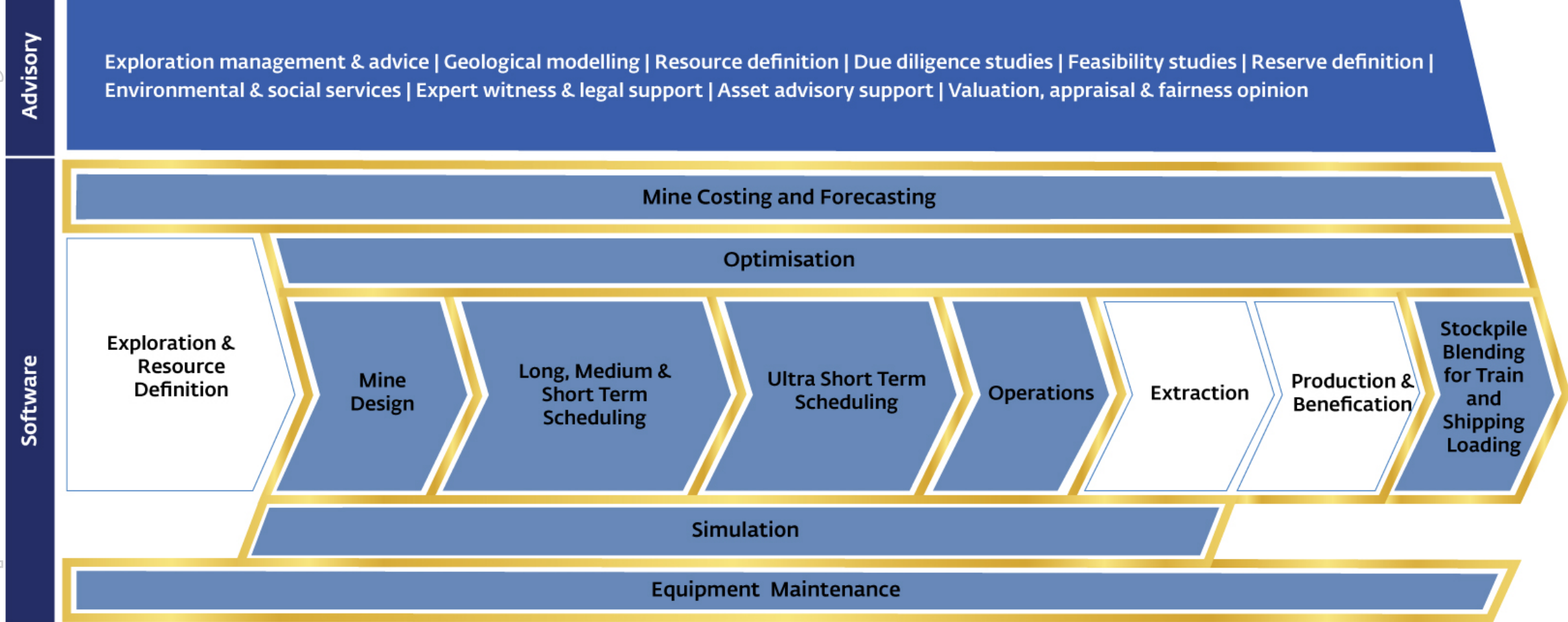




## 2021 First Half Year Review

# Intelligent Mining Platform

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### Legend

- RPMGlobal Software Capabilities
- Integration points between RPMGlobal software as well as key partners solutions

# Financial Summary

- The Net Profit after Tax (NPAT) for the first six months of FY2021 (H1 2021) of \$0.9m was a \$2.1m improvement on the previous half (H1 2020: \$1.2m loss). This NPAT result also included a foreign exchange loss of \$1.0m due to the strengthening Australian dollar.
- H1 2021 was heavily impacted by COVID-19:
  - Our international offices closed numerous times for long periods thereby requiring staff to work from home.
  - International travel bans negatively impacted the Advisory/Consulting divisions who traditionally spend significant amounts of time at mining sites.
  - As a direct result of retaining its employee base, the company received Government subsidies which partly offset employee salary costs.
- The Company increased its investment in software development by \$0.4m (half-on-half) to accelerate the transition of its software products to the cloud.
- Net operating costs reduced 21% half-on half and 20% against the same period last year.
- Underlying Operating EBITDA of \$5.7m was \$2.7m higher (90%) than the previous half year (H2 2020: \$3.0m).
- Annual Recurring Revenue (ARR) from software Subscriptions as at the date of this report is \$15.8m up \$2.3m from \$13.5m on 30 October 2020 (when ARR was last reported by the Company).
- The Total Contracted Value (TCV) of new software subscriptions sold year to date is \$14.5m, of which only \$0.8m was recognised in the accounts for H1 2021. Because 70% of software Subscriptions are billed in either USD or CAD the strengthening AUD had the effect of reducing reported Subscription revenue in H1 2021 by \$0.4m. As at the date of this report, the TCV for software subscriptions which will be recognised in future reporting periods is \$41.1m.
- Cash outflow from operations for the first six months of the year (due to the majority of annual software support payments (~\$20m) being received in the second six months of the calendar year) was \$4.7m. The Company paid out \$2.0m to acquire two software business during H1 2021.
- As at the date of this report the Company has \$36.3m in cash (and no debt).

