



Supplementary Materials

RPO and Cloud cRPO Disclosures

Remaining Performance Obligations (RPO)

Current Remaining Performance Obligations (cRPO)

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NASDAQ: OTEX | TSX: OTEX

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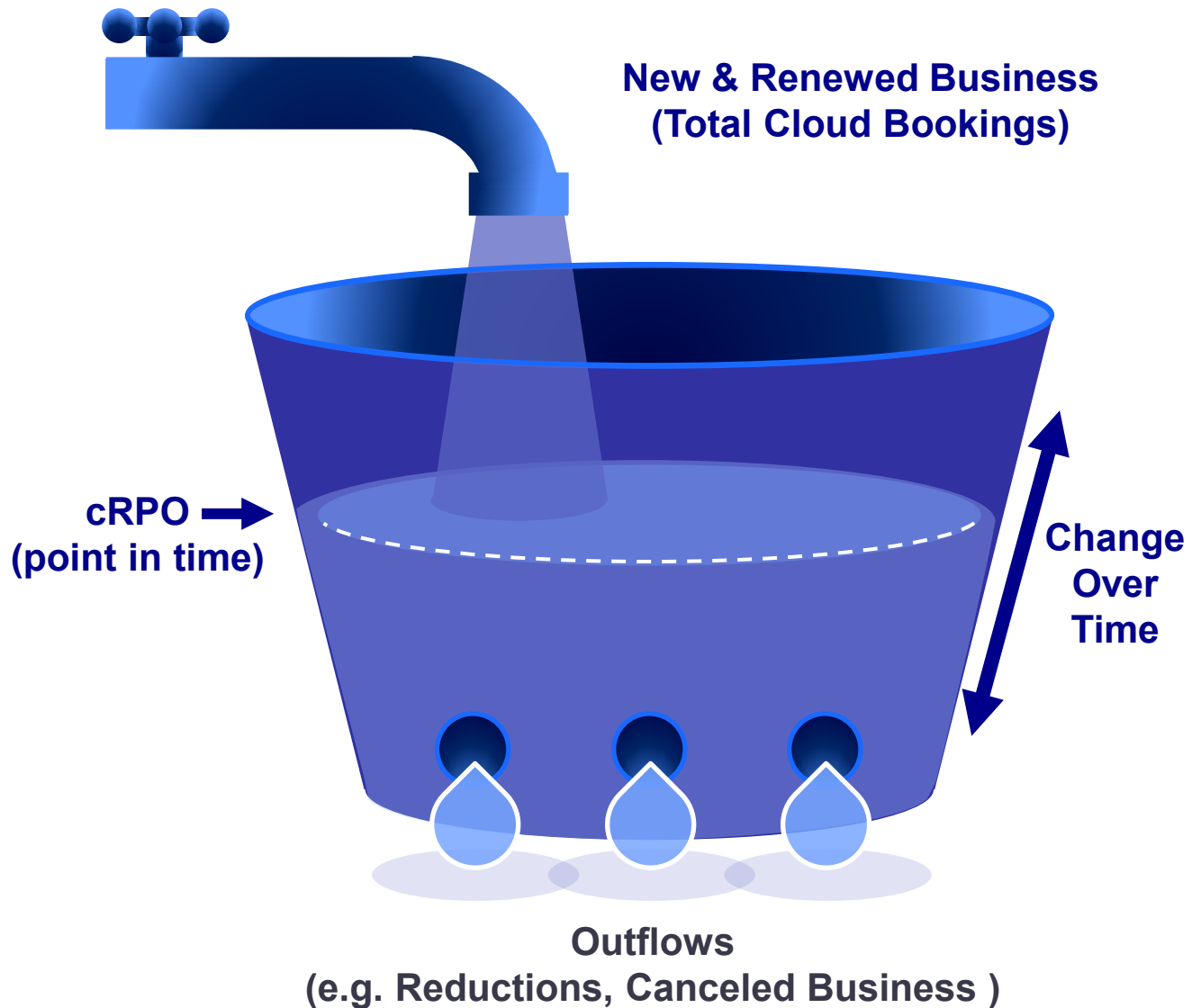
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Executive Summary

- Expanding Remaining Performance Obligations (RPO) disclosures
- A defined model to provide insights into our Cloud and Customer Support businesses
- New metric **Cloud cRPO** – a subcomponent of RPO – providing visibility into current portion of Cloud RPO. This is defined as committed Cloud RPO over the next twelve months
- Includes all OpenText Cloud product groups – Enterprise and SMB/C, and the **full spectrum** of our Cloud business – new and renew. This provides **visibility** into our Cloud Business
- Early view into Cloud cRPO as of our December 31, 2024. YoY comparisons will be available as part of June 30, 2025 disclosures

Cloud cRPO - Illustrative Concept



Cloud cRPO

- **Contractually committed** revenue only
- **Recognized** to revenue over the upcoming 12 months
- **Reduced** by Outflows
- **Incremental** to Cloud cRPO
 - Revenue from in-year new bookings and renewal business
 - Uncommitted revenue (cloud revenue not on a committed contract, overages, other consumption)

Cloud cRPO Model

Change in Cloud cRPO

cRPO beginning period

- + **New** business and **net upsells**
- Outflows
- + Contract ramp & cloud start-date effects
- +/- **Renewal** cycle effects
- +/- Other revenues (e.g., FX, M&A)

