ANNUAL REPORT 2024

RPMGLOBAL

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RPMGlobal Holdings Limited
ABN 17 010 672 321

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CHAIRMAN'S REPORT

Dear Fellow Shareholders,

Financial Year 2024 ("FY2024") was another year dominated by global events and economic challenges that impacted our staff and customers in one way or another. However, through it all, the company grew revenue across the business, including an 16% increase in software subscription license revenue.

During FY2024, the company concluded $77.0 million in new software license sales (herein referred to as Total Contracted Value "TCV"), up $6.5 million (9%) on FY2023 TCV sales of $70.5 million.

Due to the growth in software TCV sales, at the end of FY2024, the company had $161.0 million in pre-contracted non-cancellable software licence and maintenance revenue, which will be recognised across future years, up $28.8 million from the same time last year.

Earnings before interest depreciation and amortisation (EBITDA) grew $3.3 million (28%) in FY2024 to $15.3 million (FY2023: $12.0 million).

The business's consistent profitable growth over the last few years has resulted in the company's share price closing at $2.87 on 30 June 2024, up 95% from the beginning of the financial year. It is pleasing to see our shareholders being rewarded for their patience as the company transitioned its software sales model to a subscription basis.

Notwithstanding the significant increase in the share price over the past twelve months, the RPM Board is still of the view that the company's share price remains undervalued. Accordingly, in May 2024, the Board resolved to extend the company's on-market share buyback for a further twelve months. As at the close of business on 30 June 2024, the company had acquired a total of 12.9 million shares via the on-market buyback (since its inception in June 2022) at an average cost of $1.667 per share for a total cost of $21.6 million.

The company began FY2024 with 228,022,637 shares on issue and, as a result of options being exercised and shares being bought back on the market, at the end of FY2024, the company had 223,255,967 shares on issue.

There have been no changes in the composition of the Board or executive management team during the year.

The company continues to maintain a strong balance sheet with $34.2 million of cash in the bank as at 30 June 2024 and no debt.

The Board has again resolved not to pay a dividend this financial year. The company still has minimal franking credits (less than $0.3 million) and until it starts producing these, it views buying back shares as the most appropriate form of capital management.

I would again like to acknowledge the effort and commitment of our staff, who once again grew both our Advisory and Software businesses.

The Board also thanks its shareholders for their ongoing support. We remain firmly of the opinion that the investments made in our software by the company will support and grow the business well into the future.

S Baldwin

Stephen Baldwin
Chairman

MANAGING DIRECTOR'S REPORT

Market Commentary

The world is undergoing a significant shift in energy systems, driven by the need to reduce greenhouse gas emissions and achieve net-zero targets. This transition requires massive investments in renewable energy sources, such as solar, wind, hydro, and energy storage and transmission technologies, such as batteries, hydrogen, and grid infrastructure. These investments are expected to be multigenerational and will create a surge in demand for various commodities, especially metals and minerals, essential for producing and operating these technologies.

The supply of these commodities is not guaranteed, as they face various challenges, such as declining ore grades, geopolitical risks, environmental and social impacts, and regulatory uncertainties. Moreover, in a rapidly deglobalising world, the trade environment is becoming more complex and volatile as countries seek to secure their access to strategic resources and protect their domestic industries. The combination of rising demand and constrained supply is likely to create a new commodity supercycle, not driven by a singular economy but by competing global demand.

A notable strategic realignment is occurring as Western nations pivot from trade with China and adopt more protectionist policies. Recent policy changes in these countries have focused on reshaping the battery supply chain, reducing reliance on Chinese materials, and promoting near-and-friend-shoring strategies. Metals markets in the energy transition will likely see more constrained availability (via restricted trade access and resource nationalism) compounded by limited mine supply. A duplication and regionalisation of metals markets is entirely possible.

Meeting ambitious climate goals set by governments under the Paris Accord will require a six-fold increase in the production of critical minerals. Even if the speed of this energy transition is overstated by half, the trained professionals needed to find and extract these minerals do not exist today, especially as the baby boomer generation retires from the industry. This remains a key demand growth opportunity for companies like ours, which really understand mining (Advisory division) and have technical mining software solutions (Software division).

High Level Summary of Financial Results

In FY2024, the company reported total revenue of $113.3 million, a 15% increase ($14.9 million) over the previous year ($98.4 million).

Advisory revenue increased by 20% ($6.2 million) to $37.5 million (FY2023: $31.3 million), and software revenue increased by 14% ($9.1 million) to $75.2 million (FY2023: $66.1 million).

The company sold $77.0 million in software in FY2024 (FY2023: $70.5 million), $75.4 million in subscription licenses (FY2023: $65.8 million) and $1.6 million in perpetual licenses with new contracted maintenance (FY2023: $4.7 million) generating $9.2 million in new Annually Recurring Revenue (ARR).

As of 1 July 2024, the total value of software ARR was $62.0 million, comprising $50.7 million from subscriptions and $11.3 million from maintenance. As the company's software becomes more mission-critical, mining companies are asking for longer subscription terms to ensure certainty of supply. In the second half of the 2024 financial year, the company sold $18.4 million in software subscriptions with a committed term of eight years and $6.4 million with a committed term of ten years.

It is important to understand that of the $75.4 million in software subscriptions sold in FY2024, only $6.6 million (9%) was recognised in the FY2024 financial accounts, with the remaining $68.8 million to be reported as revenue in future financial years.

As of the 30th of June 2024, the company had $161.0 million in pre-contracted, non-

MANAGING DIRECTOR'S REPORT

cancellable, recurring software revenue, which will be recognised in future years, up $28.8 million (22%) from the same time last year (30 June 2023: $132.2 million).

Of the company's operating costs, 76% relate to employee salaries which increased year on year by 11% ($6.7 million). This 11% consists of 3% ($1.8 million) related to the employment of 27 net new employees, 5% ($3.1 million) related to FY2024 salary increases, and 3% ($1.8 million) flowed in from salary increases from the previous year.

The company once again increased its investment in software development, lifting its spending by $0.9 million (5%) to $19.1 million (FY2023: $18.2 million). Given its accelerating market acceptance, the company's XECUTE product benefited the most from this increased development spend.

Earnings before interest depreciation and amortisation (EBITDA) grew $3.3 million (28%) in FY2024 to $15.3 million (FY2023: $12.0 million).

Cash inflows from operations for the year were $13.4 million.

Profit after Tax from continuing operations increased by 71% ($4.4 million) to $10.6 million (FY2023: $6.2 million).

Advisory

The Advisory division remains commodity and region-agnostic with a global resourcing model, which allows it to deliver projects across countries, cultures and commodities, using centres of excellence to maintain quality supported by local client-facing specialists.

During the year, the Advisory team signed new contracts worth $45.8 million, of which $9.5 million (20%) were for "Independent Engineer to Lenders" engagements. We are actively monitoring more than $10.4 billion of construction capital across periods typically ranging from four to eight years. During the last year we have been actively involved in 31 projects supporting clients, their advisors, and lenders in raising over $23 billion in project capital.

RPM is now a global leader in reviewing both upstream and downstream battery and critical minerals projects, having gained significant insight into the emerging extraction, processing and refining technologies associated with these unique projects. In FY2024, we actively supported over $8 billion of battery and critical mineral project financing worldwide. Many of these projects are world-class and industry-leading in their technical approach.

Our investment into ESG (Environment, Social and Governance) realised strong returns last year, with the ESG division securing several significant long-term approval mandates for some of Australia's emerging battery and critical mineral projects. We were also awarded a number of closure mandates for a major iron ore producer in WA, which helped support further organic growth late in the year. The ability to deploy our own highly experienced mining ESG specialists onto our lenders and M&A mandates has certainly improved our competitive positioning for these mandates.

Our mining engineering team continues to deliver mining studies globally, ranging from concept to feasibility, leveraging our software offering to add value to client's projects. Our ability to bring together mine planning and decarbonisation expertise through our ESG team positions RPM strongly to support miners as they develop carbon reduction strategies to meet their decarbonisation and energy transition commitments.

While demand remains strong, we will continue to look to grow our Advisory business for the foreseeable future.

Software

For the sixth year in a row, the company set a new sales record with respect to software licenses sold.

MANAGING DIRECTOR'S REPORT

Included in the $77 million worth of software sales were several initial pilot site projects for some of the world's largest miners. Success in these pilots will open the door to further license and service opportunities to deploy the solution across multiple locations for these customers worldwide.

Over the last six months, the company has adjusted its software expansion strategy. Since I started with the company in 2012, we have been expanding our software footprint by introducing new products that have either been developed internally or acquired externally. At the same time, we have been extending the scope of each product to enable it to be used in larger and more complex businesses.

We are now confident that our products have the core functional breadth, depth and scalability needed to run complex multi-site mining operations. Given the accelerated market acceptance of our AMT (asset management), XECUTE (ultra short-term planning) and ShiftManager (Shift Management) solutions, our internal development effort is now focused on enhancements and new features requested by our customers that enhance product competitiveness, broaden our market appeal and improve our financial performance.

While future product enhancements may well be encouraged and supported by specific customers or groups of customers, we will continue to own the intellectual property of all development undertaken by the company and will make them available to the mining industry at large as part of the commercial-off-the-shelf (COTS) release of each solution.

We believe RPM is now the mining software vendor of choice for surface miners and has started making good inroads into the underground mining space with its AMT and XECUTE solutions.

Future Outlook

After a spectacular year of growth, the Advisory division believes it can grow again in FY2025, assuming no material change in the mining industry fundamentals.

The company expects to set a new benchmark for software sales in the upcoming year — our seventh in a row. The impressive software sales finish to the 2024 financial year has provided the software consulting team with a strong book of work to kick off the year.

We believe XECUTE, and ShiftManager will both grow strongly, and our Americas region is well positioned to significantly improve on its FY2024 result.

The operating leverage provided by the $161 million in pre-contracted non-cancellable software revenue will support EBITDA growth and cash inflows in FY2025 and beyond, which will most likely be used to continue the company's on-market share buyback program.

With a strong balance sheet, respected advisory business, competitive software offerings, robust pipelines, and referenceable customers, we are excited and optimistic about the year ahead.

Richard Mathews

Managing Director and Chief Executive Officer

DIRECTORS' REPORT

Your Directors present their report on RPMGlobal Holdings Limited (the "Company" or "RPM") and its subsidiaries (referred to hereafter as the "Group") for the year ended 30 June 2024.

1. Directors

The Directors of RPMGlobal Holdings Limited at any time during or since the end of the period were:

Non-executive

Stephen Baldwin – Chairman

Angeleen Jenkins

Paul Scurrah

Ross Walker

Executive

Richard Mathews – CEO and Managing Director

2. Principal Activities

The Group's principal activities during the financial year consisted of:

a) Software licensing, consulting, implementation and support; and

b) Technical, advisory and training services.

There were no significant changes in the nature of the Group's principal activities during the financial year.

3. Dividends

No dividends were paid or declared during the financial year (2023: nil).

4. Review and Results of Operations

	2024 $m	2023 $m	Change %
Advisory	37.5	31.3	20%
Software			
- Licence subscriptions	*45.6*	*39.3*	16%
- Maintenance and Support	*12.4*	*13.7*	-9%
- Consulting	*12.8*	*10.2*	25%
- Perpetual Licence Sales	*1.3*	*2.9*	-55%
- Other Income	*3.1*	-	n/a
Total Software	75.2	66.1	14%
Other Revenue	0.6	1.0	-40%
Total Revenue	**113.3**	**98.4**	15%
Direct Costs	(9.1)	(6.8)	34%
Net Revenue	**104.2**	**91.6**	14%

4. Review and Results of Operations (Continued)

Analysis between IFRS and non-IFRS financial performance items used in the Directors Report is presented below:

	2024 $m	2023 $m	Change %
Net Revenue	**104.2**	**91.6**	14%
Operating Expenses	(88.9)	(79.6)	-12%
Underlying EBITDA	**15.3**	**12.0**	28%
Depreciation and Amortisation	(4.9)	(5.6)	13%
Net Finance costs	0.2	(0.2)	n/a
Profit before income tax	**10.6**	**6.2**	71%
Income tax expense	(1.5)	(1.1)	-36%
Underlying Profit	**9.1**	**5.1**	78%
Restructure costs	(0.5)	(1.4)	*64%*
Profit for the period	**8.6**	**3.7**	132%
Earnings Per Share from continuing operations (cents per share)	**3.8**	**1.6**	138%

[1] Underlying Earnings before Interest, Tax, Depreciation, Amortisation and Restructure costs is a non-IFRS disclosure. In the opinion of the Directors, the Group's Underlying 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. Underlying EBITDA has not been audited or reviewed.

Total Revenue grew by 15% to $113.3 million (2023: $98.4 million) mostly due to strong growth of advisory revenue (20%) and software revenue (14%).

In November 2023 the Group received $3.1 million for the sale of its right to a future royalty stream for its simulation software product.

Operating expenses increased by 12% to 88.9 million (2023: 79.6 million) due to an increase in headcount for advisory and software consultants and the impact of current and prior-year annual salary increases.

EBITDA from operations increased by $3.3 million to $15.3 million (2023: $12.0 million).

The Group's profit after tax increased by 132% to $8.6 million (2023: 3.7 million) and included $0.5 million in redundancy costs to support the rebuilding of the software division in the Americas.

The Company bought back $12.7 million of its own shares (7.26 million shares) during the 2024 financial year.

As of 30 June, the Group had cash reserves of $34.2 million (2023: $34.8 million) and no bank debt.

Software Division

The Total Contracted Value (TCV[2]) of software subscriptions and perpetual licences with new maintenance sold during 2024 was $77.0 million (2023: $70.5 million), of which only $8.0 million (10%) was recognised in 2024 revenue. As of 30 June 2024, the company had $161.0 million in pre-contracted non-cancellable software licence and maintenance revenue to be recognised in future periods (2023: $132.2 million).

Software subscription revenue grew $6.3 million in 2024 financial year to $45.6 million (2023: $39.3 million). Some of this growth came from customers converting their perpetual software licences to subscription licences, which resulted in maintenance revenue decreasing by $1.3 million to $12.4 million (2023: $13.7 million).

Annual Recurring Revenue (ARR[3]) for subscription software licences and support (maintenance) revenue at year end was $62.0 million (June 2023: $55.0 million).

[2] Total Contracted Value is a non-IFRS disclosure. In the opinion of the Directors, the Group's TCV better reflects software sales generated from ongoing operating activities. TCV has not been audited or reviewed.

[3] Annual Recurring Revenue is a non-IFRS disclosure. In the opinion of the Directors, the Group's ARR better reflects software subscription revenue from ongoing operating activities. ARR has not been audited or reviewed.

4. Review and Results of Operations (Continued)

Software consulting revenue increased by $2.6 million (25%) to $12.8 million (2023: $10.2 million) due to the hiring of software consultants.

The Group increased its investment in Research and Development (R&D) by $0.9 million lifting the total investment in software R&D to $19.1 million (2023: $18.2 million). The company expenses all research and development costs.

Advisory Division

The Advisory division provides independent consulting and advisory services which cover technical and economic analysis and assessment of mining activities and resources on behalf of mining companies, financial institutions, government agencies and suppliers to mining projects. The market for Advisory services is heavily reliant on expansion, development, financing and transacting of mining assets and projects.

