

APPENDIX 4D

The information contained in this report is for the half year ended 31 December 2022 and the previous corresponding period ended 31 December 2021 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	1H23	1H22	Movement
Revenues from ordinary activities	45,664	40,497	12.8%
Profit/(Loss) from ordinary activities after tax	1,165	1,340	(13.0%)
Profit for the period	1,165	1,860	(37.4%)

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 2022	31 Dec 2021
Net tangible assets per security (cents)	12.3	15.4

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

Control was gained over Splash Back Solutions Pty Ltd during the period. Refer to note 7 "Business Combinations" on page 15.

DIRECTORS' REPORT

Your Directors present their report on RPMGlobal Holdings Limited and its subsidiaries for the half year ended 31 December 2022 (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

Paul Scurrah

Ross Walker

Executive

Mr Richard Mathews – *CEO & Managing Director*

Review and Results of Operations

	Six months ended 31 Dec 2022 \$m	Six months ended 30 Jun 2022 \$m	Variance to 30 Jun 2022 %	Six months ended 31 Dec 2021 \$m	Variance to 31 Dec 2021 %
Software Division	30.5	28.2	8.2%	27.8	9.7%
Advisory Division	15.2	13.9	9.4%	12.7	19.7%
Other Income	1.0	0.2	n/a	0.3	n/a
Revenue	46.7	42.3	10.4%	40.8	14.5%
Direct costs	(3.3)	(2.5)	-32.0%	(2.4)	-37.5%
Net Revenue	43.4	39.8	9.0%	38.4	13.0%
Operating Expenses	(38.1)	(40.5)	5.9%	(34.2)	-11.4%
Operating EBITDA*	5.3	(0.7)	n/a	4.2	26.2%
Depreciation & Amortisation	(3.0)	(2.9)	-3.4%	(3.0)	0.0%
Restructure / Ukraine-Russia	(0.6)	(1.1)	45.5%	-	n/a
Government subsidies	-	-	-	1.0	n/a
Net finance costs	(0.1)	-	n/a	(0.1)	0.0%
Profit/(Loss) before Tax	1.6	(4.7)	n/a	2.1	-23.8%

* Operating Earnings before Interest, Tax, Depreciation, Amortisation and Government Subsidies is a non-IFRS disclosure. In the opinion of the Directors, the Group's Operating 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 2022, the Group's Revenue was \$46.7 million, a 14.5% increase over the previous corresponding six month period (December 2021: \$40.8 million). Software revenue increased by \$2.7 million (9.7%) and Advisory revenue increased by \$2.5 million (19.7%).

DIRECTORS' REPORT

Review and Results of Operations (Continued)

Software Division

	Six months ended 31 Dec 2022 \$m	Six months ended 30 Jun 2022 \$m	Variance to 30 Jun 2022 %	Six months ended 31 Dec 2021 \$m	Variance to 31 Dec 2021 %
Subscriptions	16.9	14.7	15.0%	11.5	47.0%
Perpetual Licence Sales	1.1	0.5	120.0%	1.3	-15.4%
Maintenance Support	7.2	7.8	-7.7%	8.6	-16.3%
Consulting	5.3	5.2	2.0%	6.4	-17.2%
Software Revenue	30.5	28.2	8.2%	27.8	9.7%
Cost of Sales	(0.8)	(0.7)	14.3%	(0.8)	0.0%
Net Revenue - Software	29.7	27.5	8.0%	27.0	10.0%

Net Revenue from the Software division increased to \$29.7 million a 10.0% increase on the prior corresponding half (December 2021: \$27.0 million).

Software Subscription Revenue grew \$5.4 million (47.0%) over the 12-month period. Some of this growth came from customers converting their software licenses from perpetual to subscription which saw maintenance revenue decrease by \$1.4 million (16.3%).

Software consulting revenue finished the half year on par with the previous 6-month period but down on the prior corresponding period due to a reduction in headcount in this division.

The Total Contracted Value (TCV) of software subscriptions sold during the first six months' of the 2023 financial year (H1 2023) was \$23.6 million (December 2021: \$24.2 million), of which only \$0.9 million was recognised in the half year.

