

## APPENDIX 4D

The information contained in this report is for the half year ended 31 December 2021 and the previous corresponding period ended 31 December 2020 for RPMGlobal Holdings Limited and its controlled entities.

This report is presented in Australian dollars. The report has been subjected to independent review and is not subject to qualification.

### Results for announcement to the market

\$'000	1H22	1H21	Movement
Revenues from ordinary activities	40,498	30,242	33.9%
Profit/(Loss) from ordinary activities after tax	1,340	(178)	n/a
Profit for the period	1,860	898	107.1%

### Dividend information

	Amount per Share (cents)	Franked Amount per Share (cents)	Conduit Foreign Income Amount per Share
Interim dividend	-	-	-

### Brief explanation to figures reported above

Refer to review of operations on page 1.

	31 Dec 2021	31 Dec 2020
Net tangible assets per security (cents)	15.4	14.8

### Details of entities over which control has been gained or lost during the period

Control was gained over Nitro Solutions Pty Ltd and Blueprint Environmental Strategies Pty Ltd during the period. Refer to note 5 "Business Combinations" on page 12. Control was lost over GeoGAS Pty Ltd which was divested in August 2021.

# DIRECTORS' REPORT

Your Directors present their report on RPMGlobal Holdings Limited and its subsidiaries for the half year ended 31 December 2021 (referred to hereafter as "RPM" and the "Group").

## Directors

The directors of RPMGlobal Holdings Limited at any time during or since the end of the period are:

### Non-executive

Stephen Baldwin – *Chairman*

Angeleen Jenkins – effective 1 July 2021

Paul Scurrah

Ross Walker

### Executive

Mr Richard Mathews – *CEO & Managing Director*

## Review and Results of Operations

	Six months ended 31 Dec 2021 \$m	Six months ended 30 Jun 2021 \$m	Variance to 30 Jun 2021 %	Six months ended 31 Dec 2020 \$m	Variance to 31 Dec 2020 %
Software Division	27.8	26.3	5.7%	22.5	23.6%
Advisory Division	12.7	9.9	28.3%	7.7	64.9%
<b>Revenue</b>	<b>40.5</b>	<b>36.2</b>	<b>11.9%</b>	<b>30.2</b>	<b>34.1%</b>
Direct costs	(2.4)	(2.2)	9.1%	(1.0)	140.0%
<b>Net Revenue</b>	<b>38.1</b>	<b>34.0</b>	<b>12.1%</b>	<b>29.2</b>	<b>30.5%</b>
Operating Expenses	(34.2)	(33.3)	2.7%	(28.1)	21.7%
<b>Operating EBITDA*</b>	<b>3.9</b>	<b>0.7</b>	<b>457.1%</b>	<b>1.1</b>	<b>254.5%</b>
Depreciation & Amortisation	(3.0)	(3.5)	-14.3%	(3.4)	-11.8%
Foreign exchange gain/(loss)	0.3	0.7	-57.1%	(1.0)	n/a
Government subsidies	1.0	0.4	150.0%	3.3	-69.7%
Net finance costs	(0.1)	(0.1)	-	-	n/a
<b>Profit/(Loss) before Tax</b>	<b>2.1</b>	<b>(1.8)</b>	<b>n/a</b>	<b>-</b>	<b>n/a</b>

\* Operating Earnings before Interest, Tax, Depreciation, Amortisation, Government Subsidies and Foreign exchange is a non-IFRS disclosure. In the opinion of the Directors, the Group's EBITDA reflects the results generated from ongoing operating activities and is calculated in accordance with AICD/Finsia principles. The non-operating adjustments outlined above are considered to be non-cash and/or non-recurring in nature. These items are included in the Group's consolidated statutory result but excluded from the underlying result. Operating EBITDA has not been audited or reviewed.

### Revenue

For the half year ended 31 December 2021, the Group's Revenue was \$40.5 million a 34.1% increase over the previous corresponding six month period (December 2020: \$30.2 million). This increase was due to a \$5.3m (23.6%) increase in Software revenue and \$5.0m (64.9%) increase in Advisory revenue.