Revenue from Advisory services for the year increased by $6.2 million (20%) to $37.5 million (2023: $31.3 million) due to growth in both upstream and downstream battery and critical minerals projects.

5. Likely Future Developments - Business Strategies and Prospects for Future Financial Years

After a strong year of growth, we expect the Advisory division will grow again in FY2025, assuming no material change in the mining industry fundamentals.

The company has continued to invest significantly in its software products, resulting in a more complete and richer set of products than last year. With the accelerated market acceptance of our XECUTE and ShiftManager products, we are excited about the year ahead. The addition of software consulting capacity will enable us to manage more software projects simultaneously.

The operating leverage provided by the $161.0 million in pre-contracted non-cancellable software revenue will support earnings growth and cash inflows in FY2025 and beyond. We expect to continue the company's on-market share buyback program.

With a strong balance sheet, respected advisory business, competitive software offerings, robust pipelines, and referenceable customers, we are excited and optimistic about the year ahead.

6. Key risks and risk management

The company has a detailed risk management framework, that assesses the key financial and non-financial risks that have the potential, should they occur, to result in significant consequences to the company. The framework is integrated into the daily management of the business to ensure the oversight and management of business risks. Further details of the risk management framework and processes are detailed in RPM's Corporate Governance Statement. Listed below are relevant key risks for the business identified in the risk management framework.

The company's board and management understand the importance of maintaining a sound and practical system of risk oversight, management and the associated internal controls. RPM maintains an Enterprise Risk Management (ERM) Policy which is designed to protect its people, clients and assets including intellectual property and thereby enhancing the value delivered to shareholders. The RPM ERM policy assists to identify, mitigate and manage risks on an enterprise wide basis with the Board reviewing and updating key strategic risks impacting the company annually.

During FY2024 the Board reviewed and updated the key strategic risks managed pursuant to the ERM. The key risks faced by RPMGlobal Holdings Limited, and their associated controls have been established to manage those risks are set out in the following table:

DIRECTORS' REPORT

6. Key risks and risk management (Continued)

Risk	Nature of Risk	Controls established
Cyber, Privacy Beach and Data Loss	That the group's technology products or infrastructure are compromised to such an extent that the group can no longer operate. That a cyber actor gains control over the group's systems or accesses customer or RPM confidential information and attempts to either extort monies or wrongfully disclose that confidential information or conduct an act of individual identity theft. For privacy, the risk of private/personal information loss and/or a Privacy Act penalty or enforcement action.	The group has an ISO27001:2022 accredited and externally audited Information Security Management System (ISMS) to mitigate and reduce the negative impact of information security and technology risks. The group installs and maintains up to date security products and services for physical office security, network protection and detection, hardware security and software security as well as completes regular staff awareness training. The group conducts monitoring, vulnerability and penetration testing and undertakes regular audits on all relevant systems and ensures procedures are in place to undertake peer reviews of software developed and associated security scanning.
Exposure to Climate Change, ESG	As a global business with active operations supplying software and advisory services to the mining industry across the world, the group's operations are subject to wider economic, environmental (including climate change), governmental and social sustainability requirements that have the potential to impact on RPM's long term financial and operational sustainability.	Exposure to Coal, Climate Change and ESG requirements remains a key strategic risk currently being actively addressed by the RPM Board. RPM has increased its ESG credentials via acquisitions and organic expansion of its ESG division and software solutions. RPM is progressing its own understanding of its exposure to climate change and ESG risks through the work being undertaken by the Board ESG & Sustainability sub-committee first established during FY2023.
Advisory Report Errors	The consulting services work completed by RPM's Advisory business is often relied upon by RPM's clients in transactions of high value and/or in circumstances where if a loss arises the group could suffer a loss in business reputation and/or financial loss.	RPM deploys a capability management system which includes project management and public reporting review and oversight which continue to be the backbone of the group's advisory quality assurance process. The group ensures it retains in-house specialists that can project manage and peer review the work completed in-house and by our sub consultant network to ensure RPM's work is delivered to the required professional standards.
Markets and Growth	The risk of missing strategic opportunities to grow either organically or inorganically, through deployment of resources or capital.	Management takes an active role in M&A including broad competitor, partner and market based assessments which have successfully enabled the group to expand its offerings both in the software and advisory businesses.

DIRECTORS' REPORT

6. Key risks and risk management (Continued)

Risk	Nature of Risk	Controls established
Legal & Regulatory Issues	The group's operations are subject to a variety of industry, country, legal and regulatory conditions. Risk of non-compliance with legal obligations under applicable laws or contract, or the lack of enforceability of contractually agreed terms, as well as any other litigation, in each case with a revenue or contingent liability impact and/or material impact on the group.	The group has strong legal, compliance and risk management reviews, frameworks and procedures managed and overseen by the groups internal legal department to ensure conformity by the group with relevant legal and regulatory requirements. The group upholds high business conduct standards. Both new hires and existing employees are obligated to participate in compliance and legal on-boarding and training initiatives. RPM's legal and compliance team conducts international sanction reviews on any new customer, supplier or counterparty in jurisdictions where sanctions issues may arise.
People	Ensuring a safe working environment for all staff, those in RPM's offices around the world and those that travel and attend remote client mine sites is critical to ensure no harm comes to the group's personnel. A shortage in labour, inability to attract the right qualified personnel or an increase in remuneration costs could be detrimental to the group's ability to successfully deliver against its strategic objectives.	The group proactively encourages a safe working environment, including for remote work through the use of international accredited safe travel systems and process, and supports and encourages diversity and inclusion and challenges the status quo while developing employee competency and growth. The group has in place a multi-pronged strategy to ensure the group's culture is engaging, challenging and a place where employees derive personal satisfaction from their work and where the group is viewed as an employer of choice. The group is focused on diverse methods of talent attraction and retention using a varied set of retention methods including professional development, challenging work, opportunities for career progression, market competitive remuneration linked to the company's strategic focus, and investment in continuing learning and development opportunities.
IP infringement	The risk of competitors, customers or a third party copying RPM's Intellectual Property including in countries around the world with less protective intellectual property rules.	RPM ensures it does not provide access to source code, and only enters into contracts in jurisdictions and on terms and conditions where potential legal disputes can be fairly heard and where RPM's rights and interests can be adequately protected.
Large Project Delivery	Delivering large 'business critical' software implementations and complex advisory projects to the satisfaction of customers with the required level of quality.	The group focuses on quality and customer success in all stages of its engagement through project delivery. RPM deploys standardised product management, ISO9001 certified development processes and project management oversight to ensure RPM's work is delivered on time and to the required professional standards.

7. Information on Current Directors and Company Secretary

Directors	Experience	Special responsibilities
Stephen Baldwin	Non-executive Director and Company Chairman (from 1 March 2021). Stephen joined the Board effective 1 July 2020 and was appointed Chairman of the Board in March 2021. Stephen is a professional company director and currently sits on the Board of two other companies (Taumata and Tiaki). Other recent Board roles have included ASX-listed Wameja Limited (sold to Mastercard in September 2021) and Axicom (sold to Australian Tower Network in May 2022). Stephen started his career as a chartered accountant with Price Waterhouse (now PwC), working in three countries over a decade. He then went into funds management, initially with Hambro-Grantham and subsequently with Colonial First State, where he rose to become that group's Head of Private Equity. For the past decade, Stephen has represented one of Australia's larger superannuation funds (UniSuper) as a director on the Boards of their private market investments. Stephen has a wealth of experience dealing with international business in the technology industry. Qualifications: Bachelor of Commerce (Honours), ACA. Other listed company directorships in last three years: Wameja Limited.	*Company Chair (from 1 March 2021)* *Independent Director* *Non-executive Director* *Member of Audit & Risk Committee*
Richard Mathews	Appointed Managing Director 28 August 2012. Richard's previous roles includes Senior Vice President, International at J D Edwards, CEO of Mincom Ltd, Chief Executive Officer and then Non-Executive Chairman of eServGlobal Limited. Richard is a director on the Telstra Health Pty Ltd Board. Qualifications: Bachelor of Commerce, Bachelor of Science, ACA Other listed company directorships in last three years: None.	*Managing Director, Chief Executive Officer (CEO)* *Member of ESG & Sustainability Committee*
Angeleen Jenkins	Non–executive Director. Joined the Board on 1 July 2021. Angeleen worked extensively in high risk commercial engineering, building & construction contracting throughout her executive career, including almost 25 years in the multi-national construction sector as a Director and Executive of a major construction group that delivered infrastructure projects to heavy industry clients (mining & metals and oil & gas sectors) throughout Australia, Asia, NZ/Pacific, and the Middle East. Angeleen has held company directorships since 2007 in building, engineering, manufacturing, construction, forestry, technology and utilities sectors for private, public and government entities. Angeleen is presently employed as the Chairperson / Director of Central Highlands Water, Director of Tiaki Plantations Company and Taumata Plantations Limited, and a former Executive Director of McConnell Dowell (a major multi-national construction group). Qualifications: Bachelor of Arts in Psychology and Fellow of the Australian Institute of Company Directors and the Governance Institute of Australia. Other listed company directorships in last three years: None.	*Independent Director* *Non-executive Director* *Chair of ESG & Sustainability Committee* *Member of HR & Remuneration Committee*

7. Information on Current Directors and Company Secretary (Continued)

Directors	Experience	*Special responsibilities*
Paul Scurrah	Non-executive Director. Paul joined the Board effective 1 January 2021. Paul has been involved in the transportation, logistics, travel and aviation industries for over 25 years at both executive and non-executive levels. Paul is currently the Managing Director & CEO of Pacific National and is the former Non-Executive Director and Chairman at Whizz Technologies. Qualifications: Finance for Senior Executives Harvard Business School Other listed company directorships in last three years: None (in the last three years).	*Independent Director* *Non-executive Director* *Chair of HR & Remuneration Committee*
Ross Walker	Non–executive Director. Joined the Board in March 2007. Joined Pitcher Partners Brisbane in 1985, Managing Partner from 1992 to 2008 and again from 2014 to 2017. Predominantly involved in corporate finance, auditing, valuations, capital raisings and mergers and acquisitions for the past 20 years. Qualifications: Bachelor of Commerce, FCA Other listed company directorships in last three years: Wagners Holding Company Limited (ASX : WGN) since its IPO in December 2017 and Sovereign Cloud Holdings Limited (ASX : SOV) since December 2017	*Independent Director* *Non-executive Director* *Chair of Audit & Risk Committee*

Company Secretary

James O'Neill, Group General Counsel and Company Secretary joined RPMGlobal Holdings Limited in December 2012. Qualifications: Bachelor of Laws and Bachelor of Information Technology from the Queensland University of Technology, Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia, Solicitor and Member of the Queensland Law Society and Associate Member of the Governance Institute of Australia (AGIA) and Chartered Institute of Secretaries (ACIS).

8. Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2024 and the number of meetings attended by each Director were as follows:

	Full meetings of Board of Directors		Audit & Risk Committee		HR & Remuneration Committee		ESG & Sustainability Committee	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**
Stephen Baldwin	7	7	3	3	3 (by invite)	3	2 (by invite)	2
Richard Mathews	7	7	3 (by invite)	3	3 (by invite)	3	2	2
Angeleen Jenkins	7	7	3 (by invite)	3	3	3	2	2
Paul Scurrah	7	7	3 (by invite)	3	3	3	1 (by invite)	2
Ross Walker	7	7	3	3	3 (by invite)	3	-	2

DIRECTORS' REPORT

9. Directors' Interests

The relevant interest of each Director in the shares and options issued by the Company, as notified by the Directors to the ASX in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

RPMGlobal Holdings Limited	Ordinary shares	Options over ordinary shares
S Baldwin	3,272,987	-
R Mathews	8,220,138	-
A Jenkins	40,000	-
P Scurrah	26,741	-
R Walker	1,200,000	-

10. Shares Under Option

Unissued ordinary shares of RPMGlobal Holdings Limited under option at the date of this report are as follows:

Date granted	Expiry date	Exercise price	Number of options
14/09/2020	14/09/2025	$1.15	50,000
11/11/2020[1]	11/11/2025	$0.00	300,454
23/03/2021[1]	23/03/2026	$0.00	493,121
03/09/2021[1]	03/09/2026	$0.00	933,723
25/02/2022	25/02/2027	$0.00	6,44989
26/09/2022[1]	26/09/2027	$0.00	1,339,499
01/09/2023[1]	01/09/2028	$0.00	1,496,754
			5,288,540

1 Included in these options were options granted as remuneration to the five highest remunerated officers during the year. Details of options granted to these remunerated officers who are also key management personnel are disclosed in section 21E of the Remuneration Report. There are no Officers in the Company who are not also identified as key management personnel. The Company's CEO has not received any options in current or prior periods.

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

11. Shares issued on the exercise of options

During the financial year or since the end of the year up to the date of this report the following shares were issued following exercise of previously issued share options:

Option Grant Date	Number of shares issued	Exercise price paid, $
13/09/2018	666,671	$406,669
14/12/2018	330,670	$191,789
15/03/2019	100,001	$58,000
14/09/2020	33,334	$38,334
12/11/2020	791,257	$0.00
23/03/2021	661,549	$0.00

12. Indemnity and Insurance of Officers

The Company has indemnified the Directors and Officers of the Company for costs incurred, in their capacity as a Director or Officer, for which they may be personally liable, except where there is a lack of good faith.

During the financial year, the Company paid insurance premiums to insure the Directors and Officers of the Company against certain risks associated with their activities as Officers of the Company. The terms of that policy prohibit disclosure of the nature of liability covered, the limit of such liability and the premium paid.

13. Environmental Legislation

RPMGlobal Holdings Limited and its controlled entities are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

14. Non-audit Services

Details of the amounts paid or payable to the auditor (BDO Audit Pty Ltd) for audit and non-audit services during the year are disclosed in note 16.

The board of directors, in accordance with advice provided by the Audit and Risk committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

15. Indemnity of Auditors

The Company has agreed to indemnify and hold harmless its auditors, BDO Audit Pty Ltd, against any and all losses, claims, costs, expenses, actions, demands, damages, liabilities or any other proceedings whatsoever incurred by the auditors in respect of any claim by a third party arising from or connected to any breach by the Company.

16. Auditor's Independence Declaration

In accordance with Section 307C of the Corporations Act 2001, a copy of the auditor's independence declaration is enclosed on page 22.

17. Legal Proceedings on Behalf of the Group

No person has applied for leave of the Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

18. Significant Changes in the State of Affairs

There was no matter or circumstance during the financial year that has significantly affected the state of affairs of the Group not otherwise disclosed.

19. Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since 30 June 2024 that have significantly affected the Group's operations, results or state of affairs, or may do so in future years.

20. Rounding of Amounts

The Company is a type of company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest $1,000, or in certain cases, the nearest dollar.

21. Remuneration Report - Audited

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration;

B. Service agreements;

C. Details of remuneration;

D. Bonus and share-based compensation benefits;

E. Equity instruments held by key management personnel; and

F. Other transactions with key management personnel.

21A. Principles Used to Determine the Nature and Amount of Remuneration

Remuneration and compensation have the same meaning in this report.

This report discusses the Group's policies in regard to compensation of key management personnel (KMP). The identified KMP have authority and responsibility for planning, directing and controlling the activities of the Group.