= cRPO ending period

Cloud cRPO to Cloud Revenue

cRPO beginning period
(\$1.122B as of June 30, 2024) → ~60% of annual
Cloud Revenue

- + Revenue from in year **New** business
- + Revenue from in year **Renewals**
- + In year revenue from **Uncommitted** business
(e.g. cloud revenue not on a committed contract, overages, other consumption)
- +/- Other revenues (e.g., FX, M&A)

~40% of
annual
Cloud
Revenue

= Revenue ending period, June 30, 2025 → 100%
(\$1.865B as mid-point of F'25 Cloud Revenue Target)

Form 10-Q for quarter ended December 31, 2024 – RPO Disclosure

Remaining Performance Obligations

Remaining performance obligations (RPO) represent contracted revenue that has not yet been recognized. They include amounts recognized as deferred revenue and amounts that are contracted but will be billed and recognized as revenue in future periods.

As of December 31, 2024, the Company elected to include RPO for contracts with an original expected duration of one year or less in accordance with ASC 606-10-50-14, and will discontinue use of the practical expedient relating to the disclosure of RPO within a contract. The Company believes this presentation is preferable as it provides additional information. Comparative amounts have not been provided for the quarter ended December 31, 2023 as such information cannot be practically determined for comparison purposes.

The following chart provides RPO information as of the following periods. The 12-month periods noted below are as of the dates presented, with the remaining balances recognized substantially over the next three years thereafter.

(\$ in billions)	As of December 31, 2024	As of September 30, 2024	As of June 30, 2024
Total RPO ⁽¹⁾	\$ 4.1	\$ 3.9	\$ 4.0
<i>% recognized as revenue over the following 12 months</i>	<i>63%</i>	<i>63%</i>	<i>63%</i>
Cloud services and subscription RPO	\$ 2.3	\$ 2.2	\$ 2.2
<i>% recognized as revenue over the following 12 months</i>	<i>50%</i>	<i>51%</i>	<i>51%</i>
Customer support and other RPO ⁽²⁾	\$ 1.8	\$ 1.7	\$ 1.8
<i>% recognized as revenue over the following 12 months</i>	<i>79%</i>	<i>78%</i>	<i>78%</i>

- (1) RPO amounts presented may be impacted by certain estimates including currency fluctuations, estimates of customers' deployment of contracted solutions, changes in the scope or termination of contracts, among other factors, and are therefore subject to change.
- (2) Customer support and other RPO is primarily comprised of obligations related to customer support revenues, and to a lesser extent license, professional services and other revenues.

Cloud cRPO Key Takeaways

- A defined and comprehensive model for insights into the OpenText Cloud Business
- \$2.3 Billion Cloud RPO as of December 31, 2024, larger than Customer Support by \$500 Million
- Annual Cloud Revenue (100%) is comprised of Cloud cRPO (60%) + In Year (period) additions to Revenue (40%)
- Year over year comparison will be provided with disclosure as of June 30, 2025
- Additional supporting metrics: Enterprise Cloud Bookings (New Contract Value), Cloud NRR (Net Renewal Rate) found in Form 10-Q

Cloud Contract Example

New Booking				Renewal Booking			
Signs	3/1/2023	RPO	\$4M	Signs	6/1/2025	RPO	\$2M
Provision Date	7/1/2023	cRPO	\$2M	Start	7/1/2025	cRPO	\$2M
Ends	6/30/2025			Ends	6/30/2026		

	F2023		F2024				F2025				F2026						
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
New Booking	Contract Signs 1		Contract Starts 2				Contract Ends 3										
Cloud cRPO	1.5	2	2	2	2	2	1.5	1	0.5	-	-	-	-	-			
Cloud Revenue (Quarter)	-	-	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	-	-	-	-			
Renewal Booking											Renewal Signs 4		Renewal Starts				Renewal Ends
Cloud cRPO	-	-	-	-	-	-	-	-	-	2	1.5	1	0.5	-			
Cloud Revenue (Quarter)	-	-	-	-	-	-	-	-	-	-	0.5	0.5	0.5	0.5			
Total																	
Cloud cRPO	1.5	2	2	2	2	2	1.5	1	0.5	2	1.5	1	0.5	-			
Cloud Revenue (Quarter)	-	-	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5			

Cloud Contract Example Takeaways

New Booking

- cRPO reflects committed revenue when a contract is signed, while revenue begins when the contract is provisioned (See Q3-Q4 F2023 **1**)
- cRPO is stable during the term length of the contract (see Q4 F2023 to Q4 F2024 **2**)
- cRPO declines as contracts nears end of term (see Q4 F2024 to Q3 F2025 **3**) but will increase again upon renewal, as cRPO assumes contracts are not renewed

Renewal Booking

- cRPO increases as the renewal contract is signed & committed (see Q4 F2025 **4**)
- Contracts approaching end of term, even though not lost, will lead to a decline in cRPO, while contracts renewed in the current period will lead to an increase in cRPO. Across the entire line of Cloud business, these effects should partially offset, yet there will be a net impact to cRPO

Seasonality

- Strong seasonality during Q2 and Q4 for our cRPO due to a large renewal cohort at calendar year end (December) and increase in new business either from net new bookings or upsells during our seasonally stronger fiscal fourth quarter (June)



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