Operating Expenses

	Six months ended 31 Dec 2022 \$m	Six months ended 30 Jun 2022 \$m	Variance to 30 Jun 2022 %	Six months ended 31 Dec 2021 \$m	Variance to 31 Dec 2021 %
Software	(14.4)	(14.7)	2.0%	(12.8)	-12.5%
Advisory	(9.9)	(10.2)	2.9%	(9.3)	-6.5%
Software Development	(8.6)	(9.2)	6.5%	(7.3)	-17.8%
Corporate	(5.2)	(6.4)	18.8%	(4.8)	-8.3%
Operating Expenses	(38.1)	(40.5)	5.9%	(34.2)	-11.4%

In November 2022 as a continuation of the company's previously disclosed strategy to grow its environmental social and governance (ESG) software and services offerings, the Group acquired Splashback Solutions Pty Ltd (Splashback). Further details regarding the acquisition are detailed in the report below and Note 7.

The Splashback acquisition resulted in \$20,000 of costs being incurred across the business in H1 2023. It is expected \$255,000 of costs will be incurred in the second half of the 2023 financial year (H2 2023) as a result of this strategic acquisition.

The BluePrint ESG business was acquired in September 2021 and therefore the H1 2023 Advisory expense number includes \$0.4 million in additional Blueprint costs, compared to the prior corresponding period.

DIRECTORS' REPORT

Review and Results of Operations (Continued)

With the relaxation of COVID travel restrictions around the world the company incurred a record \$2.2 million on travel, marketing and promotional costs in the first six months of the year. This was up \$1.6 million from the prior year. These costs covered activities such as the sales teams getting back out to see customers, a key requirement to develop and foster ongoing positive long term relationships, bringing the global software sales team together for product training after three years of software development and acquisitions, bringing new employees into head office for company orientation, software user conferences and industry conferences amongst other events, which did not occur during Covid restrictions. With these undertakings now completed, travel, marketing and promotional costs for H2 2023 are expected to reduce from H1 2023 to more normal (pre-Covid) levels.

The company invested \$1.3 million more in software development costs during the period than it did in the prior corresponding period as it continued to transition its product set across to Software as a Service offerings.

Profit for the period

The company's operating EBITDA increased by \$6.0 million over the previous six-month period to \$5.3 million (H2 2022: -\$0.7 million).

The reported profit after tax from continuing operations of \$1.6 million included \$0.6 million in restructuring costs (Latin America and China).

In the first half of the previous financial year, the company received \$1 million in Government COVID subsidies which were not repeated in H1 2023.

Financial Position

On 31 December 2022, the Group had net assets of \$57.4 million down \$2.7 million from the 30 June 2022 after having invested \$5.2 million buying back the company's shares pursuant to the current on-market buyback capital management strategy.

On 31 December 2022, the group had \$22.3 million in cash 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 operating cash outflow for the first half of the financial year, is traditionally lower than the second half which was again the case during this period.

Cashflow from operations improved by \$3.6 million against the first half of the prior financial year.

Software Acquisitions

On 30 November 2022, as a continuation of the company's previously disclosed strategy to grow its Environmental, Social and Governance (ESG) software and services offerings, the Group acquired 100% of the issued share capital of Tasmanian based Splash Back Solutions Pty Ltd (Splashback). Splashback, a private Tasmanian headquartered company, were the owners of a unique Software as a Service (SaaS) product for the capture, storing, management and reporting of environmental data. This strategic acquisition, bolsters RPM's ESG software portfolio offering a SaaS based solution for data storage, access, analysis, and integration through APIs for an operation's environmental data. There is also a mobile application allowing field technicians, scientists and other on the ground staff to securely collect data on-the-go. This is built using the same technology as RPM's current platforms providing development synergies across the product suite. There were no changes to the composition of RPM's board or key management personnel as a result of this \$0.8 million acquisition and the consideration for the transaction will be entirely funded from RPM's existing cash reserves.

DIRECTORS' REPORT

Outlook

The pressure on salaries for IT and Mining professionals which was evident during H1 2023, has dropped away in early H2 2023, and as a result we expect a reduction in salary growth and voluntary employee attrition in the second half of the financial year.

The company's Advisory ESG division continues to grow as does the company's offerings to the decarbonisation and critical minerals space. We expect the successful turnaround in the America's Advisory business to continue given ongoing investor interest in battery and critical minerals. The division's reputation in the large mining studies space where it is engaged by global Engineering, Procurement and Construction Management companies continues to strengthen.