In addition to the Directors, the Company assessed the Chief Financial Officer and Group General Counsel & Company Secretary as having authority and responsibility for planning, directing and controlling all activities of the Group, directly or indirectly.

The Board has established a HR and Remuneration Committee to assist with fair and responsible remuneration and incentive policies enabling the Group to attract and retain KMP and Directors who will create value for shareholders and support the Group's mission. The HR and Remuneration Committee obtains independent advice if required on the appropriateness of compensation packages given trends in comparative companies. In the 2024 financial year the Committee did not use a remuneration consultant. The Group's Corporate Governance Statement provides further information on the role of this Committee. The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic, operational objectives and achieve the broader outcome of creation of value for shareholders.

Executive Director and other Key Management Personnel

The compensation structures take into account:

- The capability and experience of the KMP;
- Their ability to control the relevant segment's performance;
- The segment or Group earnings; and
- The connection of remuneration policies to deliver an increase in the company's share price and therefore financial return to shareholders.

21. Remuneration Report - Audited (Continued)

21A. Principles Used to Determine the Nature and Amount of Remuneration (Continued)

Compensation packages include a mix of fixed, short-term and long-term performance-based incentives. In addition to their salaries, the Group also provides non-cash benefits to its KMP and contributes to a defined contribution superannuation plan (or equivalent pension plan) on their behalf.

Fixed Compensation

Fixed compensation is calculated on a total cost basis and includes salary, allowances, non-cash benefits, employer contributions to superannuation funds and any fringe benefits tax charges related to employee benefits, including motor vehicles parking provided.

Compensation levels are reviewed using an individual approach, based on evaluation of the individual, and a comparison to the market. A KMP's compensation is also reviewed on promotion.

Performance Linked Compensation

Performance linked compensation includes both short-term and long-term incentives and is designed to reward each KMP for meeting and exceeding their Key Performance Objectives (KPOs). The Short-Term Incentive (STI) is an 'at risk' incentive provided in the form of cash, while the Long-Term Incentive (LTI) is provided as options over ordinary shares of the Company under the rules of the Employee Share Option Plan (ESOP) (see note 22 to the financial statements). The current long-term performance incentive structure was first implemented in the 2013 year and was most recently approved by shareholders at the 27 October 2022 Annual General Meeting.

The table below sets out the performance-based compensation paid to KMP together with earnings for the same period. Performance based compensation consists of STI cash bonus and LTI share-based payments.

	Performance based compensation					
Year ended 30 June	**STI $'000**	**LTI $'000**	**Total $'000**	**TCV[1] $m**	**NPAT $m**	**Share price $**
2019	217	119	336	22.4	(5.9)	0.59
2020	867	68	935	41.4	(0.7)	1.05
2021	867	55	922	52.9	(5.5)	1.78
2022	1,022	108	1,130	55.9	(4.1)	1.65
2023	1,022	137	1,159	68.7	3.7	1.48
2024	**1,168**	**128**	**1,296**	**76.7**	**8.7**	**2.87**

[1] *Software Subscription component of Total Contract Value of software sold during the financial year (non-IFRS disclosure)*

Short-term Incentive

Effective 1 July 2012, the Group implemented a variable pay structure, referred to as the Executive Incentive Plan (EIP). Each of the identified KMP has a portion of their remuneration linked to the EIP. The key objective of the EIP is to create clear alignment between individual and business performance and remuneration by providing a performance-based reward to participants in line with their relative contribution to the Group. The EIP achieves the alignment by focusing participants on achieving goals which contribute to sustainable shareholder value and providing a clear link between performance and the Group financial result.

During the 2018 financial year the business began transitioning from selling once-off perpetual software licenses to offering subscription licenses. In 2020 as a reflection of the strategic importance of growing subscription revenue, the Board introduced a software sales Total Contracted Value (TCV) target as a part of the EIP.

21. Remuneration Report - Audited (Continued)

21A. Principles Used to Determine the Nature and Amount of Remuneration (Continued)

The Group's TCV sales and earnings growth in 2024 resulted in a corresponding increase in the company's share price over the same period. The Board believes the company's intrinsic value has increased each year as a result of the growth in TCV and underlying earnings.

The 15% increase in total revenue and 15% increase in software subscription TCV growth year-on-year resulted in the EIP targets being achieved and therefore 100% of the EIP was awarded for the financial year.

Cash bonuses are paid, provided for or forfeited in the year to which they relate.

The Board assessed performance of the KMP for the 2024 Financial Year as shown in the table below:

	Fixed Compensation	Variable Compensation	STI awarded	STI forfeited
R Mathews	50%	50%	100%	-
M Kochanowski	76%	24%	100%	-
J O'Neill	76%	24%	100%	-

Long-term Incentive

Options were issued in the 2021, 2022, 2023 and 2024 financial years under the Company's Employee Share Option Plan (ESOP) to KMP's at the discretion of the Board. Consistent with the current ESOP terms last approved by shareholders at the Company's 2019 Annual General Meeting, the rules of the ESOP enable the Board to determine the applicable vesting criteria and to set a timetable for vesting of options in the Offer Document, including vesting in tranches over a defined period.

The Board has the discretion on whether or not to set performance hurdles for vesting or to link vesting solely to a defined service period in order to drive key staff retention and reward longevity of service.

The options issued from November 2020 have a zero exercise price and vest in one single tranche three years from the grant date, with vesting conditions linked to the holder maintaining employment with the Group over that period and Total Shareholder Return on the company's shares overperforming the ASX 300 accumulated index (AXKOA).

The Board has a Margin Loan policy that restricts Directors and Executives of the Group from entering into financial contracts secured by shares and other securities of the Company. This policy requires the approval of the Chairman of the Board for any financial arrangements or facilities related to Company shares held by the Directors and Executives.

21B. Service Agreements

Non-executive Directors and Key Management personnel

Fees and payments to Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed periodically by the Board and are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The pool currently stands at $500,000, unchanged since it was approved in the 2009 Annual General Meeting.

21. Remuneration Report - Audited (Continued)

21B. Service Agreements (Continued)

Non-executive Directors' base remuneration was last reviewed with effect from 1 July 2023 (with effect for the 2024 Financial Year). Both the Chairman's and Non-executive Directors' remuneration is inclusive of committee fees. Details of contracts with the current Directors and KMP of the Group that received remuneration during the 2024 financial year are set out below.

	Terms of agreement	Base salary including superannuation (where applicable)	Termination benefit [1]	Notice Period
S Baldwin	Unlimited in term	$140,000	Nil	Nil
A Jenkins	Unlimited in term	$100,000	Nil	Nil
P Scurrah	Unlimited in term	$100,000	Nil	Nil
R Walker	Unlimited in term	$100,000	Nil	Nil
R Mathews	Unlimited in term	$892,320	6 months	6 months
M Kochanowski	Unlimited in term	$419,025	3 months	3 months
J O'Neill	Unlimited in term	$455,100	3 months	3 months

[1] *Termination benefit includes notice period at Base salary rate including superannuation plus statutory entitlements*

The Board completed its annual review of executive remuneration including remuneration of the Chief Executive Officer and Managing Director, Mr Richard Mathews on 23 August 2024 and Mr Mathews' base remuneration has been increased to $945,000 effective 1 July 2024. All other terms of Mr Mathews' total remuneration package remain materially the same as previously first advised on 28 August 2012 and amended on 25 September 2013.

21C. Details of Remuneration

The KMP's are also entitled to receive upon termination of employment their statutory entitlements of accrued annual and long service leave (where applicable), together with any superannuation benefits (where applicable). Compensation levels are reviewed each year to meet the principles of the remuneration policy.

For the 2024 financial year, the Directors and Key Management Personnel were:

Directors

Executive Directors

Richard Mathews – CEO and Managing Director

Non-executive Directors

Stephen Baldwin – Chairman

Angeleen Jenkins – Non-executive Director

Paul Scurrah – Non-executive Director

Ross Walker –Non-executive Director

In addition to executive Directors mentioned above, the following persons were assessed by the Company as the executives who had the greatest authority and responsibility for planning, directing and controlling all activities of the Group, directly or indirectly, during the 2024 financial year:

21. Remuneration Report - Audited (Continued)

21C. Details of Remuneration (Continued)

Other Key Management Personnel

Name	Position
Michael Kochanowski	Chief Financial Officer
James O'Neill	Group General Counsel and Company Secretary

Details of the remuneration of each Director of RPMGlobal Holdings Limited and each of the other KMP's of the Group are set out in the following tables.

	Short-term benefits				Post - employ ment benefits	Share-based payment (options)	Total	Proportion of remun-eration perform-ance related	Value of options as propor-tion of remun-eration
	Cash salary and fees	Movement in leave entitle-ments	STI cash bonus	Non – monetary benefits [1]					
2024	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**
Directors									
S Baldwin	140,000	-	-	-	-	-	140,000	-	-
A Jenkins	90,090	-	-	-	9,910	-	100,000	-	-
P Scurrah	100,000	-	-	-	-	-	100,000	-	-
R Walker	100,000	-	-	-	-	-	100,000	-	-
R Mathews	871,726	(50,556)	892,320	9,638	20,594	-	1,743,722	51%	-
	1,301,816	(50,556)	892,320	9,638	30,504	-	2,183,722	41%	-
Other Key Management Personnel									
M Kochanowski	391,525	13,886	132,125	9,638	27,500	62,192	636,866	31%	10%
J O'Neill	427,600	6,823	143,500	9,638	27,500	65,669	680,730	31%	10%
	819,125	20,709	275,625	19,276	55,000	127,861	1,317,596	31%	10%
Total	**2,120,941**	**(29,847)**	**1,167,945**	**28,915**	**85,504**	**127,861**	**3,501,318**	37%	**4%**

	Short-term benefits				Post - employ ment benefits	Share-based payment (options)	Total	Proportion of remun-eration perform-ance related	Value of options as propor-tion of remun-eration
	Cash salary and fees	Movement in leave entitle-ments	STI cash bonus	Non – monetary benefits [1]					
2023	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**
Directors									
S Baldwin	100,000	-	-	-	-	-	100,000	-	-
A Jenkins	72,364				7,636		80,000	-	
P Scurrah	80,000	-	-	-	-	-	80,000	-	-
R Walker	80,000	-	-	-	-	-	80,000	-	-
R Mathews	755,570	6,832	780,000	9,455	24,430	-	1,576,287	49%	-
	1,087,934	6,832	780,000	9,455	32,066	-	1,916,287	41%	-
Other Key Management Personnel									
M Kochanowski	342,675	11,493	117,250	9,455	27,500	67,834	576,207	32%	12%
J O'Neill	363,942	(8,187)	124,250	9,455	28,333	69,625	587,418	33%	12%
	706,617	3,306	241,500	18,910	55,833	137,459	1,163,625	33%	12%
Total	**1,794,551**	**10,138**	**1,021,500**	**28,365**	**87,899**	**137,459**	**3,079,912**	38%	**4%**

[1] Includes car park.

21. Remuneration Report - Audited (Continued)

21D. Bonuses and Share-based Compensation Benefits

All options refer to options over ordinary shares of RPMGlobal Holdings Limited, which are exercised on a one-for-one basis under the ESOP Plan.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, based on an estimate of the number of options likely to vest, and the amount is included in the remuneration tables above. Fair values at grant date are determined using a Trinominal Lattice model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. For zero exercise price options, the Monte Carlo simulation run by the model takes into account multiple scenarios for the exercising of the options. Details of options over ordinary shares in the Company provided as remuneration to each Director and each of the KMP and the Group are set out below. When exercisable, each option is convertible into one ordinary share of RPMGlobal Holdings Limited.

Options granted under the ESOP plan carry no dividend or voting rights until the options vest, are exercised and converted to ordinary shares whereupon those ordinary shares carry dividend and voting rights consistent with all other ordinary shares of the Company.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above.

	Number of options granted during the year	Number of options vested during the year
S Baldwin	-	-
A Jenkins	-	-
P Scurrah	-	-
R Walker	-	-
R Mathews	-	-
M Kochanowski	71,620	164,235
J O'Neill	77,786	164,235

Details of options over ordinary shares in the Company provided as remuneration to key management personnel are shown in the table below. The vesting conditions are set out in Section 21A. The table also shows the percentages of the options granted that vested during the year. No options were forfeited during the year for the KMPs.

The terms and conditions of each grant of options affecting remuneration of a KMP in the current or a future reporting period are as follows:

Grant date	Vesting and exercise date	Expiry date	Exercise Price, $	Value per option at grant date
12/11/2020	12/11/2023	12/11/2025	-	$0.70
23/03/2021	23/03/2024	23/03/2026	-	$0.80
3/09/2021	03/09/2024	03/09/2026	-	$1.19
26/09/2022	26/09/2025	26/09/2027	-	$0.93
1/09/2023	01/09/2026	1/09/2028	-	$0.95

21. Remuneration Report - Audited (Continued)

21D. Bonuses and Share-based Compensation Benefits (Continued)

	Year (FY) of grant	Years in which option may vest	Number of options granted	Value of option at grant date [1]	Number of options vested during the year	Vested %	Number of options forfeited during the year	Value at date of forfeiture [2]	Forfeited %
S Baldwin	-	-	-	-	-	-	-	-	-
A Jenkins	-	-	-	-	-	-	-	-	-
P Scurrah	-	-	-	-	-	-	-	-	-
R Walker	-	-	-	-	-	-	-	-	-
R Mathews	-	-	-	-	-	-	-	-	-
M Kochanowski	2021	2024	164,235	$0.70 - $0.80	164,235	100%	-	-	-
	2022	2025	52,635	$1.19	-	-	-	-	-
	2023	2026	64,936	$0.93	-	-	-	-	-
	2024	2027	71,620	$0.95	-	-	-	-	-
J O'Neill	2021	2024	164,235	$0.70 - $0.80	164,235	100%	-	-	-
	2022	2025	55,778	$1.19	-	-		-	-
	2023	2026	68,813	$0.93	-	-	-	-	-
	2024	2027	77,786	$0.95	-	-	-	-	-

[1] The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration

[2] The value of the options that were granted as part of remuneration and that were forfeited (lapsed) during the year because a vesting condition was not satisfied was determined at the time of lapsing, but assuming the condition was satisfied.

21E. Equity Instruments held by Key Management Personnel

No shares were granted as compensation in 2024 (2023: nil). The number of shares and options over shares in the Company held during the financial year by each Director of RPMGlobal Holdings Limited and each of the other key management personnel of the Group, including their personally-related entities, is set out below:

(i) Options

Name	Balance at start of year	Granted as compensation	Exercised	Balance at the end of the year	Vested and exercisable	Average Value at exercise date
S Baldwin	-	-	-	-	-	-
A Jenkins	-	-	-	-	-	-
P Scurrah	-	-	-	-	-	-
R Walker	-	-	-	-	-	-
R Mathews	-	-	-	-	-	-
M Kochanowski	281,806	71,620	(164,235)	189,191	-	1.93
J O'Neill	288,826	77,786	(164,235)	202,377	-	1.93

(ii) Ordinary Shares

	Balance at start of year	Exercise of Options	Sold During the year	Acquired during the year (on market)	Balance at the end of the year
Directors					
S Baldwin	3,272,987	-	-	-	3,272,987
A Jenkins	25,000	-	-	15,000	40,000
P Scurrah	26,741	-	-	-	26,741
R Walker	1,200,000	-	-	-	1,200,000
R Mathews	8,220,138	-	-	-	8,220,138

DIRECTORS' REPORT

21. Remuneration Report - Audited (Continued)

21E. Equity Instruments held by Key Management Personnel

(ii) Ordinary Shares (Continued)

	Balance at start of year	Exercise of Options	Sold During the year	Acquired during the year (on market)	Balance at the end of the year
Other key management personnel of the Group					
M Kochanowski	186,668	164,235	-	-	350,903
J O'Neill	40,000	164,235	-	10,000	214,235

21F. Loans and Other Transactions with Key Management Personnel and their related parties

There were no transactions or loans with Key Management Personnel and their related parties during the 2024 financial year.