# DIRECTORS' REPORT

## Review and Results of Operations (Continued)

### Software Division

	Six months ended 31 Dec 2021 \$m	Six months ended 30 Jun 2021 \$m	Variance to 30 Jun 2021 %	Six months ended 31 Dec 2020 \$m	Variance to 31 Dec 2020 %
Subscriptions	11.5	9.1	26.4%	6.4	79.7%
Perpetual Licence Sales	1.3	3.4	-61.8%	1.8	-27.8%
Maintenance Support	8.6	8.4	2.4%	9.5	-9.5%
Consulting	6.4	5.4	18.5%	4.8	33.3%
<b>Software Revenue</b>	<b>27.8</b>	<b>26.3</b>	<b>5.7%</b>	<b>22.5</b>	<b>23.6%</b>
Cost of Sales	(0.8)	(0.4)	100.0%	(0.3)	166.7%
<b>Net Revenue - Software</b>	<b>27.0</b>	<b>25.9</b>	<b>4.2%</b>	<b>22.2</b>	<b>21.6%</b>

Net Revenue from the Software division increased to \$27.0 million a 21.6% increase on the prior corresponding half (December 2020: \$22.2 million).

Revenue from software subscriptions for the period ending 31 December 2021 grew 79.7% on the prior corresponding period.

The Total Contracted Value (TCV) of software subscriptions sold during H1 2021 was \$24.2m, \$0.9m of which was recognised in the half year. TCV outstanding as at 31 December 2021 that is yet to be recognised as revenue and will be in future periods was \$78.9m, up 20.0% from 2H2021 (June 2021: \$65.7m).

### Operating Expenses

	Six months ended 31 Dec 2021 \$m	Six months ended 30 Jun 2021 \$m	Variance to 30 Jun 2020 %	Six months ended 31 Dec 2020 \$m	Variance to 31 Dec 2020 %
Software	(12.8)	(13.2)	3%	(10.5)	-22%
Advisory	(9.3)	(7.8)	-19%	(6.8)	-37%
Software Development	(7.3)	(7.0)	-4%	(6.2)	-18%
Corporate	(4.8)	(5.3)	9%	(4.6)	-4%
<b>Operating Expenses</b>	<b>(34.2)</b>	<b>(33.3)</b>	<b>-3%</b>	<b>(28.1)</b>	<b>-22%</b>

Advisory costs increased in the last six months due to the acquisition of two ESG businesses. As previously announced, the Group is accelerating the move of its software solutions into the cloud which has resulted in an increase in development costs.

### Profit for the period

The reported profit after tax of \$1.9 million is an 107% increase over the comparative first half of last year (December 2020: \$0.9 million).

# DIRECTORS' REPORT

## Review and Results of Operations (Continued)

### **Financial Position**

On 31 December 2021, the Group had net assets of \$65.8 million (June 2021: \$61.4 million), including cash of \$32.4 million (June 2021: \$44.6 million) and no debt.

As most of the software maintenance support revenue is invoiced at the start of the calendar year (and paid in the second half of the company's financial year) the first half years' operating cash outflow is traditionally lower than the second half which was again the case during this period.

### **Business Acquisitions**

During the half year, the Group acquired two Australian Environmental and Social Governance (ESG) advisory consulting services companies with \$3.9 million paid by the Group in completion payments for those acquisitions during the half year.

On 1 July 2021, the Group acquired 100% of the issued share capital of Nitro Solutions Pty Ltd (Nitro) located in Brisbane, to establish an ESG division in its Advisory business.

On 30 September 2021, the Group acquired 100% of the issued share capital of Blueprint Environmental Strategies Pty Ltd (Blueprint), an ESG company located in Perth to increase the size of its Advisory ESG division.

### **Software Acquisitions**

In December 2021 the Group paid \$0.25m for a copy of the software code from Eden Suite Pty Ltd for its Environmental Data Management and Reporting Software. The acquisition provided the Group with exclusive worldwide rights to the intellectual property in the Eden Suite software for use in the mining and quarrying industries along with the ability to extend and integrate use of the software inside the Group's suite of software products.