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# Financial Summary

A\$m	1H21	2H20	\$ Var	% Var	1H20	\$ Var	% Var
Subscriptions	6.4	6.1	0.3	5%	3.9	2.5	64%
Annual Software Support	9.5	9.7	(0.2)	(2)%	10.9	(1.4)	(13)%
Perpetual Licences	1.8	4.3	(2.5)	(58)%	2.6	(0.8)	(31)%
Laboratory Testing	2.3	1.9	0.4	21%	2.3	-	0%
Advisory and Consulting Services	12.6	15.8	(3.2)	(20)%	21.2	(8.6)	(41)%
Direct Costs	(1.2)	(2.2)	1.0	45%	(4.6)	3.4	74%
<b>Net Operating Revenue</b>	<b>31.4</b>	<b>35.6</b>	<b>(4.2)</b>	<b>(12)%</b>	<b>36.3</b>	<b>(4.9)</b>	<b>(13)%</b>
Operating Expenses	(23.0)	(28.6)	5.6	20%	(26.4)	3.4	13%
Development Expenses	(6.2)	(5.8)	(0.4)	(7)%	(5.8)	(0.4)	(7)%
Government Subsidies etc.	3.5	1.8	1.7	94%	0.2	3.3	1650%
<b>Net Operating Expenses</b>	<b>(25.7)</b>	<b>(32.6)</b>	<b>6.9</b>	<b>21%</b>	<b>(32.0)</b>	<b>6.3</b>	<b>20%</b>
<b>Underlying Operating EBITDA</b>	<b>5.7</b>	<b>3.0</b>	<b>2.7</b>	<b>90%</b>	<b>4.3</b>	<b>1.4</b>	<b>33%</b>
Depreciation & Amortisation	(3.5)	(3.5)	-	0%	(3.2)	(0.3)	(9)%
Foreign Exchange Gains/(Losses)	(1.0)	(0.1)	(0.9)	(900)%	(0.2)	(0.8)	(400)%
Net Finance and Fair Value Costs	-	(0.1)	0.1	n/a	(0.1)	0.1	n/a
<b>Operating Profit/(Loss) Before Tax</b>	<b>1.2</b>	<b>(0.7)</b>	<b>1.9</b>	<b>n/a</b>	<b>0.8</b>	<b>0.4</b>	<b>50%</b>
<b>Net Profit/(Loss) After Tax</b>	<b>0.9</b>	<b>(1.2)</b>	<b>2.1</b>	<b>n/a</b>	<b>0.5</b>	<b>0.4</b>	<b>80%</b>

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# Balance Sheet

A\$m	Dec-20	Jun-20	\$ Var	% Var
Cash	32.8	40.0	(7.2)	(18)%
Receivables and WIP	13.0	16.1	(3.1)	(19)%
Property, Plant and Equipment	2.1	2.1	-	-
Right-of-Use Assets *	7.1	4.4	2.7	61%
Intangibles	32.3	31.4	0.9	3%
Deferred Tax	2.7	2.7	-	-
Prepayments, Deposits, etc	5.7	6.3	(0.6)	(10)%
<b>Total Assets</b>	<b>95.7</b>	<b>103.0</b>	<b>(7.3)</b>	<b>(7)%</b>
Trade Payables	(5.5)	(10.3)	4.8	(47)%
Provisions	(5.8)	(5.5)	(0.3)	5%
Contingent Consideration	(0.5)	-	(0.5)	(100)%
Unearned Income **	(8.9)	(18.7)	9.8	(52)%
Lease Liabilities *	(7.5)	(4.8)	(2.7)	56%
Tax payable	(0.3)	(0.4)	0.1	(25)%
<b>Total Liabilities</b>	<b>(28.5)</b>	<b>(39.7)</b>	<b>11.2</b>	<b>(28)%</b>
Share Capital	98.2	94.4	3.8	4%
Reserves and Accumulated Losses	(31.0)	(31.1)	0.1	(0)%
<b>Total Equity</b>	<b>67.2</b>	<b>63.3</b>	<b>3.9</b>	<b>6%</b>

\* New Head office lease - \$3.1m capitalised in Right-of-Use Assets and Lease Liabilities

\*\* Annual Maintenance is billed in January and recognised in unearned liabilities

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# Cashflow

\$'m	1H21	1H20	2H20
Net Cash Opening	40.0	28.2	24.6
<b>Cash from Operations*</b>	<b>(4.7)</b>	(0.7)	16.5
<b>Rent</b>	<b>(1.5)</b>	(1.4)	(1.5)
Payments for:			
Property Plant & Equipment	(0.5)	(0.7)	(0.9)
Software Acquisitions	(2.0)	(1.9)	(0.7)
	<b>(2.5)</b>	(2.6)	(1.6)
Proceeds from:			
Exercise of Options	2.9	0.9	3.7
<b>Net Increase in Cash</b>	<b>(5.8)</b>	(3.8)	17.1
FX Restatement	(1.4)	0.2	(1.7)
<b>Net Cash Closing</b>	<b>32.8</b>	<b>24.6</b>	<b>40.0</b>

\* Annual maintenance period begins on 1 January and cash inflows start in the second half of the calendar year

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# Intelligent Mining Platform

