

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

The Manager
Company Announcements
Australian Security Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam,

**ASX Code: RHP
Trading Update**

Sydney, 29th April 2021 – The Board of rhipe Limited (**'rhipe'** or the **'Company'**) is pleased to provide an update on its current trading performances following the close of the third quarter of trading to 31 March 2021.

Overview of Financial Results

The table below summarises the unaudited financial results for the nine months from 1 July 2020 to 31 March 2021 ("Q3 YTD FY21").

\$ million	Q3 YTD FY20	Q3 YTD FY21	Change
Sales	236.5	273.1	+ 15%
Revenue	40.8	46.8	+ 15%
Gross Profit	38.3	43.1	+ 13%
Operating Expenses	28.7	30.1	+ 5%
Operating Profit (1)	9.7	13.2	+ 36%

1. Operating profit is gross profit less operating expenses and excludes any FX gains or losses, share-based payments and any non-operating one-off costs including restructuring and due diligence costs. It also includes rhipe's share of cost incurred in rhipe Japan and property leases cost.

Selected Highlights of Q3 YTD FY21 Results

- rhipe has continued to deliver solid revenue growth of 15% driven by continued momentum in Microsoft public cloud products including Office 365 and Azure, with growth in our solutions and services business.

ABOUT RHIPE

rhipe, (ASX: RHP) is a global leader in cloud and technology solutions, providing partners with business advisory and deep domain technical expertise to thrive in the growing cloud market. rhipe is recognised as an expert in subscription software licensing in Asia Pacific. Its multi-award-winning services and support division is the industry leader in Microsoft Office 365 implementation and other global vendor solutions.

FOR MORE INFORMATION CONTACT

Dominic O'Hanlon - Chief Executive Officer
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Mark McLellan - Chief Financial Officer
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- Microsoft Office 365 seats at 31 March 2021 were in excess of 775,000, with the monthly seat addition continuing around the 16,000 seats per month in the current financial year.
- Group operating expense growth was 5% in the 9 months to 31 March 2021 with increased investment in Q3 likely to continue into Q4.
- Group operating profit of \$13.2m was up 36% year on year due to solid revenue growth alongside careful cost management. This is consistent with first half results for this financial year.

In addition to the solid financial results outlined above, rhipe's 1 April 2021 acquisition of cyber security distributor, emt Distribution, is expected to complete on 30 April 2021. The acquisition strengthens rhipe's presence in security software distribution and will expand rhipe's offering to the enterprise market, providing a full spectrum of security solutions from a wide choice of vendors to both our existing and new Partners.

As a result of the strong performance in the third quarter, rhipe expects its full year operating profit for the financial year ending 30 June 2021 to be in excess of \$18 million ahead of previously disclosed guidance of \$17.5 million. This operating profit guidance excludes any changes in market conditions.

ENDS

Approved for release by the Board.

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