

Press Release

RPMGlobal Acquires IMAFS Inc.

28 October 2020

RPMGlobal is pleased to announce it has entered into a share purchase agreement to acquire Canada-headquartered, inventory optimisation management software company, IMAFS.

As a leading Software-as-a-Service (SaaS) and cloud delivered provider of inventory optimisation software, IMAFS has more than 20 years' experience developing and selling its flagship IMAFS™ product.

The IMAFS solution is a cutting-edge, cloud delivered, inventory management and forecasting software solution that connects to an organisation's Enterprise Resource Planning (ERP) system and utilises proprietary Artificial Intelligence (AI) algorithms to greatly improve inventory management.

The product has been designed and built for the sole purpose of optimising the inventory holdings of large asset intensive companies.

Commenting on the acquisition, RPM CEO and Managing Director Richard Mathews said: "We are very pleased to have concluded negotiations to acquire IMAFS and are really looking forward to welcoming the Quebec-based IMAFS team into the wider RPM family. The product is a great fit with the existing RPM product suite and further builds on our cloud and optimisation offerings."

In the mining industry, management and optimisation, specifically the Maintenance, Repair and Operational (MRO) inventory is critical to ensuring operational continuity and attainment of production targets.

The key to accurately forecasting any type of inventory is understanding future demand. Mining MRO inventory optimisation is often a unique challenge to solve due to low volume and/or erratic turnover with long lead times, high component costs and the complex logistics associated with operating remote locations leading to companies over-stocking parts inventory and tying up capital unnecessarily.

When it comes to mining, properly managing MRO inventory is vital. If the plant, or key pieces of equipment (Loaders, Trucks, Conveyors etc.) stop operating because spare parts are not available, a costly operational problem develops. A poor inventory optimisation process can result in a company ordering inventory urgently due to reactive (poor) inventory processes rather than predictive (good) inventory processes.

IMAFS has developed a hosted subscription service that allows inventory data to be extracted from a company's ERP product or Computer Maintenance Management (CMM) system and analysed programmatically.

IMAFS' proprietary and cutting-edge algorithms also include Artificial Intelligence (AI) logic which incorporates parameters such as transport mode, carrier, weather, customs, seasonality, holidays, availability, and many other data points. IMAFS will also identify excess or obsolete stock that can be returned or disposed of.

Mr Mathews said: "Four years ago, we acquired iSolutions because we understood the importance of planning maintenance in parallel with production. AMT stands alone when it comes to forecasting the lifecycle cost of an asset using its dynamic lifecycle costing engine (DLCC). This real-time engine accurately predicts when customers will require major parts and components."

"In other words, by going back to first principles (as AMT does) we can predict the future demand that can be factored into IMAFS' advanced AI algorithms. That future demand is the critical piece of the puzzle so that IMAFS can optimise procurement and management of critical parts and components.

"Our AMT solution is also used by the major OEM's and their dealer network. These organisations can take forecasts from their customers into the IMAFS product, thereby assisting them in optimising their massive spare parts inventory. While we haven't had a product to do this in the past, we have been involved in a number of discussions with dealers and miners to do exactly this."

Robert Lamarre, IMAFS founder said: “It is immensely pleasing to see the passion emanating from the team at RPM to championing inventory optimisation and cloud driven enterprise integration. We are convinced that the IMAFS product suite will benefit from increased investment and the sales and marketing support that RPM can offer these products right around the world.”

Following completion Robert will continue his involvement with promoting IMAFS through a third-party business partner authorised to market and distribute IMAFS products to customers in North America outside of mining and resources.

The acquisition is expected to close on 25 November 2020 (Canadian Eastern Time) subject to a number of conditions precedent and customary completion events.

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About RPM:

RPMGlobal Holdings Limited (ASX: RUL) [RPMGlobal] is a global leader in the provision and development of mining software solutions, advisory services and professional development. With history stretching back to 1968, RPMGlobal has been trusted by mining companies of all sizes and commodities to support their growth. Our global expertise has been achieved over the past 50 years through our work in over 125 countries and our approach to the business of mining being strongly grounded in economic principles.