There is a lot of interest in the company's Asset Management product by global miners and as such we expect this product to perform strongly in the second half of this financial year. The company continues to grow its Annual Recurring Revenue and unrecognised contracted subscription revenue.

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: 24 February 2023

DECLARATION OF INDEPENDENCE BY C K 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 2022, 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 K Henry

Director

BDO Audit Pty Ltd

Brisbane, 24 February 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Notes	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Revenue from contracts with customers			
Services		20,506	19,077
Software subscriptions		16,869	11,532
Licence sales		1,063	1,247
Software support		7,226	8,641
Revenue from contracts with customers		45,664	40,497
Other income	1(b)	961	1,258
Rechargeable expenses		(3,301)	(2,409)
Net revenue		43,324	39,346
Expenses			
Amortisation		(888)	(1,053)
Depreciation		(2,098)	(1,909)
Business Promotion and Marketing		(553)	(241)
Employee benefits expense		(32,506)	(30,612)
Office expenses		(1,466)	(1,200)
Travel expenses		(1,628)	(291)
Restructure		(620)	-
Other expenses		(1,825)	(1,868)
Total Expenses		(41,584)	(37,174)
Profit before finance costs and income tax		1,740	2,172
Finance income		117	56
Finance costs		(205)	(126)
Fair value adjustments – contingent consideration		(25)	(20)
Net finance costs		(113)	(90)
Profit before income tax		1,627	2,082
Income tax	3	(462)	(742)
Profit after income tax from continuing operations		1,165	1,340
Profit from discontinued operations	8	-	520
Profit for the period		1,165	1,860

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 2022

	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Net profit	1,165	1,860
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign currency translation differences	107	(534)
Other comprehensive income/(loss), net of tax	107	(534)
Total comprehensive income	1,272	1,326
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:	Cents	Cents
Basic earnings per share	0.51	0.58
Diluted earnings per share	0.49	0.56
Earnings per share for profit attributable to the ordinary equity holders of the company:		
Basic earnings per share (cents)	0.51	0.81
Diluted earnings per share (cents)	0.49	0.78

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	31 Dec 2022 \$'000	30 June 2022 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		22,320	34,458
Trade and other receivables		19,099	20,871
Contract assets		3,838	3,999
Current tax receivable		1,842	1,963
Other assets		3,268	4,832
Total current assets		50,367	66,123
Non-current assets			
Trade and other receivables		221	205
Property, plant and equipment	4	11,410	3,978
Deferred tax assets		3,242	3,281
Intangible assets		29,240	29,245
Other assets		4,027	3,339
Total non-current assets		48,140	40,048
Total assets		98,507	106,171
LIABILITIES			
Current liabilities			
Trade and other payables		4,845	12,215
Provisions		6,020	6,098
Current tax liabilities		580	359
Contract liabilities		17,856	23,045
Deferred and contingent consideration	7	260	143
Lease liabilities	5	2,847	2,376
Total current liabilities		32,408	44,236
Non-current liabilities			
Provisions		1,162	1,066
Deferred and contingent consideration	7	41	-
Lease liabilities	5	7,514	755
Total non-current liabilities		8,717	1,821
Total liabilities		41,125	46,057
Net assets		57,382	60,114
EQUITY			
Contributed equity	6	95,977	100,427
Reserves		(4,182)	(4,712)
Accumulated losses		(34,413)	(35,601)
Total equity		57,382	60,114

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 2022

	Contributed equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total equity \$'000
Balance at 1 July 2022	100,427	(4,712)	(35,601)	60,114
Profit for the period	-	-	1,165	1,165
Other comprehensive income	-	107	-	107
Total comprehensive income for the period	-	107	1,165	1,272
Transactions with owners in their capacity as owners				
Contribution of equity, net of transaction costs	567	-	-	567
Share buyback, including transaction costs	(5,196)	-	-	(5,196)
Employee share options expensed	-	625	-	625
Employee share options transferred from reserve	179	(202)	23	-
	(4,450)	423	23	(4,004)
Balance at 31 December 2022	95,977	(4,182)	(34,413)	57,382
Balance at 1 July 2021	98,574	(5,704)	(31,435)	61,435
Profit for the period	-	-	1,860	1,860
Other comprehensive income	-	(534)	-	(534)
Total comprehensive income for the period	-	(534)	1,860	1,326
Transactions with owners in their capacity as owners				
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
Balance at 31 December 2021	101,483	(6,124)	(29,575)	65,784