## RPMGLOBAL

**33** NEW PRODUCTS



**10** ACQUISITIONS



**>100** NEW INTEGRATION ADAPTORS

**300%** INCREASE IN DEVELOPMENT RESOURCES



**\$135M+** INVESTMENT IN TECHNOLOGY

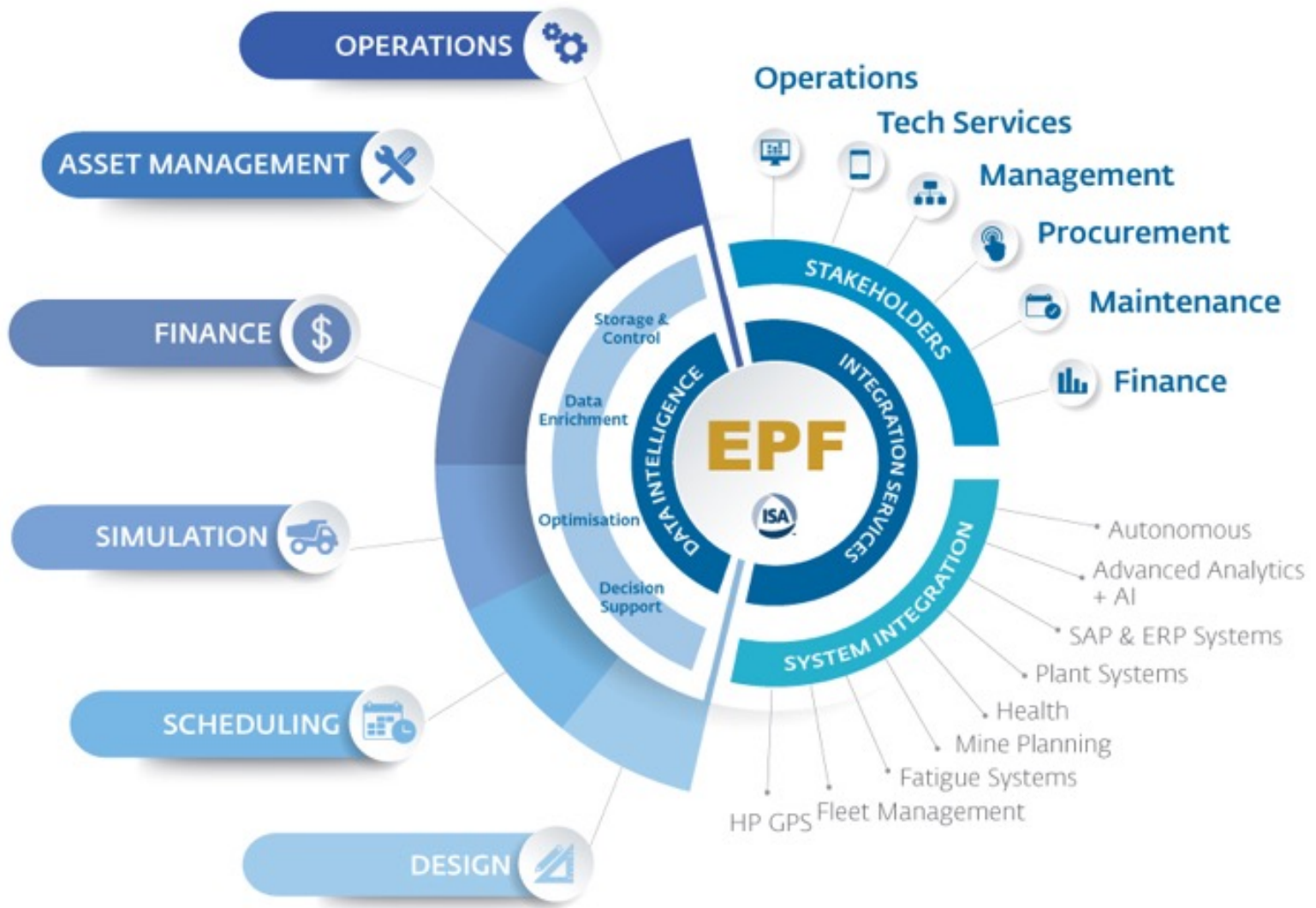
**1** ENTERPRISE PLATFORM

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# Intelligent Mining Platform

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# Software Division

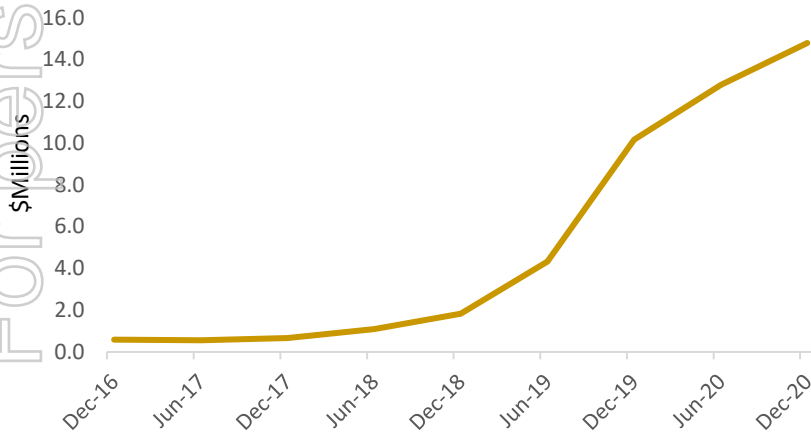
The mix of software license sales is now heavily weighted towards Subscription sales

Perpetual license sales have always been skewed towards the second half of the year

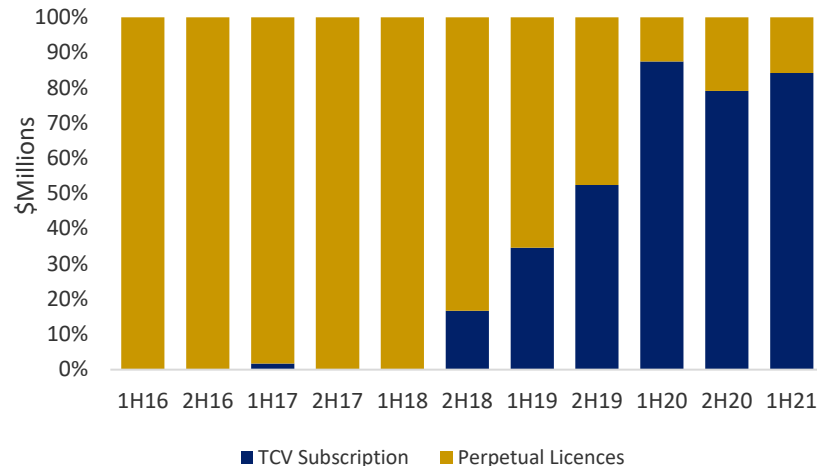
Net Operating costs have dropped in the areas of consulting salaries, travel, accommodation and conferences