21G. 2023 Annual General Meeting (AGM)

At the Company's 2023 Annual General Meeting (AGM), resolution 1, adoption of the Company's Remuneration Report for FY2023, which passed with a 73.72% For Vote, had more than 25% of votes cast against it (26.28%), which constitutes a 'first strike' for the purposes of the Corporations Act 2001 (Cth). Total votes cast in respect of the remuneration resolution represented 40% of the total Company shares on issue. It is worth noting, several large shareholders voted 'For' the resolution however missed the proxy cut-off date and therefore their shares were not counted. If they had been, the Company would not have recorded a 'first strike'. The Board notes that on average over the past five years, it has received a 'For' vote on the Remuneration resolution of greater than 96%. Notwithstanding the above, the Board takes this 'first strike' seriously. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Remuneration report – End

This report is made in accordance with a resolution of the Directors.

SBaldwin

Stephen Baldwin
Chairman
Dated: 26 August 2024

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

As lead auditor of RPMGlobal Holdings Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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, 26 August 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
Revenue from contracts with customers			
Services		50,329	41,423
Licence sales		1,302	2,916
Software maintenance		12,404	13,719
Software subscription		45,550	39,314
Total revenue from contracts with customers		**109,585**	**97,372**
Other income	2	3,730	988
Rechargeable expenses		(9,121)	(6,801)
Net Revenue		**104,194**	**91,559**
Expenses			
Amortisation	10	(938)	(1,440)
Depreciation	9	(3,959)	(4,136)
Employee benefits expense		(67,526)	(60,778)
Commissions, short-term and long-term incentives		(9,150)	(7,392)
Impairment of receivables		(159)	(168)
Other employee costs		(1,106)	(1,158)
Office expenses		(3,361)	(2,928)
Professional services		(2,205)	(1,729)
Redundancy costs		(479)	(1,248)
Rent		(618)	(623)
Travel expenses		(2,350)	(2,641)
Other expenses		(2,400)	(2,312)
Total Expenses		**(94,251)**	**(86,553)**
Profit/(Loss) before finance costs and income tax		9,943	5,006
Finance income/(costs)			
Finance income		682	266
Finance costs		(391)	(411)
Fair value adjustments	20(d)	(70)	(26)
Net finance costs		**221**	**(171)**
Profit before income tax		**10,164**	**4,835**
Income tax expense	3	(1,508)	(1,146)
Profit after income tax from continuing operations		**8,656**	**3,689**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Profit		**8,656**	**3,689**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurements of defined benefit obligations		(21)	(64)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		(166)	(160)
Other comprehensive income / (loss), net of tax		**(187)**	**(224)**
Total comprehensive income		**8,469**	**3,465**
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share	21	**3.8**	1.6
Diluted earnings per share	21	**3.8**	1.6

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
ASSETS			
Current assets			
Cash and cash equivalents	5	34,209	34,757
Trade and other receivables	6	22,207	22,831
Contract assets	7	6,974	3,869
Current tax receivable		25	1,533
Other assets	8	6,789	5,276
Total current assets		**70,204**	**68,266**
Non-current assets			
Trade and other receivables	6	215	236
Property, plant and equipment	9	8,307	10,159
Deferred tax assets	4	3,444	3,258
Intangible assets	10	28,112	28,786
Other assets	8	3,201	4,398
Total non-current assets		**43,279**	**46,837**
Total assets		**113,483**	**115,103**
LIABILITIES			
Current liabilities			
Trade and other payables	11	12,633	12,931
Provisions	12	7,294	6,343
Current tax liabilities		519	611
Other Liabilities	13	31,683	29,613
Total current liabilities		**52,129**	**49,498**
Non-current liabilities			
Provisions	12	1,032	1,107
Other Liabilities	13	4,476	6,558
Total non-current liabilities		**5,508**	**7,665**
Total liabilities		**57,637**	**57,163**
Net assets		**55,847**	**57,940**
EQUITY			
Contributed equity	14	82,967	93,877
Reserves	15	(696)	(3,984)
Accumulated losses		(26,424)	(31,953)
Total equity		**55,847**	**57,940**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2023		**93,877**	**(3,984)**	**(31,953)**	**57,940**
Profit for the year		-	-	8,656	8,656
Other comprehensive income/(expense)		-	(166)	(21)	(187)
Total comprehensive income		**-**	**(166)**	**8,635**	**8,469**
Transactions with owners in their capacity as owners					
Contributions of equity, net of transaction costs	14	665	-	-	665
Share buyback, net of tax	14	(12,832)	-	-	(12,832)
Employee share options expensed	15	-	1,605	-	1,605
Employee share options transferred	15	1257	(1,287)	30	-
Historical reserves transferred to losses		-	3,136	(3,136)	-
		(10,910)	**3,454**	**(3,106)**	**(10,562)**
Balance at 30 June 2024		**82,967**	**(696)**	**(26,424)**	**55,847**
Balance at 1 July 2022		**100,427**	**(4,712)**	**(35,601)**	**60,114**
Profit for the year		-	-	3,689	3,689
Other comprehensive income/(expense)		-	(160)	(64)	(224)
Total comprehensive income		**-**	**(160)**	**3,625**	**3,465**
Transactions with owners in their capacity as owners					
Contributions of equity, net of transaction costs	14	762	-	-	762
Share buyback, net of tax	14	(7,551)	-	-	(7,551)
Employee share options expensed	15	-	1,150	-	1,150
Employee share options transferred	15	239	(262)	23	-
		(6,550)	**888**	**23**	**(5,639)**
Balance at 30 June 2023		**93,877**	**(3,984)**	**(31,953)**	**57,940**

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

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		118,805	107,471
Payments to suppliers and employees		(102,308)	(94,633)
Continued operations		16,497	12,838
Interest received		682	266
Finance costs		(392)	(411)
Income taxes paid		(280)	(466)
Net cash inflow from operating activities	19	**16,507**	**12,227**
Cash flows from investing activities			
Payments for property, plant and equipment	9	(1,058)	(1,217)
Payment for acquisition of subsidiary, net of cash acquired		-	(751)
Payments for contingent consideration	20(d)	(90)	(165)
Payments for restricted cash		(492)	(414)
Proceeds from sublease		56	53
Payments for intangible assets	10	(289)	(189)
Net cash outflow from investing activities		**(1,873)**	**(2,683)**
Cash flows from financing activities			
Contributions of equity	14	695	770
Share buy back	14	(12,709)	(7,476)
Transaction costs	14	(153)	(83)
Repayment of lease liabilities		(3,016)	(3,132)
Net cash outflow from financing activities		**(15,183)**	**(9,921)**
Net decrease in cash and cash equivalents held		(549)	(377)
Cash and cash equivalents at the beginning of the financial year		34,757	34,458
Effects of exchange rate changes on cash and cash equivalents		1	676
Cash and cash equivalents at the end of the financial year	5	**34,209**	**34,757**

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

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies

The material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

RPMGlobal Holdings Limited is a listed public company, incorporated and domiciled in Australia.

The financial report comprises the consolidated entity ("Group") consisting of RPMGlobal Holdings Limited and its subsidiaries.

The financial report was authorised for issue on 26 August 2024.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001 (Cth).* RPMGlobal Holdings Limited is a for-profit entity for the purposes of preparing the financial statements.

Compliance with IFRS

The consolidated financial statements of RPMGlobal Holdings Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by RPMGlobal Holdings Limited as at 30 June 2024 and the results of all controlled entities for the year then ended. RPMGlobal Holdings Limited and its controlled entities together are referred to in this financial report as the "consolidated entity" or the "Group".

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to note 1(j)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses in the tax jurisdiction in which they arose.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

RPMGlobal Holdings Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, RPMGlobal Holdings Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, RPMGlobal Holdings Limited also recognises the current tax liabilities or assets and the deferred tax assets arising from the unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable or payable to other entities in the Group. Details about the tax funding agreements are disclosed in note 4.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operational decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO and Managing Director.

The assets and liabilities of the Group are regularly reviewed on a consolidated basis but are not regularly reported to the chief operating decision maker at a segment level. As such this information has not been included in the Operating Segment note 23.

(e) Foreign Currency Translation

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is RPMGlobal Holdings Limited's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are initially translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities whose changes in the fair value are presented in other comprehensive income are recognised in other comprehensive income.

iii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities on consolidation are translated at the closing rate at the reporting date;
- income and expenses are translated at the exchange rates prevailing at the dates of the transaction; and
- all resulting exchange differences are recognised in other comprehensive income.

In disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

1. Summary of Material Accounting Policies (Continued)

(f) Revenue Recognition

i) Licence Sales

Revenue from the sale of perpetual licences is recognised at a point in time when the customer gains access and thus control of the software and where the licences are considered distinct from other services provided to the customer.

ii) Software subscription

Revenue from the sale of term (subscription) licences are recognised over time on a straight-line basis over the subscription term.

iii) Consulting

Revenue from the provision of consulting services is recognised typically over time using the input method as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for its performance completed to date.

iv) Software maintenance

Revenue for software maintenance is recognised over time on a straight line basis over the service period as performance obligations require the Group to respond to requests made by customers to provide technical product support and unspecified updates, upgrades and enhancements on a when-available and if-available basis.

v) Customer contract with multiple performance obligations

The Group frequently enters into multiple contracts with the same customer and where that occurs the Group treats those arrangements as one contract if the contracts are entered into at or near the same time and are commercially interrelated. The Group does not consider contracts closed more than three months apart as a single contract.

The Group's subscription contracts are combining an obligation to receive a licence, software support services and other services obligations. The provision of services and sale of licences is treated as a single performance obligation and recognised over time on a straight-line basis over the subscription term.

In all other cases, the total transaction price for a customer contract is allocated amongst the distinct performance obligations based on their relative stand-alone selling prices. Where the stand-alone prices are highly variable the Group applies a residual approach.

vi) Incremental Costs of obtaining Customer Contracts

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained, such as commissions or third party software costs.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

1. Summary of Material Accounting Policies (Continued)

(f) Revenue Recognition (Continued)

vii) Trade Receivables and Contract Assets

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

viii) Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

ix) Financing components

The Group does not recognise adjustments to transition prices or Contract balances where the period between the transfer of promised goods or services to the customer and payment by customer does not exceed one year.

x) Interest income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(g) Investments and Other Financial Assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

1. Summary of Material Accounting Policies (Continued)

(g) Investments and Other Financial Assets (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

1. Summary of Material Accounting Policies (Continued)

(h) Cash and Cash Equivalents

For statement of cashflows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily converted to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated statement of financial position.

(i) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

1. Summary of Material Accounting Policies (Continued)

(i) Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group re-values its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without extension options. Low-value assets comprise IT equipment and small items of office furniture.

(j) Business Combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group.

The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(k) Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(l) Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over its estimated useful life to the consolidated entity, or in the case of lease hold improvements, the shorter lease term. Estimates of remaining useful lives are made on a regular basis for all assets.

The estimated useful lives for plant and equipment ranges between 2 and 20 years. Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the assets. These are included in profit or loss.

(m) Intangible Assets

i) Software developed or acquired for sales and licensing

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new areas of products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs and acquired software are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which varies from three to five years.

ii) Software – internal management systems

Software licences used in internal management systems, whether acquired or internally developed are stated at cost less amortisation. They are amortised on a straight-line basis over the useful life from 2.5 to 5 years.

iii) Patents and trademarks

Costs associated with patents and trademarks are expensed as incurred.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(m) Intangible Assets (Continued)

iv) Customer Contracts and Relationships

The net assets acquired as a result of a business combination may include intangible assets other than goodwill. Any such intangible assets are amortised in a straight line over their expected future lives. The estimated useful life of customer contracts is 5 years.

v) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/business at the date of acquisition. Goodwill on acquisition is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from business combination in which goodwill arose, identified according to operating segments or components of operating assets (note 26).

(n) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee Benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and long service leave is recognised in the provision for employee benefits.

Other long-term employee benefit obligations

The liability for long service leave and other benefits which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on commercial bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(p) Employee Benefits (Continued)

ii) Incentives

The Group recognises a liability and an expense for incentives based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. Liabilities for incentive plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

iii) Superannuation

The Group has a defined contribution superannuation plan for its eligible employees. Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv) Share-based payments

Share-based compensation benefits are provided to employees via the RPMGlobal Holdings Limited employee share option plan (ESOP) and an employee share purchase plan. Information relating to these schemes is set out in note 22.

The fair value of options granted under the ESOP is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions, but excludes the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(p) Value Added Taxes (Including Goods and Services Tax)

Revenues, expenses and assets are recognised net of the amount of Value Added Tax (VAT), except where the amount of VAT is not recoverable from the relevant tax authority. In these circumstances the VAT is recognised as part of the cost of acquisition of the asset or as part of the item as expense.

Receivables and payables are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the relevant tax authority is included as a current asset or liability in the consolidated statement of financial position. Cash flows are presented on a gross basis. The VAT components of the cash flows arising from investing and financing activities which are recoverable from, or payable to, the relevant tax authority are classified as operating cash flows.

(q) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(r) Earnings per Share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share

Dilutive earnings per share adjusts the figures used in determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(s) Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the loss allowance and the amount initially recognised less cumulative amortisation, where appropriate.

(t) Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 and accordingly, amounts in the financial statements and directors' report have been rounded off to the nearest $1,000, or in certain cases, the nearest dollar.

(u) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(v) Critical Accounting Estimates and Significant Judgments

The preparation of the financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the accounting policies. The notes in the financial statements set out areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the financial report such as:

- impairment of intangible assets, including goodwill (note 10);
- impairment of trade receivables and contract assets (note 20(a));
- recognition of deferred tax assets (note 4); and
- revenue recognition (note 1(f)).

NOTES ON THE FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies (Continued)

(w) Critical Accounting Estimates and Significant Judgments (Continued)

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Management believes the estimates used in preparation of the financial report are reasonable.

(w) Parent Entity Financial Information

The financial information for the parent entity, RPMGlobal Holdings Limited, disclosed in note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below:

(i) Investments in subsidiaries

Investment in subsidiaries is accounted for at cost in the financial statements of RPMGlobal Holdings Limited.

(x) New Accounting Standards and Interpretations

There were no new or revised accounting standards adopted that had any impact on the Group's accounting policies or required retrospective adjustments.