In December 2021, the Group acquired the rights to three mine planning optimisation software products as part of a three year collaborative research partnership with Sudbury, Canada based MIRARCO, an innovative solution research provider for the mining industry and research arm of Laurentian University, a leading Canadian mining University. Total consideration for this transaction is expected to be approximately \$0.165m.

### **Outlook**

While the COVID-19 Omicron variant continues to spread around the world we are seeing a gradual reopening of international borders. We believe that the impact of Omicron on the business will reduce as the year progresses and hope that by the start of the new financial year in July most things will have returned to normal.

Our new ESG Advisory division continues to go from strength to strength and represents most of the 37% increase in revenue of the Advisory division over the corresponding prior period. We expect to see this business continue to grow.

In terms of changes to the competitive market landscape in which the company operates, during calendar year 2021 two relatively small private mine scheduling software companies were acquired and consolidated by private equity and in the first quarter of calendar 2022 another larger player in the design and mine scheduling space will be acquired by one of the major OEM's.

The company is making slow and steady progress in moving its products to a Software as a Service (SaaS) model. We expect development costs to rise again in H2 as we push to complete this programme of work over the next 18 months.

We have made excellent progress on our four large new software products, three of which will be released in H2 2022.

## DIRECTORS' REPORT

### ***Rounding of Amounts***

RPMGlobal Holdings Limited is a company of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 and in accordance with that Instrument amounts in the Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the board of directors of RPMGlobal Holdings Limited.



**Stephen Baldwin**

Chairman

Brisbane

Dated: 21 February 2022

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**DECLARATION OF INDEPENDENCE BY C HENRY TO THE DIRECTORS OF RPMGLOBAL HOLDINGS LIMITED**

As lead auditor for the review of RPMGlobal Holdings Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of RPMGlobal Holdings Limited and the entities it controlled during the period.



**C HENRY**  
Director

**BDO Audit Pty Ltd**

Brisbane, 21 February 2022

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# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Notes	31 Dec 2021 \$'000	31 Dec 2020 Restated* \$'000
<b>Revenue from contracts with customers</b>			
Services		19,077	12,539
Software subscriptions		11,532	6,426
Licence sales		1,247	1,802
Software support		8,641	9,475
<b>Revenue from contracts with customers</b>		<b>40,497</b>	<b>30,242</b>
Other income	1(b)	1,258	3,345
Rechargeable expenses		(2,409)	(1,048)
<b>Net revenue</b>		<b>39,346</b>	<b>32,539</b>
<b>Expenses</b>			
Amortisation		(1,053)	(1,549)
Depreciation		(1,909)	(1,813)
Employee benefits expense		(30,612)	(24,769)
Foreign exchange losses		-	(1,009)
Office expenses		(1,200)	(1,241)
Travel expenses		(291)	(42)
Other expenses		(2,109)	(2,108)
<b>Total Expenses</b>		<b>(37,174)</b>	<b>(32,531)</b>
<b>Profit before finance costs and income tax</b>		<b>2,172</b>	<b>8</b>
Finance income		56	89
Finance costs		(126)	(138)
Fair value adjustments – contingent consideration		(20)	26
<b>Net finance costs</b>		<b>(90)</b>	<b>(23)</b>
<b>Profit before income tax</b>		<b>2,082</b>	<b>(15)</b>
Income tax	4	(742)	(163)
<b>Profit/(loss) after income tax from continuing operations</b>		<b>1,340</b>	<b>(178)</b>
Profit from discontinued operations	6	520	1,076
<b>Profit for the period</b>		<b>1,860</b>	<b>898</b>

\* See note 6 for details regarding the restatement as a result of discontinued operations for comparative purposes