A\$m	1H21	2H20	\$ Var	% Var	1H20	\$ Var	% Var
Subscriptions	6.4	6.1	0.3	5%	3.9	2.5	64%
Perpetual Licences	1.8	4.3	(2.5)	(58)%	2.6	(0.8)	(31)%
Maintenance/Support	9.5	9.7	(0.2)	(2)%	10.9	(1.4)	(13)%
Consulting	4.8	5.0	(0.2)	(4)%	6.4	(1.6)	(25)%
<b>Software Revenue</b>	<b>22.5</b>	<b>25.1</b>	<b>(2.6)</b>	<b>(10)%</b>	<b>23.8</b>	<b>(1.3)</b>	<b>(5)%</b>
Direct Expenses	(0.3)	(0.2)	(0.1)	50%	(1.1)	0.8	(73)%
<b>Net Revenue</b>	<b>22.2</b>	<b>24.9</b>	<b>(2.7)</b>	<b>(11)%</b>	<b>22.7</b>	<b>(0.5)</b>	<b>(2)%</b>
Operating Expenses	(10.5)	(12.6)	2.1	17%	(12.0)	1.5	13%
Subsidies	1.1	0.5	0.6	120%	-	1.1	100%
<b>Net Operating Expenses</b>	<b>(9.4)</b>	<b>(12.1)</b>	<b>2.7</b>	<b>22%</b>	<b>(12.0)</b>	<b>2.6</b>	<b>22%</b>
<b>Contribution</b>	<b>12.8</b>	<b>12.8</b>	<b>-</b>	<b>0%</b>	<b>10.7</b>	<b>2.1</b>	<b>20%</b>

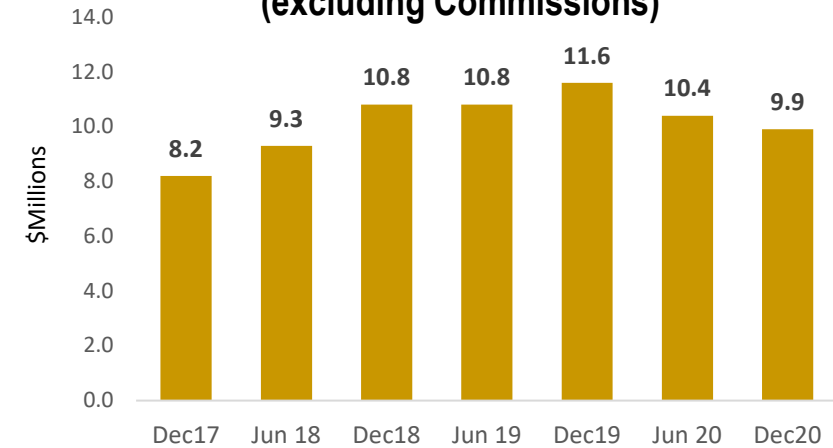
### Subscription ARR



### Software Sales Mix



### Operating Expenses (excluding Commissions)



# Software Subscription ARR and TCV

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84% of Subscriptions have a committed term of 3 years or greater.

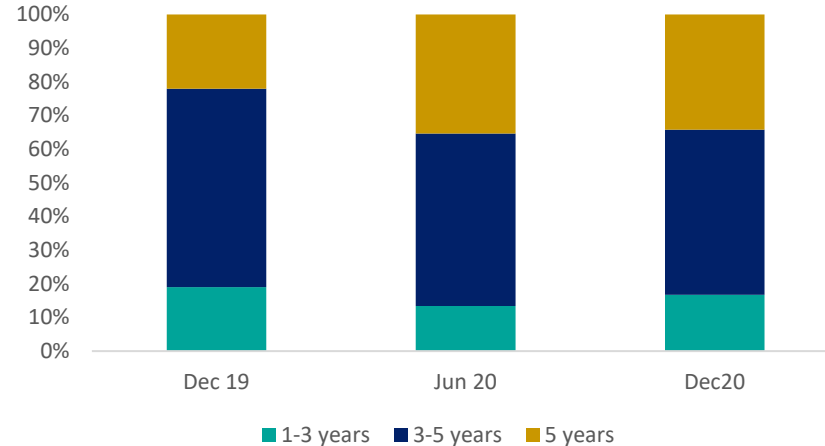
One customer did not take up the option to extend their Subscription due to financial considerations.

The rise in the Australian dollar during the half suppressed ARR by \$0.9m and TCV by \$2.9m.

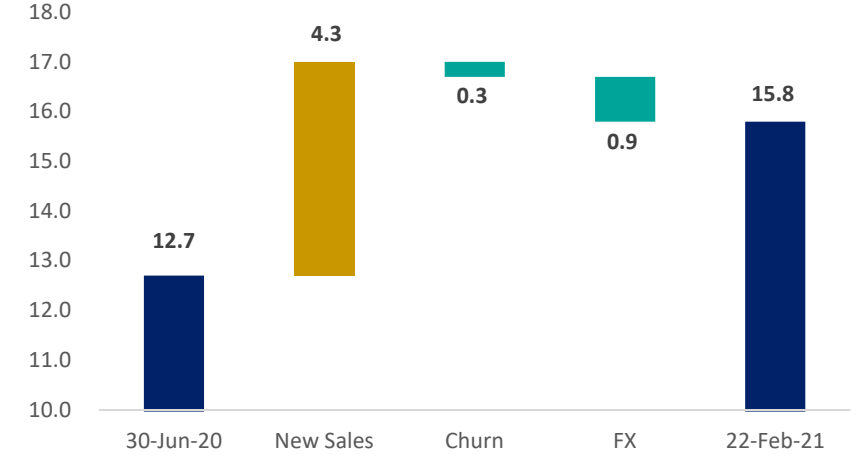
\$41.1m in sold TCV will be reported in future periods.