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 2022

	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Cash flows from operating activities		
Receipts from customers	45,765	38,024
Payments to suppliers and employees	(49,549)	(45,047)
Interest received	117	56
Finance costs	(205)	(129)
Income taxes paid	(83)	(558)
Net cash outflow from operating activities	(3,955)	(7,564)
Cash flows from investing activities		
Payments for property, plant and equipment	(755)	(338)
Payment for intangible assets	(139)	(383)
Payments for investments in subsidiaries net of cash acquired	(496)	(3,403)
Proceed for sale of subsidiaries net of cash disposed	-	166
Proceeds from subleases	26	15
Payments for self-insurance cell	(414)	-
Payments for contingent consideration	(165)	(104)
Net cash outflow from investing activities	(1,942)	(4,047)
Cash flows from financing activities		
Contributions of equity	572	1,232
Share Buyback	(5,133)	-
Share transaction costs	(68)	(35)
Repayment of lease liabilities	(1,539)	(1,751)
Net cash outflow from financing activities	(6,168)	(554)
Net decrease in cash and cash equivalents held	(12,066)	(12,255)
Cash and cash equivalents at the beginning of the period	34,458	44,804
Effects of exchange rate changes on cash and cash equivalents	(73)	(166)
Cash and cash equivalents at the end of the period	22,320	32,383

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 2022 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 2022 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.

	31 Dec 2022 \$'000	31 Dec 2021 \$'000
1 (b). Other income		
Government subsidies	5	1,001
Bad debt impairment reversal	740	-
Foreign exchange gains	216	257
Other income	961	1,258

Government subsidies relating to the Hong Kong and China Covid-related subsidies \$5,000 (Dec 2021: \$998,000 US Paychecks Protection Program loan forgiveness and Chinese Covid subsidies of \$3,000). 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. 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 2022			December 2021		
	Software \$'000	Advisory \$'000	Total \$'000	Software \$'000	Advisory \$'000	Total \$'000
Revenue						
External sales	30,464	15,200	45,664	27,773	12,845	40,618
Other income	-	5	5	-	2	2
Inter-segment sales	161	43	204	43	164	207
Total Revenue	30,625	15,248	45,873	27,816	13,011	40,827
Inter-segment expenses	(43)	(161)	(204)	(152)	(42)	(194)
Rechargeable expenses	(912)	(2,389)	(3,301)	(649)	(1,766)	(2,415)
Net revenue	29,670	12,698	42,368	27,015	11,203	38,218
Expenses	(14,389)	(9,923)	(24,312)	(12,834)	(9,077)	(21,911)
Software Development	(8,629)	-	(8,629)	(7,284)	-	(7,284)
Segment profit/(loss)	6,652	2,775	9,427	6,897	2,126	9,023

SELECTED NOTES TO THE FINANCIAL STATEMENTS

2. Operating Segments (continued)

(b) Disaggregation of revenue from contracts with customers

	December 2022			December 2021		
	Software Division	Advisory Division	Total	Software Division	Advisory Division	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue	30,625	15,248	45,873	27,816	13,011	40,827
Government subsidies	-	(5)	(5)	-	(2)	(2)
Discontinued operations	-	-	-	-	(121)	(121)
Inter-segment revenue	(161)	(43)	(204)	(43)	(164)	(207)
Revenue from external customers	30,464	15,200	45,664	27,773	12,724	40,497
Timing of revenue recognition						
At a point in time	1,063	-	1,063	1,247	-	1,247
Over time	29,401	15,200	44,601	26,526	12,724	39,250
Revenue from external customers	30,464	15,200	45,664	27,773	12,724	40,497

(c) Reconciliation of segment profit to reported profit / (loss)

	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Segment profit	9,427	9,023
Adjustments:		
Foreign exchange gains/(losses)	216	257
Recovery of bad debts	740	-
Employment benefits – corporate and IT	(2,750)	(3,078)
Other unallocated costs – corporate and IT	(1,998)	(1,838)
Discontinued operations - Advisory	-	30
Rent	(290)	(192)
Depreciation and amortisation	(2,985)	(3,029)
Net finance income/(costs)	(113)	(89)
Restructure	(620)	-
Unallocated income	-	998
Profit before income tax	1,627	2,082
Profit from discontinued operations	-	520
Income tax benefit / (expense)	(462)	(742)
Profit for the period	1,165	1,860