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 2021 \$'000	31 Dec 2020 Restated \$'000
<b>Net profit</b>	<b>1,860</b>	<b>898</b>
<b>Other comprehensive income</b>		
<i>Items that may be classified subsequently to profit or loss:</i>		
Foreign currency translation differences	(534)	(205)
Other comprehensive income/(loss), net of tax	<b>(534)</b>	<b>(205)</b>
<b>Total comprehensive income</b>	<b>1,326</b>	<b>693</b>
<b>Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:</b>	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.58	(0.08)
Diluted earnings per share	0.56	(0.08)
<b>Earnings per share for profit attributable to the ordinary equity holders of the company:</b>		
Basic earnings per share (cents)	0.81	0.39
Diluted earnings per share (cents)	0.78	0.38

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	31 Dec 2021 \$'000	30 June 2021 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		32,383	44,628
Trade and other receivables		18,095	13,814
Contract assets		4,307	2,098
Current tax receivable		1,650	1,661
Other assets		3,829	3,652
		<b>60,264</b>	<b>65,853</b>
Assets classified as held for sale		-	2,207
<b>Total current assets</b>		<b>60,264</b>	<b>68,060</b>
<b>Non-current assets</b>			
Trade and other receivables		217	192
Property, plant and equipment		5,764	7,154
Deferred tax assets		2,693	2,564
Intangible assets		30,059	25,671
Other assets		2,620	2,988
<b>Total non-current assets</b>		<b>41,353</b>	<b>38,569</b>
<b>Total assets</b>		<b>101,617</b>	<b>106,629</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		6,287	12,875
Provisions		5,514	4,953
Current tax liabilities		598	194
Contract liabilities		16,890	18,008
Deferred and contingent consideration		589	86
Right-of-use lease liabilities		2,736	2,786
		<b>32,614</b>	<b>38,902</b>
Liabilities classified as held for sale		-	1,707
<b>Total current liabilities</b>		<b>32,614</b>	<b>40,609</b>
<b>Non-current liabilities</b>			
Provisions		1,112	1,132
Right-of-use lease liabilities		2,107	3,453
<b>Total non-current liabilities</b>		<b>3,219</b>	<b>4,585</b>
<b>Total liabilities</b>		<b>35,833</b>	<b>45,194</b>
<b>Net assets</b>		<b>65,784</b>	<b>61,435</b>
<b>EQUITY</b>			
Contributed equity	3	101,483	98,574
Reserves		(6,124)	(5,704)
Accumulated losses		(29,575)	(31,435)
<b>Total equity</b>		<b>65,784</b>	<b>61,435</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Contributed equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total equity \$'000
<b>Balance at 1 July 2021</b>	<b>98,574</b>	<b>(5,704)</b>	<b>(31,435)</b>	<b>61,435</b>
Profit / (loss) for the period	-	-	1,860	1,860
Other comprehensive income	-	(534)	-	(534)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(534)</b>	<b>1,860</b>	<b>1,326</b>
<b>Transactions with owners in their capacity as owners</b>				
Contribution of equity, net of transaction costs	2,494	-	-	2,494
Employee share options expensed	-	529	-	529
Employee share options transferred from reserve	415	(415)	-	-
	2,909	114	-	3,023
<b>Balance at 31 December 2021</b>	<b>101,483</b>	<b>(6,124)</b>	<b>(29,575)</b>	<b>65,784</b>
<b>Balance at 1 July 2020</b>	<b>94,399</b>	<b>(5,067)</b>	<b>(25,998)</b>	<b>63,334</b>
Profit / (loss) for the period	-	-	898	898
Other comprehensive income	-	(205)	-	(205)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(205)</b>	<b>898</b>	<b>693</b>
<b>Transactions with owners in their capacity as owners</b>				
Contribution of equity, net of transaction costs	2,910	-	-	2,910
Employee share options expensed	-	241	-	241
Employee share options transferred from reserve	918	(948)	30	-
	3,828	(707)	30	3,151
<b>Balance at 31 December 2020</b>	<b>98,227</b>	<b>(5,979)</b>	<b>(25,070)</b>	<b>67,178</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	38,024	32,404
Payments to suppliers and employees	(45,047)	(36,419)
Interest received	56	89
Finance costs	(129)	(140)
Income taxes paid	(558)	(666)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(7,654)</b>	<b>(4,732)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(338)	(502)
Payment for intangible assets	(383)	-
Payments for investments in subsidiaries net of cash acquired	(3,403)	(1,537)
Proceed for sale of subsidiaries net of cash disposed	166	-
Proceeds from subleases	15	-
Payments for contingent consideration	(104)	(423)
<b>Net cash outflow from investing activities</b>	<b>(4,047)</b>	<b>(2,462)</b>
<b>Cash flows from financing activities</b>		
Contributions of equity	1,232	2,959
Share issue costs	(35)	(49)
Repayment of Right-of-Use lease liabilities	(1,751)	(1,480)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(554)</b>	<b>1,430</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>(12,255)</b>	<b>(5,764)</b>
Cash and cash equivalents at the beginning of the period	44,804	40,004
Effects of exchange rate changes on cash and cash equivalents	(166)	(1,400)
<b>Cash and cash equivalents at the end of the period</b>	<b>32,383</b>	<b>32,840</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