\$4.8m of Subscription sales have been contracted in the first 7 weeks of this calendar year.

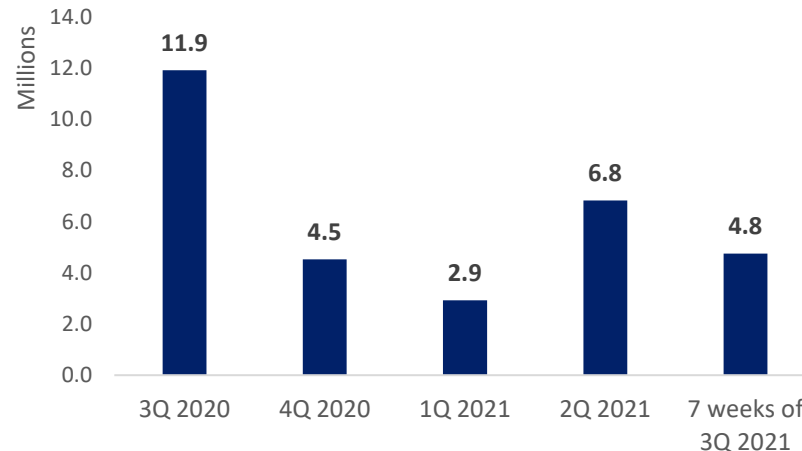
### Subscription ARR by Term



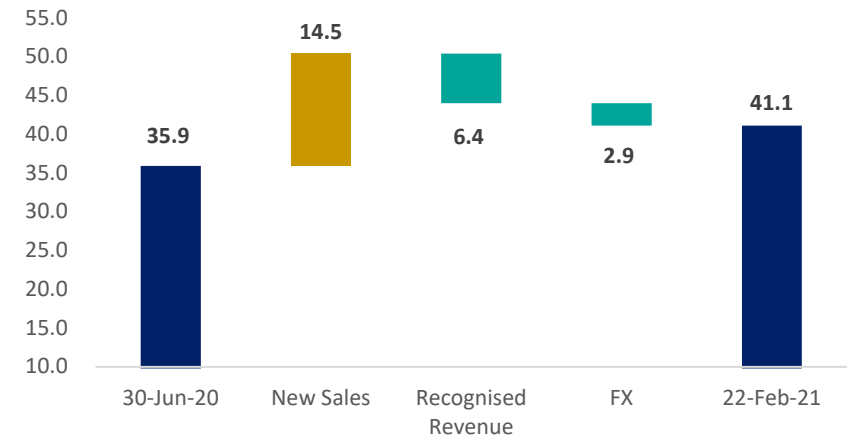
### Subscription ARR



### Subscription TCV Sales by Quarter



### Subscription TCV Backlog



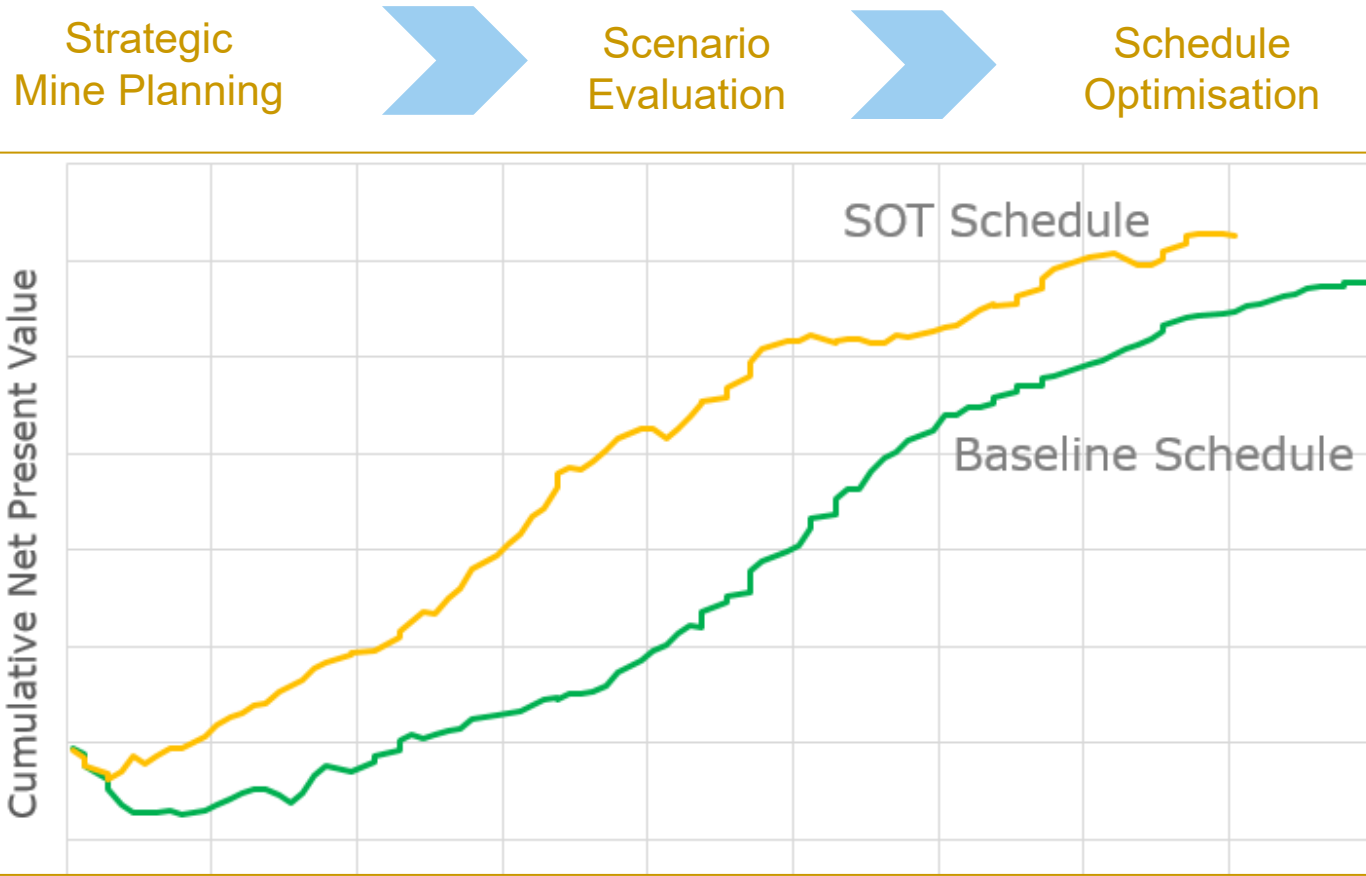
# Management Comments Software & Product Development