SELECTED NOTES TO THE FINANCIAL STATEMENTS

3. Income Tax Expense

	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Tax Recognised in profit or loss		
<i>Income tax benefit/(expense)</i>		
Current tax	(433)	(659)
Deferred tax	(26)	174
Adjustments to prior periods	(3)	(257)
Income tax expense	(462)	(742)
<i>Numerical reconciliation of income tax expense to prima facie tax</i>		
Profit before income tax	1,627	2,602
Tax at the Australian tax rate of 30% (Dec 2021: 30%)	(488)	(781)
Tax effect of amounts which are not taxable/(deductible) in calculating taxable income:		
Non-deductible expense	(330)	(356)
Tax losses recognised/(not recognised)	318	552
Difference in overseas tax rates	41	100
Under-provision in prior years	(3)	(257)
Income tax expense	(462)	(742)

4. Property, Plant and Equipment

	31 Dec 2022 \$'000	30 Jun 2022 \$'000
Plant and equipment - at cost	8,194	7,473
Less: accumulated depreciation	(6,512)	(6,093)
	1,682	1,380
Leased office buildings at cost - Right-of-use asset	17,448	9,596
Less: accumulated depreciation	(7,720)	(6,998)
	9,728	2,598
	11,410	3,978

SELECTED NOTES TO THE FINANCIAL STATEMENTS

4. Property, Plant and Equipment (continued)

	\$'000
<i>Plant and equipment</i>	
Balance at 1 July 2022	1,380
Exchange differences	(9)
Additions	755
Depreciation	(444)
Balance at 31 December 2022	1,682
<i>Right-of-use asset</i>	
Balance at 1 July 2022	2,598
Exchange differences	(38)
Additions - Lease term extension – Head Office	6,824
Additions - Lease term extensions – Other offices	381
Additions – New leases	1,617
Depreciation	(1,654)
Balance at 31 December 2022	9,728

5. Lease liabilities

	31 Dec 2022 \$'000	30 Jun 2022 \$'000
Current	2,847	2,376
Non-current	7,514	755
	10,361	3,131
<hr/>		
Balance at 1 July 2022	3,131	
Exchange differences	(54)	
Additions	8,823	
Interest	193	
Repayments	(1,732)	
Balance at 31 December 2022	10,361	

SELECTED NOTES TO THE FINANCIAL STATEMENTS

6. Contributed Equity – Movement in Share Capital

Details	Number of shares	\$'000
Opening balance 1 July 2022	231,704,960	100,427
Exercise of options - proceeds received	777,335	572
Exercise of options - transferred from share option reserve	-	179
Share Buy Back	(3,149,646)	(5,133)
Transaction costs	-	(68)
Balance 31 December 2022	229,332,649	95,977

7. Business Combinations

(a) Summary of acquisition

On 30 November 2022, the Group acquired 100% of the issued share capital of Splash Back Solutions Pty Ltd (Splashback) located in Tasmania, which owned a unique SaaS (Software as a Service) based solution for the capture, storage and management of environmental data.

The provisionally determined purchase consideration for the acquisition consisted of a \$500,000 upfront cash payment, plus a \$260,000 deferred payment and a \$41,000 earnout estimate.

The provisionally determined fair values of the assets and liabilities recognised as at the date of the acquisition were \$15,000 in current assets, \$11,000 in current liabilities and \$797,000 in intangibles – software acquired for sales. There was no goodwill recognised.

(b) Revenue and profit contribution

The acquired business contributed revenues of \$10,000 for the Group in H1 2023. As all employees were transferred to the Group's various business units it is impractical to determine the profit contributed by this business in the half year.

(c) Prior Period

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.

Details of these business combinations were disclosed in note 2 of the Group's annual financial statements for the year ended 30 June 2022.

8. 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 comparative 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 comparative period.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

9. Contingent liabilities

There has been no change to contingent liabilities since 30 June 2022.

10. Events occurring after the reporting period

No matter or circumstance has arisen since 31 December 2022 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 2022 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: 24 February 2023

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 2022, 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 significant 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 2022 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.

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 2022 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 K Henry
Director

Brisbane, 24 February 2023

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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Auditor

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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