## SELECTED NOTES TO THE FINANCIAL STATEMENTS

### 1. Basis of Preparation

This general purpose interim financial report for the half year ended 31 December 2021 has been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*. The interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual report of the Group for the year ended 30 June 2021 and any public announcements made by RPMGlobal Holdings Limited during the interim reporting period.

The accounting policies and methods of computation applied in this interim financial report are consistent with those applied in the previous financial year and the corresponding interim reporting period.

#### 1 (a). Fair values

The fair values of the Group's financial assets and financial liabilities approximate their carrying value due to being short-term in nature. No financial assets or financial liabilities are readily traded on organised markets in standardised form.

#### 1 (b). Government subsidies

Government subsidies relating to the US Paychecks Protection Program loan forgiveness of \$998,000 (Dec 2019: \$3,345,000 Australian Jobkeeper) are included within the 'other income' line of the Consolidated Statement of Comprehensive Income. There are no unfulfilled conditions or other contingencies attached to these subsidies.

### 2. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided by management to the Managing Director in order to make decisions about resource allocations and to assess performance of the Group. The reports are split into two functional divisions: Software Division, Advisory Division. In August the group has divested its laboratory testing business GeoGAS, and advisory consulting revenue and contribution related to this business is now showing in discontinued operations.

Segment revenue, expenses and results include transfers between segments. Such transfers are priced on an "arms-length" basis and are eliminated on consolidation.

#### (a) Information about reportable segments

	December 2021			December 2020		
	Software \$'000	Advisory \$'000	Total \$'000	Software \$'000	Advisory \$'000	Total \$'000
<b>Revenue</b>						
External sales	27,773	12,845	40,618	22,511	7,874	30,385
Other income	-	2	2	2,315	647	2,962
Inter-segment sales	43	164	207	83	139	222
<b>Total Revenue</b>	<b>27,816</b>	<b>13,011</b>	<b>40,827</b>	<b>24,909</b>	<b>8,660</b>	<b>33,569</b>
Inter-segment expenses	(152)	(42)	(194)	(124)	(94)	(218)
Rechargeable expenses	(649)	(1,766)	(2,415)	(280)	(803)	(1,083)
<b>Net revenue</b>	<b>27,015</b>	<b>11,203</b>	<b>38,218</b>	<b>24,505</b>	<b>7,763</b>	<b>32,268</b>
Expenses	(12,834)	(9,077)	(21,911)	(10,499)	(6,990)	(17,489)
Software Development	(7,284)	-	(7,284)	(6,149)	-	(6,149)
<b>Segment profit/(loss)</b>	<b>6,897</b>	<b>2,126</b>	<b>9,023</b>	<b>7,857</b>	<b>773</b>	<b>8,630</b>