Early adoption of standards

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

2. Other income

	2024 $'000	**2023 $'000**
Sale of the future royalty stream	3,145	-
Government Covid-19 subsidies	1	7
Foreign exchange gains	569	224
Bad debt impairment reversal	15	757
Other income	**3,730**	**988**

Government subsidies relating mostly to the People Republic of China's Covid subsidies (2023: Hong Kong and People Republic of China's Covid subsidies) 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 grants.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

In November 2023 the Company received $3,145,000 from the once off sale of a potential future royalty stream for its simulation software product.

NOTES ON THE FINANCIAL STATEMENTS

3. Tax Expense

RPMGlobal Holdings Limited and its wholly-owned Australian controlled entities implemented the tax consolidation regime. Under the tax consolidation legislation, the entities in the tax consolidated Group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liabilities of the wholly-owned entities in the case of a default by the head entity, RPMGlobal Holdings Limited. The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate RPMGlobal Holdings Limited for any current tax payable assumed and are compensated for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to RPMGlobal Holdings Limited under the tax consolidated legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

Tax Recognised in profit or loss	**2024 $'000**	**2023 $'000**
Current tax	(1,412)	(1,253)
Deferred tax	107	4
Adjustments to prior periods	(203)	103
Income Tax expense	**(1,508)**	**(1,146)**

Numerical reconciliation of income tax expense to prima facie tax		
Profit/(Loss) before income tax	**10,164**	**4,834**
Tax at the Australian tax rate of 30% (2023: 30%)	(3,049)	(1,450)
Tax effect of amounts which are not taxable/(deductible):		
Non-deductible expense/non-assessable income	(924)	(525)
Unutilised foreign tax credits	(437)	(445)
Tax losses utilised which were not recognised as deferred tax asset in the past	2,173	1,012
Unrecognised deferred tax assets	-	(78)
Difference in overseas tax rates	564	123
Foreign Exchange movements	368	114
Over/(under) provision in prior years	(203)	103
Income tax expense	**(1,508)**	**(1,146)**

4. Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:	**2024 $'000**	**2023 $'000**
Provision for impairment of receivables	208	175
Employee benefits provision	4,438	4,346
Lease liabilities	1,996	2,474
Tax Losses	-	596
Contract liability	967	753
Accrued expenses	31	30
Share capital buyback and raising costs	79	46
Intangibles	(236)	(273)
Contract asset	(89)	(29)
Property, plant and equipment	(1,826)	(2,376)
Prepayments	(1,740)	(1,748)
Unrealised foreign exchange	(383)	(736)
Deferred tax assets	**3,445**	**3,258**
Deferred tax liabilities	-	-
Net Deferred tax assets	**3,445**	**3,258**

The group has not recognised deferred tax assets for a portion of tax losses in the parent entity and its subsidiaries located in China, Chile, Brazil, and USA because it is not probable that sufficient future taxable profit will be available. Capital losses do not expire; however, it is not probable that the Group would generate capital gains to utilise the benefit. Deductible temporary differences in subsidiaries located in China, Chile, Brazil, Kazakhstan, Turkey and USA have not been recognised because it is not probable that sufficient future taxable profit will be available.

Movements in deferred tax assets	**2024 $'000**	**2023 $'000**
Balance at 1 July	3,258	3,281
Recognised in profit or loss	107	4
Recognised in other comprehensive income	14	(47)
Recognised in equity	66	20
Over/(under) provision in prior years	-	-
Balance at 30 June	**3,445**	**3,258**
Unrecognised deferred tax assets		
Tax losses	12,731	16,912
Capital losses	2,084	2,489
Deductible temporary differences	3,881	3,779
Unrecognised deferred tax assets	**18,696**	**23,180**
Unrecognised gross temporary differences	63,578	78,571

NOTES ON THE FINANCIAL STATEMENTS

4. Deferred Tax Assets and Liabilities (Continued)

Significant Estimates – Deferred Tax Assets

The recognition of the deferred tax asset of $3,445,000 is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. At each reporting period, the recoverability of the net deferred tax assets will be reassessed. This may lead to the recognition of this unrecognised tax benefit in future reporting periods or the derecognition of deferred tax assets that are currently recognised on the consolidated statement of financial position.

5. Cash and Cash Equivalents

	2024 $'000	2023 $'000
Cash at bank	25,887	26,961
Short-term bank deposits	8,322	7,796
	34,209	**34,757**

6. Trade and Other Receivables

Current		
Trade receivables	23,486	24,395
Allowance for expected credit loss	(1,406)	(1,593)
Subtotal	**22,080**	**22,802**
Other receivables	127	28
Trade and Other Receivables	**22,207**	**22,831**
Non-current		
Other receivables and deposits	215	236
Trade and Other Receivables	**215**	**236**

7. Contract assets

Contract assets - Services	4,156	2,119
Contract assets – Software licences	2,841	1,772
Allowance for expected credit loss	(23)	(22)
Contract assets	**6,974**	**3,869**

Contract assets from services have increased as the group has provided more services ahead of the agreed payment schedules for fixed-price contracts, see note 1(f). The group also recognised $2.8 million contract assets in relation to the subscription licences issued ahead of the agreed payment schedule. The group also recognised a loss allowance for contract assets in accordance with AASB 9, see note 1(g) and 20(a) for further information.

NOTES ON THE FINANCIAL STATEMENTS

8. Other Assets

Current	2024 $'000	2023 $'000
Inventory	276	280
Incremental costs of obtaining a contract	1,976	2,322
Investment – Restricted Cash	906	414
Investment – Subleases	10	51
Prepayments	3,621	2,209
Other Assets	**6,789**	**5,276**
Non-current		
Investment – Subleases	-	14
Incremental costs of obtaining a contract	3,201	4,384
Other Assets	**3,201**	**4,398**

Incremental costs of obtaining a contract

The group recognised an asset in relation to sales commissions and 3rd party royalty costs. The asset is amortised on a straight-line basis over the term of the specific subscription contract it relates to which ranges between 1 and 5 years, consistent with the pattern of recognition of the associated revenue.

9. Property, Plant and Equipment

Plant and equipment - at cost	8,999	8,648
Less: accumulated depreciation	(7,122)	(6,981)
Plant and Equipment	**1,877**	**1,667**
Leased building at cost - Right-of-use asset	16,320	18,737
Less: accumulated depreciation	(9,890)	(10,245)
Leased Buildings – Right-of-use asset	**6,430**	**8,492**
Property, Plant and Equipment	**8,307**	**10,159**
Plant and equipment - Balance at 1 July	1,667	1,380
Exchange differences	2	(13)
Additions	1,058	1,217
Depreciation	(850)	(917)
Balance at 30 June	**1,877**	**1,667**
Right-of-use asset - Balance at 1 July	8,492	2,598
Exchange differences	(40)	(29)
Additions (See Note 14 for further details)	1,087	9,141
Depreciation	(3,109)	(3,218)
Balance at 30 June	**6,430**	**8,492**

10. Intangible Assets

	2024 $'000	2023 $'000
Software developed and acquired for sale and licensing – at cost	4,533	18,786
Less: accumulated amortisation	(3,112)	(16,305)
Software developed and acquired for sale and licensing	**1,421**	**2,481**
Software internal management systems – at cost	4,990	4,990
Less: accumulated amortisation	(4,945)	(4,881)
Software internal management systems	**45**	**109**
Customer contracts and relationships – at cost	-	333
Less: accumulated amortisation	-	(324)
Customer contracts and relationships	**-**	**9**
Goodwill – at cost	37,230	37,155
Less: impairment losses	(10,584)	(10,509)
Goodwill	**26,646**	**26,646**
Intangible Assets	**28,112**	**29,245**

	Customer relationships $'000	Software For Sales to Customers [1] $'000	Software For Internal Use $'000	Goodwill $'000	Total $'000
Balance at 30 June 2023	**-**	**2,069**	**71**	**26,646**	**28,786**
Additions	-	285	-	-	285
Exchange differences	-	(21)	-	-	(21)
Amortisation	-	(912)	(26)	-	(938)
Balance at 30 June 2024	**-**	**1,421**	**45**	**26,646**	**28,112**
Balance at 1 July 2022	**9**	**2,481**	**109**	**26,646**	**29,245**
Additions	-	189	-	-	189
Exchange differences	-	2	(2)	-	-
Business combinations	-	792	-	-	792
Amortisation	(9)	(1,395)	(36)	-	(1,440)
Balance at 30 June 2023	**-**	**2,069**	**71**	**26,646**	**28,786**

[1] Software also includes capitalised development costs.

(a) Impairment Tests for Goodwill

Goodwill is allocated to the Group's cash generating units (CGUs) according to business unit. A segment level summary of the goodwill is presented below.

	2024 $'000	2023 $'000
Software Division	21,612	21,612
Advisory Division	5,034	5,034
	26,646	**26,646**

NOTES ON THE FINANCIAL STATEMENTS

10. Intangible Assets (Continued)

(b) Key assumptions used for value-in-use calculations

In the current and prior years, the recoverable amount of the Software and Advisory CGU has been determined by value-in-use calculations. These calculations were based on the following key assumptions:

	Margin[1]		Growth Rate[2]		Discount Rate[3]	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Software Division	63%	63%	5.0%	5.0%	14.9%	14.2%
Advisory	24%	23%	3.0%	2.5%	17.8%	17.5%

[1] Budgeted gross margin
[2] Weighted average growth rates used to extrapolate cash flows beyond the budget period
[3] In performing the value-in-use calculations for each CGU, the group has applied both pre-tax and post-tax discount rates to discount the forecast future attributable pre-tax and post-tax cash flows. The pre-tax discount rates are disclosed above

These assumptions have been used for the analysis of each CGU. Cash flows were projected based on financial budgets and management projections over a five-year period including current and projected economic conditions. Management determined budgeted gross margin based on past performance and its expectations for the future. The weighted average growth rates used are consistent with forecasts included in industry reports. The discount rates used reflect specific risks relating to the relevant segments.

(c) Impact of possible changes in key assumptions

If any key assumptions increase or decrease by 20% it would not indicate impairment for Software or Advisory Goodwill.

11. Trade and Other Payables

Current	**2024 $'000**	**2023 $'000**
Trade payables	3,939	3,498
Other payables and accruals	8,694	9,433
Trade and Other Payables	**12,633**	**12,931**

Trade payables are amounts due to suppliers for goods purchased or services provided in the ordinary course of business. Trade payables are generally due for settlement within 30 days and therefore are all classified as current. Other payables and accruals generally arise from normal transactions within the usual operating activities of the Group and comprise items such as employee taxes, incentives, employee on costs, GST and other recurring items.

12. Provisions

Current		
Annual leave	3,490	3,051
Long service leave	3,804	3,292
Employee benefits	**7,294**	**6,343**
Non-current		
Employee benefits – Long service leave	**1,032**	**1,107**

NOTES ON THE FINANCIAL STATEMENTS

12. Provisions (Continued)

The group also operates defined contribution plans in Australia, Canada and USA which receive fixed contributions from group companies. The group's legal or constructive obligation for these plans is limited to the contributions. The expense recognised in the current period in relation to these contributions was $4,595,000 (2023: $4,119,000).

13. Other Liabilities

Current	2024 $'000	2023 $'000
Contract liabilities - software maintenance and licences	21,877	21,217
Contract liabilities - consulting and advisory	7,122	5,807
Contingent consideration – at fair value	22	22
Lease liabilities	2,662	2,567
Other Liabilities	**31,683**	**29,613**
Non-current		
Contingent consideration – at fair value	-	21
Lease liabilities	4,476	6,537
Other Liabilities	**4,476**	**6,558**

Contract liabilities consist of unearned income for software maintenance, subscriptions, licences and consulting and advisory services. These liabilities have increased for software subscriptions in line with revenue compared to 2023 as noted in the Consolidated Statement of Comprehensive Income, see note 1(f)(ix).

From the opening contract liability balances of $21,217,000 the group has recognised $21,063,000 in the current reporting period. The group expects to recognise approximately all current contract liabilities in its 2024 revenues.

Additions to right-of-use assets and lease liabilities during the 2024 financial year were $1,087,000 (2023: $9,141,000) the bulk of which primarily related to the company extending regional office leases and a new office lease in Sydney, see note 9.

14. Contributed Equity

	2024 Number	2023 Number	2024 $'000	2023 $'000
Share capital				
Ordinary shares - fully paid	223,255,967	228,022,637	82,967	93,877

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a showing of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote and upon a poll each share is entitled to one vote. Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

14. Contributed Equity (Continued)

Options

Information relating to the RPMGlobal Holdings Limited Employee Share Option Plan (ESOP), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of financial year, is set out in note 22.

Capital Risk Management

The Group's objectives when managing capital include safeguarding the ability to continue as a going concern, so they continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group does not have any externally imposed capital requirements.

Consistent with the industry practice, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'borrowings' and 'trade and other payables' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

As the Group does not have any debt, the gearing ratios at 30 June 2024 and 30 June 2023 were not applicable:

	Notes	2024 $'000	2023 $'000
Total borrowings, trade and other payables		12,633	12,931
Less: cash and cash equivalents	5	(34,209)	(34,458)
Net (cash) / debt		(21,576)	(22,527)
Total equity		55,847	57,940
Total capital		**34,271**	**36,413**

Movements in Share Capital:

Details	**Number of shares**	**$'000**
Opening balance 1 July 2023	228,022,637	93,877
Exercise of options - proceeds received	2,500,073	695
Exercise of options - transferred from share option reserve	-	1,257
Less: Transaction costs arising on share issues	-	(30)
Shares bought back	(7,266,743)	(12,709)
Transaction costs arising on share buyback	-	(189)
Deferred tax credit recognised directly in equity	-	66
Balance 30 June 2024	**223,255,967**	**82,967**

NOTES ON THE FINANCIAL STATEMENTS

14. Contributed Equity (Continued)

Details	Number of shares	$'000
Opening balance 1 July 2022	231,704,960	100,427
Exercise of options - proceeds received	1,105,670	770
Exercise of options - transferred from share option reserve	-	239
Less: Transaction costs arising on share issues	-	(28)
Shares bought back	(4,787,993)	(7,476)
Transaction costs arising on share buyback	-	(75)
Deferred tax credit recognised directly in equity	-	20
Balance 30 June 2023	**228,022,637**	**93,877**

15. Reserves

	2024	2023
	$'000	$'000
Share-based payments (i)	3,021	2,703
Foreign currency translation (ii)	(3,717)	(3,551)
Financial assets revaluation reserve (iii)	-	(1,601)
Revaluation surplus	-	18
Reserve arising from an equity transaction (iv)	-	(1,553)
Reserves	**(696)**	**(3,984)**

Nature and Purpose of Reserves

(i) Share-based payments

The fair value of options issued to employees is recognised as an employment cost during the option vesting period with corresponding increase in equity recognised in this reserve.

(ii) Foreign currency translation

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in accounting policy note 1(e).

(iii) Financial assets revaluation reserve

Changes in the fair value of investments are recognised in equity securities in other comprehensive income. These changes are accumulated in a separate reserve within equity.

(iv) Reserve arising from an equity transaction

Arose from the acquisition of an additional interest in the controlled entity, RPMGlobal Africa (Pty) Ltd.