- During the half the Company acquired two more software companies:
  - Revolution Mining Software, who own the only strategic scheduling optimisation tool for underground mines, and
  - IMAFS Inc, a Software-as-a-Service and cloud delivered inventory optimisation and forecasting solution company.
- Significant progress continues to be made on the development of our new automated design products. The new suite comprises two products – Strategic Design Optimiser (SDO) for underground metals mines, and Dynamic Stratigraphic Design (DSD) for underground mines working with underground stratigraphic deposits such as potash and coal. SDO was purchased by a large North American miner during the half and DSD is currently being piloted by a large Australian coal miner.
- The new potash scheduling solution was completed and purchased during the half by a large North American potash producer.
- The business' newest product, Demand Chain Optimiser (a module of XECUTE) was purchased by a Pilbara based iron ore miner. This product is designed such that it can be deployed for other bulk commodities such as coal and bauxite.
- The company released an updated version of its XERAS Enterprise financial modelling software. The new version is preconfigured with a rapid deployment solution and is currently being implemented by 3 large multi commodity miners in Australia.
- The company formed a new cloud migration team to accelerate the migration of its products into the cloud. The first cloud based solution (Haulage-as-a-Service) was purchased by a Tier 1 multi-commodity miner during the half. The team has several cloud initiatives underway and expect to have a handful of products or processes based in the cloud by the end of this financial year. We believe getting to the cloud before our competitors will give us a significant competitive advantage.
- The Company added nine (9) new software customers during the half and expects that number to increase during the second half of the year.

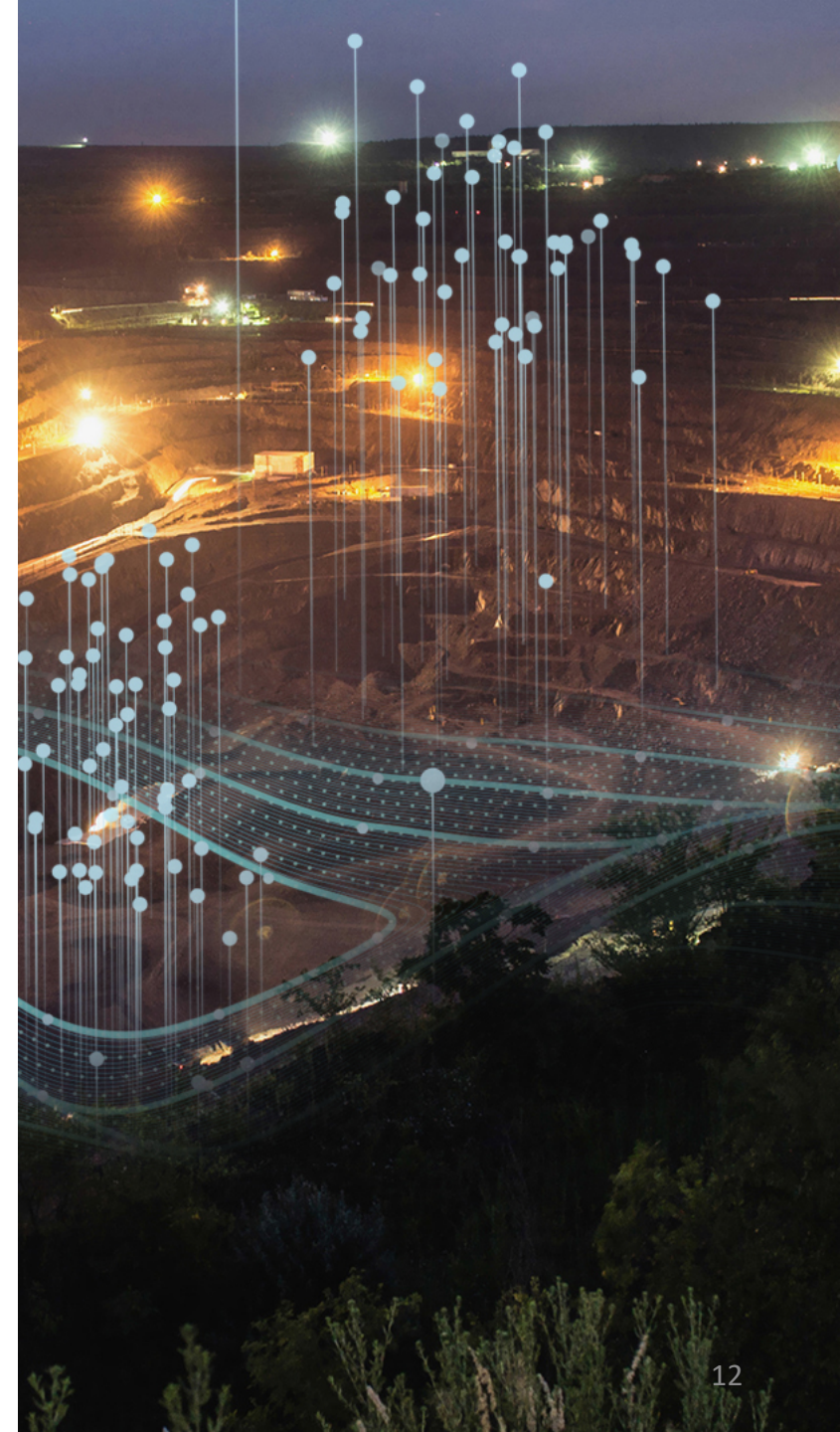
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# SOT