## SELECTED NOTES TO THE FINANCIAL STATEMENTS

### 2. Operating Segments (continued)

#### (b) Disaggregation of revenue from contracts with customers

	December 2021			December 2020		
	Software Division	Advisory Division	Total	Software Division	Advisory Division	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue	27,816	13,011	40,827	24,909	8,660	33,569
Government subsidies	-	(2)	(2)	(2,315)	(647)	(2,962)
Discontinued operations	-	(121)	(121)	-	(143)	(143)
Inter-segment revenue	(43)	(164)	(207)	(83)	(139)	(222)
<b>Revenue from external customers</b>	<b>27,773</b>	<b>12,724</b>	<b>40,497</b>	<b>22,511</b>	<b>7,731</b>	<b>30,242</b>
Timing of revenue recognition						
At a point in time	1,247	-	1,247	1,802	-	1,802
Over time	26,526	12,724	39,250	20,709	7,731	28,440
<b>Revenue from external customers</b>	<b>27,773</b>	<b>12,724</b>	<b>40,497</b>	<b>22,511</b>	<b>7,731</b>	<b>30,242</b>

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>(c) Reconciliation of segment profit to reported profit / (loss)</b>		
Segment profit	9,023	8,630
Adjustments:		
Foreign exchange gains/(losses)	257	(1,009)
Employment benefits – corporate and IT	(3,078)	(2,651)
Other unallocated costs – corporate and IT	(1,838)	(1,873)
Discontinued operations - Advisory	30	119
Rent	(192)	(226)
Depreciation and amortisation	(3,029)	(3,362)
Net finance income/(costs)	(89)	(23)
Unallocated income	998	380
<b>Profit / (loss) before income tax</b>	<b>2,082</b>	<b>(15)</b>
Profit from discontinued operations	520	1,076
Income tax benefit / (expense)	(742)	(163)
<b>Profit / (loss) for the period</b>	<b>1,860</b>	<b>898</b>

### 3. Contributed Equity – Movement in Share Capital

Details	Number of shares	\$'000
Opening balance 1 July 2021	229,435,170	98,574
Shares issued for acquisition of Blueprint and Nitro	626,119	1,197
Exercise of options - proceeds received	2,070,002	1,332
Exercise of options - transferred from share option reserve	-	415
Less: Transaction costs arising on share issues	-	(35)
<b>Balance 31 December 2021</b>	<b>232,131,291</b>	<b>101,483</b>

## SELECTED NOTES TO THE FINANCIAL STATEMENTS

### 4. Income Tax Expense

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>Tax Recognised in profit or loss</b>		
<i>Income tax benefit/(expense)</i>		
Current tax	(659)	(222)
Deferred tax	174	(17)
Adjustments to prior periods	(257)	(22)
<b>Income tax expense</b>	<b>(742)</b>	<b>(261)</b>
 <b>Numerical reconciliation of income tax expense to prima facie tax</b>		
Profit before income tax	<b>2,602</b>	<b>1,159</b>
Tax at the Australian tax rate of 30% (Dec 2020: 30%)	(781)	(348)
Tax effect of amounts which are not taxable/(deductible) in calculating taxable income:		
Non-deductible expense	(356)	(46)
Tax losses recognised	552	151
Difference in overseas tax rates	100	4
Under-provision in prior years	(257)	(22)
<b>Income tax expense</b>	<b>(742)</b>	<b>(261)</b>
Income tax expense attributed to continuing operations	<b>(742)</b>	<b>(163)</b>
discontinued operations	-	<b>(98)</b>

### 5. Business Combinations

#### (a) Summary of acquisition

On 1 July 2021, the Group acquired 100% of the issued share capital of Nitro Solutions Pty Ltd (Nitro) located in Brisbane, to establish an ESG division in its Advisory business.

On 30 September 2021, the Group acquired 100% of the issued share capital of Blueprint Environmental Strategies Pty Ltd (Blueprint), an ESG company located in Perth to increase the size of its Advisory ESG division.