NOTES ON THE FINANCIAL STATEMENTS

15. Reserves (Continued)

Movement in Reserves

	Share-based payments		Foreign Currency Translation	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Balance at 1 July	2,703	1,815	(3,551)	(3,391)
Options expensed	1,605	1,150	-	-
Options exercised reclassified to share capital	(1,257)	(239)	-	-
Options lapsed reclassified to retained losses	(30)	(23)	-	-
Foreign currency translation	-	-	166	(160)
Balance at 30 June	**3,021**	**2,703**	**(3,717)**	**(3,551)**

	Financial assets revaluation reserve		Revaluation surplus		Reserve arising from an equity transaction	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July	(1,601)	(1,601)	18	18	(1,553)	(1,553)
Transferred to retained losses	1,601	-	(18)	-	1,553	-
Balance at 30 June	**-**	**(1,601)**	**-**	**18**	**-**	**(1,553)**

There were no other movements in reserves in 2024 and 2023.

16. Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditors of the Group, its related entities, its network firms and unrelated firms.

	2024	2023
Auditors of the Group – BDO and related network firms:	$	$
Audit and review of the financial statements:		
Group	198,900	185,000
Auditors of subsidiaries	63,233	72,290
Total audit and review of the financial statements	**262,133**	**257,290**
Non -audit services		
Taxation and transfer pricing advice	24,971	31,500
Taxation compliance services	2,000	3,950
Total non-audit services	**26,971**	**35,450**
Total services provided by BDO	**289,104**	**292,740**

NOTES ON THE FINANCIAL STATEMENTS

17. Dividends

	Cents per share		Total	
	2024 Cents	2023 Cents	2024 $'000	2023 $'000
Fully paid ordinary shares	-	-	-	-

No dividend was declared in respect of the current financial year (2023: nil). The parent's franking account balance is 295,947 (2023: 295,947).

18. Commitments

Software Subscription and Maintenance payments

The Group sold its software under non-cancellable software subscription agreements expiring within one to five years. The agreements have varying terms and renewal rights. On renewal the terms of the subscriptions are generally renegotiated. The group has also sold maintenance contracts committed for up to five years.

Future minimum payments to be received in relation to non-cancellable software subscriptions and maintenance:

	2024 $'000	2023 $'000
Within one year	32,183	24,353
Later than one year but not later than 5 years	105,994	86,660
Over 5 years	-	-
Commitments not recognised in the financial statements	**138,177**	**111,013**

NOTES ON THE FINANCIAL STATEMENTS

19. Reconciliation of Net Profit to Net Cash Inflow from Operating Activities

	2024 $'000	2023 $'000
Net profit	**8,656**	**3,689**
Depreciation and amortisation	4,897	5,575
Fair value movements	(70)	26
Impairments of trade receivables	199	168
Net exchange differences and comprehensive income	(223)	(703)
Employee share options	1,605	1,150
Change in operating assets and liabilities		
Decrease / (increase) in trade and other receivables	645	(1,991)
Decrease / (increase) in current tax asset	1,508	430
Decrease / (increase) in deferred tax asset	(186)	23
Decrease / (increase) in contract asset	(3,105)	130
Decrease / (increase) in other assets	121	(1,503)
Increase / (decrease) in trade and other payables	(298)	716
Increase / (decrease) in contract liabilities	1,975	3,979
Increase / (decrease) in current tax liabilities	(93)	252
Increase / (decrease) in provisions	876	286
Net cash inflow from operating activities	**16,507**	**12,227**

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets, see note 10;
- partial settlement of a business combination with contingent consideration;
- movement in lease liabilities reconciled to net cashflow is presented below

Balance as at 1 July (note 13)	9,104	3,131
Financing cash flows	(3,015)	(3,132)
New Leases (note 13)	1,087	9,141
Foreign exchange adjustments	(38)	(36)
Interest expense	(369)	(389)
Interest payments presented as operating cash flows	369	389
Balance as at 30 June (note 13)	**7,138**	**9,104**

NOTES ON THE FINANCIAL STATEMENTS

20. Financial Risk Management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Group's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk.

The Board of Directors is ultimately responsible for reviewing, ratifying and monitoring systems of internal controls and risk management. The Board has established an Audit and Risk Committee, which is responsible for overseeing risk management systems. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group's finance division is responsible for development and maintenance of policies which deal with each type of risk related to use of financial instruments.

The Group holds the following financial instruments:

Financial assets	2024 $'000	2023 $'000
Cash and cash equivalents	34,209	34,757
Trade and other receivables [1]	22,080	22,803
Financial Assets	**56,289**	**57,560**
Financial liabilities		
Trade and other payables [1]	12,633	12,931
Contingent consideration [2]	22	42
Financial Liabilities	**12,655**	**12,973**

[1] At amortised cost

[2] At fair value

(a) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or a counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents and its receivables from customers.

The Group does not require guarantees or collateral of its trade and other receivables. In some foreign regions the Group works on a prepayment basis to avoid credit risk.

The maximum credit risk exposure of financial assets of the Group is represented by the carrying amounts of financial assets set out above. The Group had no significant concentrations of credit risk with any single counterparty or group of counterparties. The Group holds its cash with AA and A-rated banks, except for the banks located in Brazil (BBB), Kazakhstan (B), Mongolia (B), Turkey (B), South Africa (BB), Colombia (BB), China (BBB) and Russia (BBB).

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

20. Financial Risk Management (Continued)

(a) Credit Risk (Continued)

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled satisfied performance obligations and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 60 months before 30 June 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect the ability of the customers to settle the receivables.

On that basis the loss allowance as at 30 June 2024 was determined as follows:

30 June 2024	Current	1 - 30 days past due	30 - 90 days past due	More than 90 days past due	TOTAL
Expected loss rate	*0.50%*	*0.47%*	*3.23%*	*30.36%*	
Gross carrying amount - trade receivables	13,959	3,861	1,516	4,150	23,486
Gross carrying amount – contract asset	6,997	-	-	-	6,997
Loss Allowance	**102**	**18**	**49**	**1,260**	**1,429**

30 June 2023	Current	1 - 30 days past due	30 - 90 days past due	More than 90 days past due	TOTAL
Expected loss rate	*0.75%*	*0.97%*	*5.31%*	*66.56%*	
Gross carrying amount - trade receivables	16,923	3,207	2,292	1,973	24,395
Gross carrying amount – contract asset	3,891	-	-	-	3,891
Loss Allowance	**149**	**31**	**122**	**1,313**	**1,615**

The closing loss allowances for trade receivables and contract assets as at 30 June 2024 reconcile to the opening loss allowances as follows:

	2024 $'000	2023 $'000
Opening loss allowance as at 1 July	**1,615**	**1,548**
Increase in loss allowance recognised in profit or loss during the period	199	168
Effects of foreign exchange	(16)	(49)
Impairment losses written off	(353)	(10)
Impairment losses recovered	(15)	(42)
At 30 June	**1,430**	**1,615**

Of the above impairment losses $199,000 (2023 - $168,000) relate to receivables arising from contracts with customers. For Group's policy on impairment, see note 1(g).

20. Financial Risk Management (Continued)

(b) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group regularly reviews cashflow forecasts and maintains sufficient cash on demand.

Contractual maturities of the Group's financial liabilities, including interest thereon, are as follows:

2024	Carrying amount $'000	Contractual cash flows $'000	6 mths or less $'000	6-12 mths $'000	1-2 years $'000	2-5 years $'000	More than 5 years $'000
Trade and other payables	12,633	12,633	12,633	-	-	-	-
Lease Liabilities	7,138	7,528	1,603	1,293	2,560	2,072	-
Contingent consideration	22	23	23	-	-	-	-
Total	**19,793**	**20,184**	**14,259**	**1,293**	**2,560**	**2,072**	-
2023							
Trade and other payables	12,931	12,931	12,931	-	-	-	-
Lease Liabilities	9,104	9,799	1,550	1,346	2,476	4,427	-
Contingent consideration	42	45	-	22	23	-	-
Total	**22,077**	**22,775**	**14,481**	**1,368**	**2,499**	**4,427**	-

(c) Market Risk

Currency Risk

Market Risk is the risk of exposure arising from recognised financial assets and liabilities not denominated in Australian dollars. The current policy is not to take any forward positions. At 30 June 2024 and 30 June 2023, the Group had not entered into any derivative contracts to hedge these exposures. The Group does not engage in any significant transactions which are speculative in nature. As a multinational corporation, the Group maintains operations in foreign countries and as a result of these activities, the Group is exposed to changes in exchange rates which affect its results of operations and cash flows. The Group's exposure to foreign currency risk at reporting date expressed in Australian Dollars was as follows:

2024	USD $'000	CAD $'000	ZAR $'000	Other $'000	Total $'000
Cash and deposits	17,941	5,120	4,758	3,012	30,831
Trade and other receivables	13,177	1,872	1,440	930	17,419
Trade and other payables	(432)	(212)	(479)	(262)	(1,385)
Net exposure	**30,686**	**6,780**	**5,719**	**3,680**	**46,865**
2023					
Cash and deposits	9,459	3,971	10,946	2,553	26,929
Trade and other receivables	13,094	2,234	612	926	16,866
Trade and other payables	(265)	(353)	(693)	(172)	(1,483)
Net exposure	**22,288**	**5,852**	**10,865**	**3,307**	**42,312**

NOTES ON THE FINANCIAL STATEMENTS

20. Financial Risk Management (Continued)

(c) Market Risk (Continued)

A 10 percent strengthening of the Australian dollar against the above currencies at 30 June 2024 based on assets and liabilities at 30 June 2024 would have increased/(decreased) equity and profit or loss by the amounts shown in the table below on the next page. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2023.

The Group manages its exposure to foreign currency fluctuations through a policy approved by the Board of Directors. There are no other significant market risks affecting the Group.

2024		2023	
Equity $'000	**Profit/(Loss) $'000**	**Equity $'000**	**Profit/(Loss) $'000**
(2,216)	**(1,850)**	**(2,860)**	**(1,372)**

A 10 percent weakening of the Australian dollar against the above currencies at 30 June 2023 would have had equal but opposite effect on the above currencies to the amounts shown above.

Interest rate risk

Details of the Group's borrowing facilities are presented below.

Borrowing facilities	Currency	Nominal interest rate	Maturity	2024 Facility $'000	2024 Utilised $'000	2023 Facility $'000	2023 Utilised $'000
Other facilities							
Bank guarantee	**AUD**	1.00%	n/a	2,000	1,573	2,000	1,664
Bank guarantee	**AUD**	1.95%	n/a	25	25	25	25

In both 2024 and 2023 financial years bank guarantees were secured by the Group's term deposits.

(d) Fair Value of financial instruments

Fair value hierarchy

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follows:

- Level 1 - the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2 - a valuation technique is used using inputs other than quoted prices within level 1 that are observable for the financial instrument, either directly (i.e., as prices), or indirectly (i.e., derived from prices)

- Level 3 - a valuation technique is used using inputs that are not observable based on observable market data (unobservable inputs).

NOTES ON THE FINANCIAL STATEMENTS

20. Financial Risk Management (Continued)

(d) Fair Value of financial instruments (Continued)

Recurring fair value measurements

The following financial instruments are subject to recurring fair value measurements:

	2024 $'000	2023 $'000
Contingent consideration – level 3	22	43

Contingent consideration in 2023 was recognised on the acquisition of Splashback Solutions in November 2022 has been estimated by calculating the present value of the future expected cash outflows for two annual payments of $23,000 dollars discounted at 5.25%. The company concluded a significant one-off sale of Splashback software in 2024, which resulted in the higher than expected earnout in 2024.

No reasonable changes to any of the key assumptions would result in a material change to contingent consideration.

Reconciliation of level 3 movements

The following table sets out the movements in level 3 fair values for contingent consideration payable.

	2024 $'000	2023 $'000
Opening balance 1 July	43	143
Recognised on business combination	-	41
Payments of contingent consideration	(90)	(165)
Foreign exchange differences	-	(2)
Fair value adjustments	69	26
Closing balance 30 June	**22**	**43**

Valuation processes for level 3 fair values

Valuations are performed every six months to ensure that they are current for the half-year and annual financial statements.

NOTES ON THE FINANCIAL STATEMENTS

21. Earnings Per Share

	2024 Cents	2023 Cents
Total basic earnings per share attributable to the ordinary equity holders of the company	**3.8**	1.6
Total diluted earnings per share attributable to the ordinary equity holders of the company	**3.8**	1.6

Earnings used in Calculating Earnings Per Share	**2023 $'000**	**2022 $'000**
Profit/(Loss) attributable to the ordinary equity holders used in calculating earnings per share:		
Profit/(Loss) for the period	**8,656**	3,689
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	225,114,897	230,087,599
Dilutive options	5,371,949	6,637,609
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	230,486,846	236,725,208

22. Share Based Payments

Tax Exempt Share Plan

The Employee Share Scheme enables the Board to issue up to $1,000 of shares tax free per employee of the Group each year. There were no shares issued under the $1,000 Share Purchase Plan in 2024 or 2023.

Eligibility for the tax exempt share plan is approved by the board having regard to individual circumstances and performance. No directors or key management personnel are eligible for the Tax Exempt Share Plan.

Employee Share Option Plan (ESOP)

The Employee Share Option Plan (ESOP) was approved by the Board of Directors on 5 February 2008, amended on 7 October 2009, 28 October 2011, 29 October 2013, 24 November 2016, 15 October 2019 and most recently following approval of shareholders at the Company's 2023 Annual General Meeting held on 20 October 2023.

Eligible participants of the ESOP include any person who is employed by, or is a director, officer or executive (or their approved permitted nominee), of the Group and whom the Board or its nominee determines is eligible to participate in the Option Plan. A permitted nominee includes a company controlled by the employee, a trust in which the employee has, or may have entitlements or such other entity as approved by the Board. Options are granted at the discretion of the Board of Directors.

All options under the ESOP are to be offered to eligible employees for no consideration. The offer to the eligible participant must be in writing and specify amongst other things, the number of options for which the eligible employee may apply, the period within which the options may be exercised, any conditions to be satisfied before exercise, the option expiry date and the exercise price of the options, as determined by the Board. The Board can impose any restrictions on the exercise of options as it considers fit.

The rules of the ESOP plan enable the Board to determine the applicable vesting criteria and to set a timetable for vesting of options in the offer document, including vesting in tranches over a defined period. The Board has the discretion on whether or not to set performance hurdles for vesting or to link vesting solely to a defined service period in order to drive key staff retention and reward longevity of service.

NOTES ON THE FINANCIAL STATEMENTS

22. Share Based Payments (Continued)

The options may be exercised, in part or full, subject to the employee continuing to be employed at the relevant vesting dates, by the participant giving a signed notice to the Company and paying the exercise price in full. The Company will apply for official quotation of any Shares issued on exercise of any options.

The rules of the plan allow the Board to set the exercise price per Option in the offer document.

Subject to the accelerated expiry terms set out in the ESOP plan (explained further below), options will expire five years after the date of grant subject to the option holder remaining employed by the Group. Unexercised options will automatically lapse upon expiry. Unless determined otherwise by the Board, in the event of stated events detailed in the plan, including termination of employment or resignation, redundancy, death or disablement or in the event of a change of control of an employee's permitted nominee, unvested options shall lapse and the expiry date of any vested options will be adjusted in accordance with the accelerated timetables set out in the ESOP plan rules (subject to the Board's discretion to extend the term of exercise in restricted cases).