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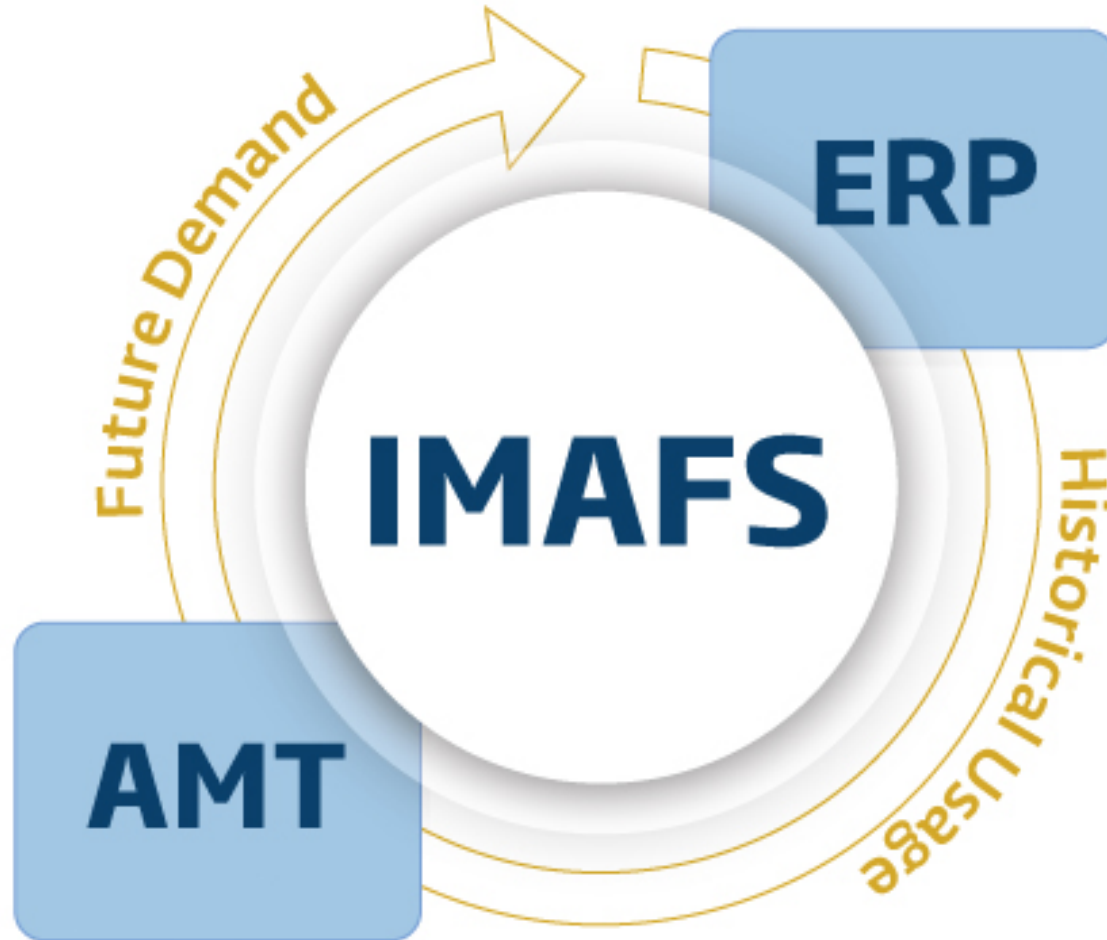


**The industry's only strategic financial optimisation tool for underground mines that maximises the Net Present Value of the mine schedule**



