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**ASX ANNOUNCEMENT  
RHIPE LIMITED (ASX:RHP)**

21 November 2019

**CHAIRMAN'S ADDRESS – 2019 ANNUAL GENERAL MEETING**

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Good morning.

This is my first AGM as Chairman of rhipe Limited and I would first like to thank our staff, partners and executive team for delivering outstanding operating results for FY19.

You will be aware we have a refreshed board for FY20 and one we feel will bring a complementary extension to our existing board members as we head into an exciting period for our company and our industry.

rhipe's CEO, Dominic O'Hanlon will soon discuss in detail the FY19 performance and plans for FY20 and beyond. However, at a high level it is clear that acceptance and adoption of public and private cloud computing continues to show no sign of slow down across the Asia Pacific market. rhipe's cloud subscription business positions the Company well to continue capitalising on this opportunity across Asia Pacific.

In addition to our core license subscription business, rhipe is increasingly working with its reseller-partners to drive value added solutions that are provided on an As-A-Service basis. rhipe's As-A-Service solutions support resellers in fulfilling the desires of their own customers to adopt cloud and take advantage of the flexibility it provides.

rhipe continued to deliver strong financial results for FY19 with 64% increase in operating profit to \$12.8M. Growth being driven by ongoing investments notably in our public cloud, Asian operations and 24x7 support, all of which produced strong gross sales growth of 28% and net revenue growth of 36% to \$48.4M. Strong execution coupled our public cloud business with Microsoft Cloud Solution Provider (CSP) (Office 365 and Azure). These products growing by 99%. Of interest is our non-Microsoft vendors growth has been strong at 19% versus 15% in FY18.

Our Total Shareholder return also benefited from the strong financial and business performance with a 12 month return of 143%.

The financial results for 2019 demonstrate the Company has been able to capitalise further on its profitable 2018 result. Importantly, the Company has grown across geography, product and licensing programs throughout the 2019 year which, once again with its subscription base revenue stream, sets up an optimistic start looking into the 2020 fiscal year.

In light of a very successful 2019, I would like to thank you for supporting the company strategy and believing in the entire rhipec team who work tirelessly to capture this remarkable cloud market opportunity.

rhipec's strategy to build out our footprint in key fast developing Asian markets has provided the company with the greatly enhanced opportunity to build market share while also reducing the competitive risk that would come from a small geographical focus. rhipec's geographical expansion strategy has recently been demonstrated by the announcement of our joint venture in Japan with JBS. Japan offers a significant growth opportunity for rhipec. It is one of Microsoft's largest markets but has been slow to adopt Pay As you Go Cloud business subscriptions. We believe that rhipec's intellectual property and go-to-market strategy will position us well in Japan as companies begin to accelerate their adoption of cloud-based subscription software products.

As observed our growth was led from our deep relationship with Microsoft and we were delighted with the support and acknowledgement in 2019 to be named again as a globally managed account.

With a recurring revenue model, rhipec enters 2020 in a strong position with more than \$25M of cash on hand and continued growth rates compounded by new vendors, new licensing programs, new partners and new geographies. You will hear from Dominic on our recent investment in Japan. We believe this will become a significant pillar of growth for Rhipec given the strong relationship with JBS and Microsoft Japan.

Of significance to rhipec moving forward is the development of its culture and people strategy. This will continue to form a key pillar in the strategic focus of the leadership team and provide the platform for sustainable growth at this inflection point in the market.

It would be remiss of me not to discuss the competitive landscape across our geographic footprint. We continue to see growth in competition, and it is therefore important for rhipec to continue investing in our key differentiators. Specifically, in order to deliver on strong growth in the long term, rhipec must focus on extending our value-added solutions and IP based offerings in order to maintain our innovative leadership position with partners/customers.

#### **In closing:**

On behalf of the Board we would like to thank our stakeholders for believing in rhipec's future and believing in the management team to continue to deliver above average growth rates. We look forward to building on our achievements in FY20 and continuing shareholder growth for the year ahead.

I would like to take this opportunity to thank my fellow board members and also the outstanding efforts of the entire staff at rhipec and its partners and congratulate them for delivering another year of records and awards.

I'll conclude my remarks by restating why we are here: To grow the value of the company and to deliver the highest long-term returns for you our shareholders.

Thank you.

**[ENDS]**

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**About rhipe**

rhipe, (ASX: RHP) is the cloud channel company. It provides its partners with a complete end to end cloud solution, helping them to grow and thrive in the emerging Cloud economy. As Cloud 1st, Channel 1st company, rhipe is recognised as the leading expert in subscription software licensing in Asia Pacific and its multi-award-winning services and support division is the industry leader in Microsoft Office365 implementation.