Once shares are allotted upon exercise of the options the participant will hold the shares free of restrictions. The shares will rank equally for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options (including number or exercise price or both) will be correspondingly changed to the extent necessary to comply with the Listing Rules. With this exception, the terms for the exercise of each Option remains unchanged. In the event of a change of control of the Company, all options will vest immediately and may be exercised by the employee (regardless of whether the vesting conditions have been satisfied). A holder of options is not entitled to participate in dividends, a new or bonus issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options.

The Options are not transferable, assignable or able to be encumbered, without Board consent and the options will immediately lapse upon any assignment, transfer or encumbrance, with the exception of certain dealings in the event of death of the option holder.

The ESOP plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate terms and conditions (subject to the Listing Rules) in addition to those set out in the ESOP plan.

The ESOP plan may be terminated or suspended at any time by the Board. The ESOP plan may be amended or modified at any time by the Board except where the amendment reduces the rights of the holders of options, unless required by the Corporations Act or the Listing Rules, to correct any manifest error or mistake or for which the option holder consents. The Board may waive or vary the application of the ESOP plan rules in relation to any eligible employee at any time.

Employee Benefits expense Share-based payment expense recognised during the financial year	**2024** **$'000**	**2023** **$'000**
Options issued under employee option plan	1,605	1,150
	1,605	**1,150**

The options issued in prior years vest in tranches over a three year period from the date of grant, with vesting conditions solely linked to the holder maintaining employment with the Group over that period and are issued at an exercise price based on the volume weighted average price of the Company's shares in the five days prior to each grant. Options issued in 2023 and 2024 vest in three years from the grant date, with vesting conditions linked to the holder maintaining employment with the Group over that period and Total Shareholder Return on shares overperforming ASX 300 accumulated index (AXCOA).

NOTES ON THE FINANCIAL STATEMENTS

22. Share Based Payments (Continued)

Grant date	Vesting date	Expiry date	Exercise Price $	Number beginning of year	Granted	Forfeited	Exercised	Share Price $ [1]	Number at end of year
2024									
Options granted to employees									
13/09/18	13/09/19	13/09/23	0.61	88,329	-	(5,000)	(83,329)	1.46	-
13/09/18	13/09/20	13/09/23	0.61	116,659	-	(5,000)	(111,659)	1.46	-
13/09/18	13/09/21	13/09/23	0.61	476,683	-	(5,000)	(471,683)	1.46	-
14/12/18	14/12/19	14/12/23	0.58	44,665	-	(6,666)	(37,999)	1.62	-
14/12/18	14/12/20	14/12/23	0.58	103,001	-	(6,667)	(96,334)	1.62	-
14/12/18	14/12/21	14/12/23	0.58	203,004	-	(6,667)	(196,337)	1.62	-
15/03/19	15/03/20	15/03/24	0.58	51,666	-	(51,666)	-	-	-
15/03/19	15/03/21	15/03/24	0.58	85,000	-	(51,667)	(33,333)	1.78	-
15/03/19	15/03/22	15/03/24	0.58	118,335	-	(51,667)	(66,668)	1.78	-
14/09/20	14/09/21	14/09/25	1.15	16,666	-	-	-	-	16,666
14/09/20	14/09/22	14/09/25	1.15	16,666	-	-	-	-	16,666
14/09/20	14/09/23	14/09/25	1.15	50,002	-	-	(33,334)	1.50	16,668
12/11/20	12/11/23	12/11/25	-	1,121,713	-	-	(727,850)	1.85	393,863
23/03/21	23/03/24	23/03/26	-	1,154,670	-	-	(641,549)	2.39	513,121
3/09/21	3/09/24	3/09/26	-	944,198	-	(10,475)	-	-	933,723
25/02/22	25/02/25	25/02/27	-	666,853	-	(21,864)	-	-	644,989
26/09/22	26/06/25	26/09/27	-	1,379,499	-	(40,000)	-	-	1,339,499
1/09/2023	1/09/2026	1/09/2028	-	-	1,547,350	(50,596)	-	-	1,496,754
TOTAL				**6,637,609**	**1,547,350**	**(312,935)**	**(2,500,075)**	-	**5,371,949**
Weighted average exercise price, $				0.13	-	0.35	0.28	1.85	0.01

Grant date	Vesting date	Expiry date	Exercise Price $	Number beginning of year	Granted	Forfeited	Exercised	Share Price $ [1]	Number at end of year
2023									
Options granted to employees									
31/10/17	31/10/18	31/10/22	0.77	168,329	-	(33,333)	(134,996)	1.68	-
31/10/17	31/10/19	31/10/22	0.77	168,334	-	(33,333)	(135,001)	1.68	-
31/10/17	31/10/20	31/10/22	0.77	268,338	-	(33,334)	(235,004)	1.68	-
15/03/18	15/03/19	15/03/23	0.67	20,001	-	-	(20,001)	1.44	-
15/03/18	15/03/20	15/03/23	0.67	20,001	-	-	(20,001)	1.44	-
15/03/18	15/03/21	15/03/23	0.67	19,998	-	-	(19,998)	1.44	-
13/09/18	13/09/19	13/09/23	0.61	154,997	-	-	(66,668)	1.47	88,329
13/09/18	13/09/20	13/09/23	0.61	259,996	-	-	(143,337)	1.47	116,659
13/09/18	13/09/21	13/09/23	0.61	551,680	-	-	(74,997)	1.47	476,683
14/12/18	14/12/19	14/12/23	0.58	74,331	-	-	(29,666)	1.51	44,665
14/12/18	14/12/20	14/12/23	0.58	107,668	-	-	(4,667)	1.51	103,001
14/12/18	14/12/21	14/12/23	0.58	224,338	-	-	(21,334)	1.51	203,004

[1] Weighted average share price at the exercise date

22. Share Based Payments (Continued)

Grant date	Vesting date	Expiry date	Exercise Price $	Number beginning of year	Granted	Forfeited	Exercised	Share Price $ [1]	Number at end of year
2023									
Options granted to employees (continued)									
15/03/19	15/03/20	15/03/24	0.58	51,666	-	-	-	-	51,666
15/03/19	15/03/21	15/03/24	0.58	85,000	-	-	-	-	85,000
15/03/19	15/03/22	15/03/24	0.58	285,002	-	-	(166,667)	1.46	118,335
14/09/20	14/09/21	14/09/25	1.15	16,666	-	-	-	-	16,666
14/09/20	14/09/22	14/09/25	1.15	49,999	-	-	(33,333)	1.49	16,666
14/09/20	14/09/23	14/09/25	1.15	50,002	-	-	-	-	50,002
12/11/20	12/11/23	12/11/25	-	1,257,253	-	(135,540)	-	-	1,121,713
23/03/21	23/03/24	23/03/26	-	1,233,524	-	(78,854)	-	-	1,154,670
3/09/21	3/09/24	3/09/26	-	1,214,781	-	(270,583)	-	-	944,198
25/02/22	25/02/25	25/02/27	-	759,775	-	(92,922)	-	-	666,853
26/09/22	26/06/25	26/09/27	-	-	1,498,633	(119,134)	-	-	1,379,499
TOTAL				**7,041,679**	**1,498,633**	**(797,033)**	**(1,105,670)**	**1.57**	**6,637,609**
Weighted average exercise price, $				0.24	-	0.10	0.70		0.13

[1] Weighted average share price at the exercise date

The weighted average remaining contractual life of share options outstanding at the end of the period was 2.9 years (2023: 2.7 years).

The fair values at grant date for the options were estimated using a Trinomial Lattice model which defines the conditions under which employees are expected to exercise their options after vesting in terms of the stock price reaching a specified multiple of the exercise price. For zero exercise price options, the Monte Carlo simulation run by the model takes into account multiple scenarios for the exercising of the options.

The model inputs for options granted during the 2024, 2023, 2022, 2021, 2019, 2018, 2017 financial years included:

Grant date	Vesting date	Share Price $	Exercise price $	Expected volatility %	Weighted average life, years	Expected dividends %	Risk-free interest rate[1],%	Fair value at grant Date, $
31/10/17	31/10/18	0.77	0.77	42	5.0	nil	2.24	0.19
31/10/17	31/10/19	0.77	0.77	42	5.0	nil	2.24	0.23
31/10/17	31/10/20	0.77	0.77	42	5.0	nil	2.24	0.26
15/03/18	15/03/19	0.67	0.67	42	5.0	nil	2.30	0.17
15/03/18	15/03/20	0.67	0.67	42	5.0	nil	2.30	0.20
15/03/18	15/03/21	0.67	0.67	42	5.0	nil	2.30	0.23
13/09/18	13/09/19	0.65	0.61	41	5.0	nil	2.22	0.17
13/09/18	13/09/20	0.65	0.61	41	5.0	nil	2.22	0.21
13/09/18	13/09/21	0.65	0.61	41	5.0	nil	2.22	0.23
14/12/18	14/12/19	0.58	0.58	41	5.0	nil	2.14	0.14
14/12/18	14/12/20	0.58	0.58	41	5.0	nil	2.14	0.17
14/12/18	14/12/21	0.58	0.58	41	5.0	nil	2.14	0.19
15/03/19	15/03/20	0.55	0.58	41	5.0	nil	1.60	0.12

[1] based on government bonds

22. Share Based Payments (Continued)

Grant date	Vesting date	Share Price $	Exercise price $	Expected volatility %	Weighted average life, years	Expected dividends %	Risk-free interest rate[1],%	Fair value at grant Date, $
15/03/19	15/03/21	0.55	0.58	41	5.0	nil	1.60	0.15
15/03/19	15/03/22	0.55	0.58	41	5.0	nil	1.60	0.17
7/06/19	7/06/21	0.59	0.60	41	5.0	nil	1.14	0.16
7/06/19	7/06/22	0.59	0.60	41	5.0	nil	1.14	0.19
14/09/20	14/09/21	1.14	1.15	45	5.0	nil	0.40	0.28
14/09/20	14/09/22	1.14	1.15	45	5.0	nil	0.40	0.34
14/09/20	14/09/23	1.14	1.15	45	5.0	nil	0.40	0.39
12/11/20	12/11/23	1.12	-	45	5.0	nil	0.30	0.70
23/03/21	23/03/24	1.29	-	45	5.0	nil	0.46	0.80
3/09/21	3/09/24	1.96	-	45	5.0	nil	0.63	1.19
25/02/22	25/02/25	1.79	-	45	5.0	nil	1.94	1.12
26/09/22	26/09/25	1.52	-	41	5.0	nil	3.84	0.93
01/09/23	01/09/26	1.61	-	38	5.0	nil	3.75	0.95

[1] based on government bonds

The expected price volatility is based on the historic volatility compared to that of similar listed companies and the remaining life of the options.

23. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the CEO in order to make decisions about resource allocations and to assess performance of the Group. The reports are split into functional divisions: Software Division, Advisory Division.

Software Division provides all of the Group's Software offerings, including support (maintenance), training and implementation services to mining companies. Advisory Division provides consulting and advisory services which cover technical and economic analysis and assessment of mining activities and resources on behalf of mining companies, financial institutions, customers of mining companies (e.g., coal fired electricity generators), lessors and potential lessors of mineral rights to mining companies, government departments and agencies and suppliers to mining companies and projects. Segment revenue, expenses and results include transfers between segments. Such transfers are priced on an "arms-length" basis and are eliminated on consolidation.

(a) Geographical Information	2024		2023	
	Revenues from contracts with customers $'000	Non-current assets[1] $'000	Revenues from contracts with customers $'000	Non-current assets[1] $'000
Australia	38,710	37,819	38,832	37,381
Asia	15,752	294	12,061	404
Americas	28,076	1,410	24,124	4,775
Africa & Europe	27,046	312	22,355	1,019
Operating Segment	**109,584**	**39,835**	**97,372**	**43,579**

[1] Excludes financial instruments and deferred tax assets

NOTES ON THE FINANCIAL STATEMENTS

23. Operating Segments (Continued)

Segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

(b) Information about reportable segments

	2024			2023		
	Software Division	Advisory Division	Total	Software Division	Advisory Division	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue						
External Sales	75,225	37,521	112,746	66,069	31,303	97,372
Inter-segment sales	329	124	453	362	119	481
Total Revenue	75,554	37,645	113,199	66,431	31,422	97,853
Inter-segment expenses	(124)	(329)	(453)	(119)	(362)	(481)
Rechargeable expenses	(2,882)	(6,239)	(9,121)	(2,150)	(4,651)	(6,801)
Net revenue	**72,548**	**31,077**	**103,625**	**64,162**	**26,409**	**90,571**
Expenses	(34,018)	(23,310)	(57,328)	(29,896)	(20,498)	(50,394)
Software Development	(19,088)	-	(19,088)	(18,218)	-	(18,218)
Segment profit	**19,442**	**7,767**	**27,209**	**16,048**	**5,911**	**21,959**

(c) Disaggregation of revenue from contracts with customers

Revenue						
Segment Revenue	75,554	37,645	113,199	66,431	31,422	97,853
Inter-segment revenue	(329)	(124)	(453)	(362)	(119)	(481)
Other revenue	(3,145)	(16)	(3,161)	-	-	-
Revenue from external customers	72,080	37,505	109,585	66,069	31,303	97,372
Timing of revenue recognition						
At a point in time	1,302	-	1,302	2,916	-	2,916
Over time	70,778	37,505	108,283	63,153	31,303	94,456
Revenue from contracts with customers	**72,080**	**37,505**	**109,585**	**66,069**	**31,303**	**97,372**

NOTES ON THE FINANCIAL STATEMENTS

23. Operating Segments (Continued) (d) Reconciliation of segment profit to reported net profit:	2024 $'000	2023 $'000
Segment result	27,209	21,959
Adjustments:		
Foreign exchange gains	569	224
Other income	-	764
Employment benefits – corporate and IT	(7,756)	(6,674)
Other unallocated costs – corporate and IT	(4,703)	(4,276)
Depreciation and amortisation	(4,897)	(5,575)
Ukraine and Russia - Bad debts	-	(168)
Redundancy costs	(479)	(1,248)
Net finance income / (costs)	221	(171)
Profit before income tax	**10,164**	**4,835**
Income tax expense	(1,508)	(1,146)
Profit after income tax	**8,656**	**3,689**

24. Parent Entity Disclosures

As at and throughout the financial year ending 30 June 2024 the parent entity of the Group was RPMGlobal Holdings Limited.