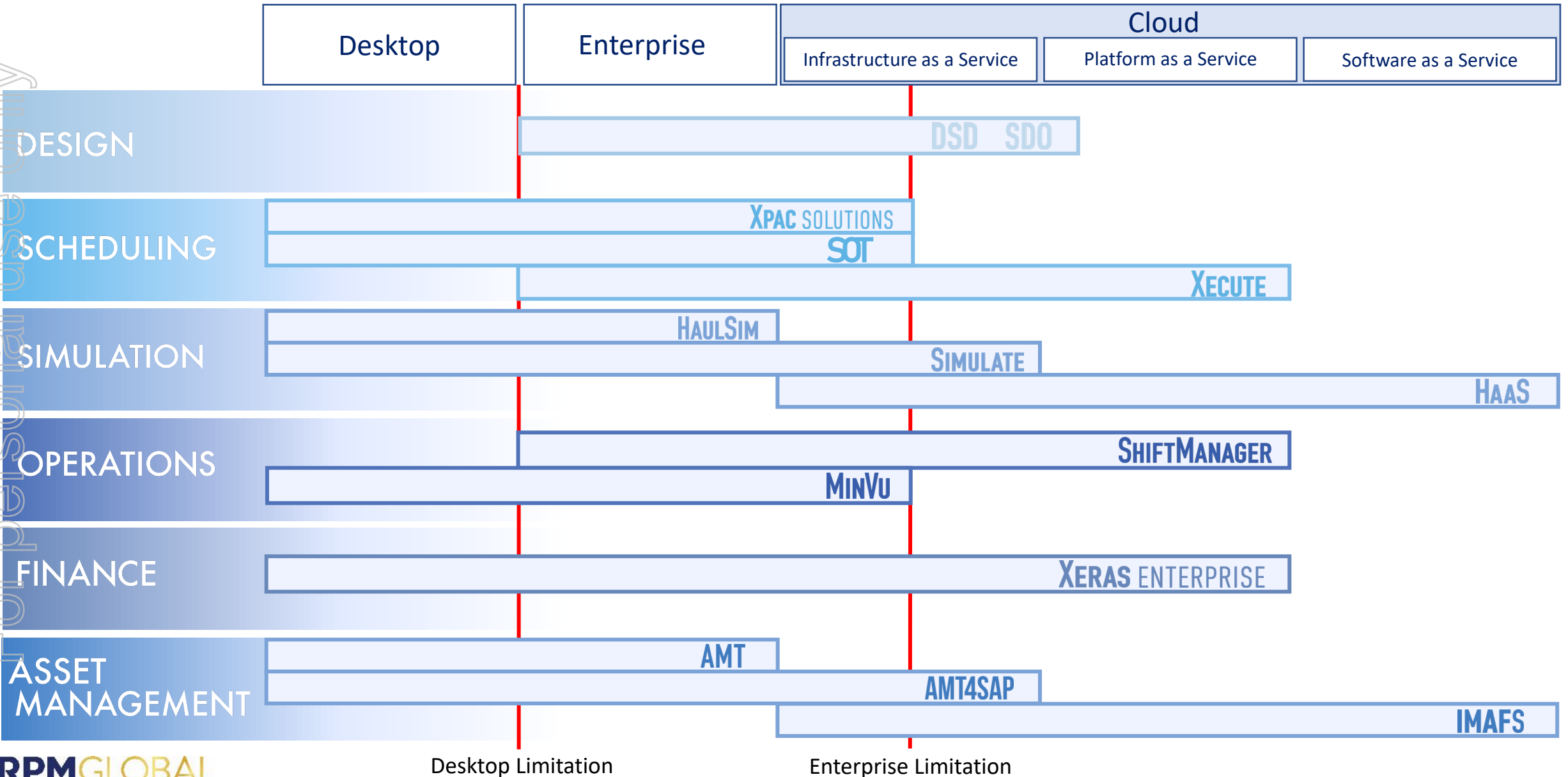
# IMAFS

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A cloud delivered, inventory management and forecasting solution that connects to an organisation's Enterprise Resource Planning system and utilises Artificial Intelligence (AI) algorithms to optimise inventory

# Our Journey to the Cloud



# New Product Adoption – FY2021

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<b>XECUTE</b>	Teck   QB2	 <b>KCGM</b>	 <b>KAZZINC</b>	 <b>exxaro</b> Mafube Coal	 <b>Mosaic</b>	<b>Teck</b>
<b>HAULSIM</b>	 <b>SOUTH32</b>	<b>Peabody</b>	<b>BHP</b>	 <b>AngloAmerican</b> Technical & Sustainability	<b>SIMULATE</b>	 <b>Hastings Deering</b>   <b>WestTrac</b>   <b>FINNING</b>   <b>Sotreq</b> 
<b>MINVU</b>	 <b>Canadian Natural</b> Albian	 <b>SUNCOR</b> ENERGY Base Mine	<b>MINVU</b> SHIFTMANAGER	 <b>Cameco</b>	 <b>AngloAmerican</b> Los Bronces	
<b>XERAS</b>	 <b>SOUTH32</b>	<b>GLENCORE</b> Zinc Canada	 <b>WESTGOLD</b> RESOURCES LIMITED	 <b>exxaro</b> Mafube Coal	<b>GLENCORE</b> Zinc South America	
<b>OPMS</b>   <b>XPAC</b> SOLUTIONS	 <b>Nathan River Resources</b>	 <b>AngloAmerican</b> Technical & Sustainability	<b>OCCS</b>   <b>XPAC</b> SOLUTIONS	 <b>PT BAYAN RESOURCES Tbk.</b>	 <b>exxaro</b> Mafube Coal	
<b>SDO</b>	 <b>COEUR MINING</b>	<b>UGPS</b>   <b>XPAC</b> SOLUTIONS	 <b>Mosaic</b>			
<b>AMT</b>	<b>BHP</b>	 <b>Cementation</b>	<b>HAAS</b>	<b>Teck</b>		

# Outlook

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- The first seven weeks of H2 2021 have started well in terms of software license sales and as such management expects the utilisation of its software consulting team to rise quickly.
- The business continues to build a strong deal pipeline but is experiencing delays in signing software contracts due to drawn out procurement, legal and approval processes. We still firmly believe these deals will be concluded in the fullness of time.
- COVID-19 has introduced some logistical challenges for our Advisory team due to the curtailment of international travel. Given these challenges we were pleased with the division's \$0.8m contribution in the first half and expect another positive result in the second half.
- Our AMT product, coupled with the newly acquired IMAFS inventory optimiser, both have strong second half sales pipelines and we hope to conclude several important deals in H2 2021.
- The Company is confident that the continued heavy investment in its software products and their transition to the cloud will set the business up for strong market share growth in the medium term.





*The material in this presentation is a summary of the results of RPMGlobal Holdings Limited (RPM) for the six months ended 31 December 2020 including historical financial information from prior half year's results as announced to the market and an update on RPM's business and activities and is current at the date of preparation, 22 February 2021. Further details are provided in RPM's Appendix 4D - Half Yearly Results - 31 December 2020 released to the market on 22 February 2021 and RPM's Appendix 4E and Annual Report for the full year ended 30 June 2020 released on 24 August 2020.*

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