in subscription license sales.

Reported subscription license revenue has risen strongly in FY2024 to \$45.6 million (FY2023: \$39.3 million), however it is worth noting that the value of subscription license revenue reported within the financial year is directly related to the timing of when that contract is signed during the financial year. The majority of software subscription licenses sold during the second half of FY2024 were concluded in the last month of the year. This timing profile has seen \$1 million of expected subscription revenue move from being recognised in FY2024 to future reporting years.

Given the growth in TCV, revenue and profitability in FY2024, the Company expects incentives (shared across an increased number of employees) to be in the range of \$3.5 million to \$3.9 million for the FY2024 year (FY2023: \$3.0 million).

Subject to finalisation of the audit, RPM expects to release its FY2024 full year audited results in late August 2024.

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About RPM:

RPMGlobal Holdings Limited (ASX: RUL) [RPM[®]] was listed on the Australian Securities Exchange on 27 May 2008 and is a global leader in the provision and development of mining software solutions, advisory services and professional

development to the mining industry.

RPM has been advancing the global mining industry through the provision of innovative software solutions and deep domain expertise for more than 50 years. The company brings together its technology, mining advisory and professional development services to support mining clients extract more value at every stage of the mining lifecycle. In partnership with the industry, RPM has delivered safer, cleaner and more efficient operations in over 125 countries.

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