Summary financial information

The individual financial statements for the parent entity show the following aggregation:

Result of parent entity	**2024** **$000**	**2023** **$000**
Profit/(loss)	5,571	2,778
Other comprehensive income	-	-
Total comprehensive income	5,571	2,778
Financial position of parent entity at year end		
Current assets	40,246	44,282
Total assets	66,347	72,455
Current liabilities	10,690	10,468
Total liabilities	17,332	18,532
Total equity of the parent entity comprising of:		
Issued capital	82,967	93,877
Share-based Payments Reserve	3,021	2,704
Revaluation Surplus Reserve	0	18
Reserve Arising From an Equity Transaction	(600)	(600)
Accumulated losses	(36,373)	(42,076)
Total equity	**49,015**	**53,923**
Contingent liabilities	-	-
Contractual commitments for the acquisition or property, plant or equipment	-	-

25. Interests in other entities

(a) Material subsidiaries

The Group's principal subsidiaries at 30 June 2024 are set out below. All subsidiaries have share capital consisting solely of ordinary shares that are 100% (2024: 100%) held directly by the Group, and the proportions of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ incorporation	Principal Activities
RPM Software Pty Ltd	Australia	Software Sales and Services
RPM Advisory Services Pty Ltd	Australia	Advisory Services
RPM Software International Pty Ltd	Australia	Software Sales and Services
RPMGlobal USA, Inc.	USA	Advisory Services
RPM Software USA, Inc.	USA	Software Sales and Services
RPMGlobal Canada Ltd	Canada	Software Sales and Services
PT RungePincockMinarco	Indonesia	Advisory Services
RPMGlobal Asia Limited	Hong Kong	Advisory Services
RPMGlobal China Limited	China	Advisory Services
RPMGlobal LLC	Mongolia	Advisory Services
RPMGlobal LLC (deregistered 30 July 2024)	Russia	Software Sales and Services
RPMGlobal Singapore Pte. Ltd.	Singapore	Software Sales and Services
RPMGlobal Africa (Pty) Ltd	South Africa	Software Sales and Services
RPMGlobal Chile Limitada	Chile	Software Sales and Services
RPMGlobal Software Do Brasil Ltda	Brazil	Software Sales and Services
Revolution Mining Software Inc	Canada	Software Sales and Services
IMAFS Inc	Canada	Software Sales and Services
iSolutions International Pty Ltd	Australia	Software Sales and Services
iSolutions Holdings Pty Ltd	Australia	Software Sales and Services
MineOptima Holdings Pty Ltd	Australia	Software Sales and Services
MineOptima Operations Pty Ltd	Australia	Software Sales and Services
Minvu Pty Ltd	Australia	Software Sales and Services
Minvu Holdings Pty Ltd	Australia	Software Sales and Services
Nitro Solutions Pty Ltd	Australia	Advisory Services
Blueprint Environmental Strategies Pty Ltd	Australia	Advisory Services
Splash Back Solutions Pty Ltd	Australia	Software Sales and Services
Kurilpa Investments Pty Ltd	Australia	Software Sales and Services
RPM Global Turkey Danışmanlık Hizmetleri ve Ticaret A.Ş.	Turkey	Advisory Services
RPMGlobal Kazakhstan LLP	Kazakhstan	Software Sales and Services
RPMGlobal Colombia SAS	Colombia	Software Sales and Services

All entities trade as RPM and RPMGlobal.

25. Interests in other entities (Continued)

(b) Significant Restrictions

Cash and short term deposits held in Chile, Brazil, South Africa, China, Indonesia, Mongolia and Russia are subject to local exchange control regulations. These regulations provide restrictions on exporting capital from those countries other than through normal trading transactions or dividends. The carrying amount of cash included within the consolidated financial statements to which these restrictions apply is $16,190,000 (2023: $11,009,000).

26. Key Management Personnel Disclosures

	2024	**2023**
(a) Compensation	**$**	**$**
Short term employee benefits	3,287,953	2,854,554
Post-employment benefits	85,504	87,899
Share-based payments	127,861	137,459
	3,501,318	**3,079,912**

No other transactions with Key Management personal occurred during the year.

27. Events occurring after the reporting period

No matter or circumstance have arisen since 30 June 2024 that has significantly affected the Group's operations, results or state of affairs, or may do so in the future years.

28. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets that require disclosure in the financial report.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2024

Outlined below is the Group's consolidated entity disclosure statements as at 30 June 2024 prepared in accordance with the Corporations Act 2001 (Cth).

Name of entity	Percent Held (%)	Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
RPMGlobal Holdings Limited	n/a	Australia	Australian	n/a
RPM Software Pty Ltd	100	Australia	Australian	n/a
RPM Advisory Services Pty Ltd	100	Australia	Australian	n/a
RPM Software International Pty Ltd	100	Australia	Australian	n/a
RPMGlobal USA, Inc.	100	USA	Foreign	USA
RPM Software USA, Inc.	100	USA	Foreign	USA
RPMGlobal Canada Ltd	100	Canada	Foreign	Canada
PT RungePincockMinarco	100	Indonesia	Foreign	Indonesia
RPMGlobal Asia Limited	100	Hong Kong	Foreign	Hong Kong
RPMGlobal China Limited	100	China	Foreign	China
RPMGlobal LLC	100	Mongolia	Foreign	Mongolia
RPMGlobal LLC (deregistered 30 July 2024)	100	Russia	Foreign	Russia
RPMGlobal Singapore Pte. Ltd.	100	Singapore	Foreign	Singapore
RPMGlobal Africa (Pty) Ltd	100	South Africa	Foreign	South Africa
RPMGlobal Mining SA (Pty) Ltd	100	South Africa	Foreign	South Africa
ISIPLAfrica (Pty) Ltd	100	South Africa	Foreign	South Africa
RPMGlobal Chile Limitada	100	Chile	Foreign	Chile
RPMGlobal Software Do Brasil Ltda	100	Brazil	Foreign	Brazil
Revolution Mining Software Inc	100	Canada	Foreign	Canada
IMAFS Inc	100	Canada	Foreign	Canada
iSolutions International Pty Ltd	100	Australia	Australian	n/a
iSolutions Holdings Pty Ltd	100	Australia	Australian	n/a
MineOptima Holdings Pty Ltd	100	Australia	Australian	n/a
MineOptima Operations Pty Ltd	100	Australia	Australian	n/a
Minvu Pty Ltd	100	Australia	Australian	n/a
Minvu Holdings Pty Ltd	100	Australia	Australian	n/a
Nitro Solutions Pty Ltd	100	Australia	Australian	n/a
Blueprint Environmental Strategies Pty Ltd	100	Australia	Australian	n/a
Splash Back Solutions Pty Ltd	100	Australia	Australian	n/a
Kurilpa Investments Pty Ltd	100	Australia	Australian	n/a
RPMGlobal Innovations Pty Ltd	100	Australia	Australian	n/a
RPM Advisory Services International Pty Ltd	100	Australia	Australian	n/a
International Mineral Asset Transactions Pty Ltd	100	Australia	Australian	n/a
RPM Global Turkey Danışmanlık Hizmetleri ve Ticaret A.Ş.	100	Turkey	Foreign	Turkey
RPMGlobal Kazakhstan LLP	100	Kazakhstan	Foreign	Kazakhstan
RPMGlobal Colombia SAS	100	Colombia	Foreign	Colombia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

(Continued)

All entities are body corporates, and no entities are trustees, partners or participants in joint ventures.

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement be disclosed.

Determination of Tax Residency (continued)

The determination of tax residency involves judgment. In determining tax residency, the entity has applied current Australian and foreign legislation and any judicial precedent relevant to the interpretation of that legislation.

In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997.* The Consolidated entity has also had regard to the Commissioner of Taxation's public guidance.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 (a) to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- the remuneration disclosures included in pages 14 to 21 of the Directors' report (as part of audited Remuneration Report), for the year ended 30 June 2024, comply with section 300A of the *Corporations Act 2001;*
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the consolidated entity disclosure statement on pages 67-68 is true and correct;

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors

S Baldwin

Stephen Baldwin,

Chairman

Dated this 26 August 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of RPMGlobal Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of RPMGlobal Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

BDO

Revenue Recognition

Key audit matter	How the matter was addressed in our audit
The Group generates revenue from multiple streams, including: software sales (perpetual and SaaS), maintenance, advisory and consultancy. The Group continued to increase its software sales from recurring subscription sales. Revenue recognition under AASB 15 *Revenue from Contracts with Customers* is complex and subject to error, especially where revenue is recognised over time or with multiple performance obligations. The Group's disclosures about revenue recognition are included in Note 1(f), which detail the accounting policies applied under the requirements of AASB 15 *Revenue from Contracts with Customers*. The assessment of the Group's revenue recognition was significant to our audit due to the materiality of revenue to the financial report, and the complex nature of accounting for the appropriate timing of revenue related to the sale of software and related maintenance services under the requirements of AASB 15 *Revenue from Contracts with Customers*. The Group has entered into a number of material contracts, requiring the Group to supply software licence, maintenance services and other integration services, a number of which included comprehensive performance obligations. The total value of these contracts are considered material to the Group.	Our procedures included, amongst others: • Assessing the revenue recognition policy for compliance with AASB 15 *Revenue from Contracts with Customers*, including engaging our internal IFRS specialists to review the Group's accounting treatment of certain material contracts entered into during the period and reviewing the independent accounting advice commissioned by management. • Selecting significant software licence contracts, and reconciling the contract from inception to reporting, alongside the revenue recognition under AASB 15. This included a focus on new subscription sales and the recognition of revenue '*over time*'. • Selecting a sample of licence sales, maintenance services and consulting fees recognised as revenue, and agreeing to supporting invoices, signed customer contracts and proof of delivery. • When services have not been performed and cash a has been received upfront, ensuring these have been correctly included in contract liabilities. • Assessing the adequacy of the Group's revenue recognition disclosures within the financial statements.

Valuation and disclosures of non-financial assets including goodwill and indefinite life intangibles

Key audit matter	How the matter was addressed in our audit
The Group's disclosures on Goodwill impairment are included in Note 10, detailing the allocation of Goodwill to the Group's various cash-generating units ('*CGUs*'), setting out the key assumptions for value-in-use calculations and the impact possible changes in these assumptions would have. This annual impairment test is significant to our audit given the material balance of Goodwill as at 30 June 2024, and its importance to the financial statements. The impact of inputs used in management's assessment required significant auditor attention.	Our procedures included, amongst others: • Evaluating management's determination of the Group's Cash Generating Units ("CGUs") to ensure they are appropriate, including being at a level no higher than the operating segments of the Group. • Evaluating management's process regarding the valuation of Group's goodwill and other intangible assets • Assessing the Group's assumptions and estimates relating to forecast revenue, costs, discount rates and growth rates • Involving our internal specialists to assess the discount rate against comparable market information • Assessing the disclosures related to the impairment assessment by comparing these disclosures to our understanding of the matter and the applicable accounting standards • Challenging key assumptions by performing sensitivity analysis on the growth rates and discount rate assumptions used.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 21 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of RPMGlobal Holdings Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

C K Henry
Director

Brisbane, 26 August 2024

CORPORATE GOVERNANCE STATEMENT

Corporate Governance Statement – Year Ended 30 June 2024

The Board and Management of RPMGlobal Holdings Limited (ASX:RUL) (the 'Company') consider that it is crucial to the Company's long term performance and sustainability and to protect and enhance the interests of the Company's shareholders and other stakeholders, that it maintains an appropriate corporate governance framework pursuant to which the Company and its related companies globally (the 'Group') will conduct its operations in Australia and internationally with integrity, accountability and in a transparent and open manner.

The Company regularly reviews its governance arrangements as well as developments in market practice, expectations, and regulation. The Company's Corporate Governance Statement, which is available to view at https://rpmglobal.com/wp-content/uploads/2024/08/20240823-CG_PY_00_Corporate-Governance-Statement-FY24-25-Final.pdf, has been approved by the Board of RPMGlobal Holdings Limited and explains how the Group addresses the requirements of the Corporations Act 2001, the ASX Listing Rules 2001 and the 4th Edition of the ASX Principles and Recommendations (the 'ASX Principles and Recommendations') and is **current as at 26 August 2024**.

The Company's ASX Appendix 4G, which is available to view at https://rpmglobal.com/wp-content/uploads/2024/08/20240806-RPM-FY24-25-Appendix-4g-4th-Edition-RUL.pdf is a checklist cross-referencing the ASX Principles and Recommendations to the relevant disclosures in the Company's Corporate Governance Statement, this 2024 Annual Report and other relevance governance documents and materials on the Company's website, which are provided in the Corporate Governance section of the Company's website at https://rpmglobal.com/company/investor-centre/. The Corporate Governance Statement together with the ASX Appendix 4G and the Company's 2024 Annual Report, were also lodged with the ASX on **26 August 2024**.

The Board of the Company strives to meet the highest standards of Corporate Governance and also recognises that it is also crucial that the Company's governance framework appropriately reflects the current size, operations and industry in which the Company operates.

The Company has complied with the recommendations of the ASX Principles and Recommendations. The Board believes that any areas of minor non-conformance, which are explained in the Corporate Governance Statement and the ASX Appendix 4G, do not materially impact on the Company's ability to achieve the highest standards of Corporate Governance, whilst at the same time ensuring the Company is able to achieve the expectations of its shareholders and other stakeholders.

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 15 August 2024.

A. Distribution of Equity Securities

Analysis of number of equity security holders by size of holding:

	No. Holders	Options
1 – 1,000	3,738	-
1,001 – 5,000	3,987	10
5,001 – 10,000	1,256	26
10,001 – 100,000	1,297	89
100,001 – and over	145	14
	10,423	**139**

The number of shareholdings held in less than marketable parcels of 203 shares is 272 (Close Price 15 August 2024 $2.47).

B. Equity Security Holders

The names of the twenty largest holders of quoted equity securities (as at 15 August 2024) are listed below:

Name	Number held	Percentage of issued shares
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,133,574	14.99
CITICORP NOMINEES PTY LIMITED	28,946,388	13.09
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	27,201,283	12.30
RUNGE INTERNATIONAL PTY LTD <RUNGE FAMILY A/C>	8,052,131	3.64
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	7,044,340	3.19
PAUA PTY LTD <THE PAUA A/C>	6,734,608	3.05
UBS NOMINEES PTY LTD	4,761,132	2.15
MR STEPHEN JOHN BALDWIN + MRS ANDREA MAREE BALDWIN <THE STEVE BALDWIN S/FUND A/C>	2,642,511	1.20
NATIONAL NOMINEES LIMITED	2,543,602	1.15
TODD GLOBAL INVESTMENTS PTY LTD <TODD A/C>	2,360,676	1.07
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,688,386	0.76
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	1,661,234	0.75
THE RIDGE NZ PTY LTD <THE RIDGE NZ SUPER FUND A/C>	1,485,530	0.67
BRETTON PTY LTD <WALKER SUPER FUND NO 2 A/C>	1,200,000	0.54
BNP PARIBAS NOMS PTY LTD	1,021,325	0.46
BOND STREET CUSTODIANS LIMITED <SALTER - D79836 A/C>	997,077	0.45
MR IAN JAMES LUXTON	941,934	0.43
CERTANE CT PTY LTD <HAYBOROUGH OPP FUND>	857,811	0.39
MR ALUN GWYN PHILLIPS + MRS ANDRE JOAN PHILLIPS <A & A PHILLIPS S/FUND A/C>	857,500	0.39
CRX INVESTMENTS PTY LIMITED	800,000	0.36
	134,931,042	**61.03**

Unquoted equity securities

5,288,540 options over unissued shares (as at the date of this report): for further details see note 22.

SHAREHOLDER INFORMATION

C. Substantial Holders

The names of the substantial shareholders listed in the holding register as at 30 June 2024 are:

Estimated beneficial holdings as at 30 June 2024	Number held	Percentage
Long Path Partners	13,686,571	6.18%
Perennial Value Management	11,935,135	5.39%

D. Voting Rights

Refer to note 14 for voting rights attached to ordinary shares.

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

BDO Audit Pty Ltd
Level 10, 12 Creek St
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)

RPMGlobal Holdings Limited
ABN 17 010 672 321

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