The provisionally purchase consideration for the acquisition of both businesses were as follows:

<b>Purchase consideration</b>	<b>\$'000</b>
Cash	3,680
Shares	1,197
Deferred consideration	849
	<b>5,726</b>

## SELECTED NOTES TO THE FINANCIAL STATEMENTS

### 5. Business Combinations (continued)

#### (a) Summary of acquisition (continued)

The provisionally determined fair values of the assets and liabilities recognised as at the date of the acquisition are as follows:

Assets acquired	\$'000
Cash and cash equivalents	642
Trade and other receivables	673
Contract and other assets	148
Property, plant and equipment	257
Customer Contracts and Relationships	2,111
Payables and accruals	(514)
Current tax liabilities	(103)
Other liabilities	(262)
Provisions	(152)
Net identifiable assets acquired	<b>2,800</b>
Goodwill	2,926
Net Assets Acquired	<b>5,726</b>

At the time the financial statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of Nitro and Blueprint. In particular, the fair values of the assets and liabilities disclosed above have only been determined provisionally as the group has not finalised valuation of customer contracts and relationships of each acquired entity.

#### (b) Revenue and profit contribution

The acquired businesses contributed revenues of \$1,253,000 for the Group. As all employees were transferred to the Group's various business units it is impractical to determine the profit contributed by these businesses in the half year.

#### (c) Prior Period

On 31 July 2020, the Group acquired 100% of the issued share capital of Revolution Mining Software Inc and on 25 November 2020, the Group acquired 100% of the issued share capital of IMAFS Inc. Details of this business combination were disclosed in note 2 of the Group's annual financial statements for the year ended 30 June 2021.

### 6. Discontinued operations

#### (a) Summary of divestment

In May 2021 the board decided to divest its GeoGAS business via a Management Buy Out (MBO). The subsidiary was sold on 14 August 2021 and is reported in the current period as a discontinued operation.

#### (b) Financial performance and cash flow information

The financial performance and cash flow information presented reflects the operations for the two months ended 31 August 2021 in the current period.

## SELECTED NOTES TO THE FINANCIAL STATEMENTS

### 6. Discontinued operations (continued)

#### (b) Financial performance and cash flow information (continued)

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Revenue	903	2,478
Expenses	(383)	(1,304)
<b>Profit before income tax</b>	<b>520</b>	<b>1,174</b>
Income tax expense	-	(98)
<b>Profit from discontinued operation</b>	<b>520</b>	<b>1,076</b>

#### (c) Details of the sale of the subsidiary

Consideration received or receivable:		
Cash	500	-
Working capital adjustment payment	(69)	-
<b>Total disposal consideration</b>	<b>431</b>	-
Carrying amount of net assets sold	(431)	-
<b>Gain on sale after income tax</b>	<b>-</b>	<b>-</b>

### 7. Contingent liabilities

There has been no change to contingent liabilities since 30 June 2021.

### 8. Events occurring after the reporting period

No matter or circumstance has arisen since 31 December 2021 that has significantly affected the Group's operations, results or state of affairs, or may do so in the future years.




## DIRECTORS' DECLARATION

In the opinion of the directors of RPMGlobal Holdings Limited:

- a) the accompanying financial statements and notes comply with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position at as 31 December 2021 and of its performance for the half year ended on that date; and
- b) at the date of this declaration there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.



Stephen Baldwin

**Chairman**

Brisbane

Dated: 21 February 2022

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## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of RPMGlobal Holdings Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of RPMGlobal Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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### Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



**C Henry**

Director

Brisbane, 21 February 2022

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# CORPORATE DIRECTORY

## Directors

**Richard Mathews**

*Managing Director*

**Stephen Baldwin**

*Chairman*

*Non-executive Director*

**Angeleen Jenkins**

*Non-executive Director*

**Paul Scurrah**

*Non-executive Director*

**Ross Walker**

*Non-executive Director*

## Company Secretary

**James O'Neill**

*Group General Counsel and Company Secretary*

## Registered Office

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Web: [www.rpmglobal.com](http://www.rpmglobal.com)

## Auditor

BDO Audit Pty Ltd

Level 10, 12 Creek Street

Brisbane QLD 4000

## Share Registry

Computershare Investor Services Pty Limited

Level 1, 200 Mary Street,

Brisbane QLD 4000

## Stock Exchange Listing

The Company is listed on the Australian Securities

Exchange Limited (ASX: RUL)

**ABN 17 010 672 321**