



Acquisitions of Audit Analytics and Ai XPRT

IDEAGEN PLC

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("Ideagen," "the Company" or the "Group")

Acquisitions of Audit Analytics and Ai XPRT

Ideagen, a leader in compliance software for highly regulated industries, is pleased to announce the acquisitions of Audit Analytics and Ai XPRT (the "Acquisitions").

The Acquisitions bolster Ideagen's position as the audit and advisory system of choice to the compliance industry, accelerate AI functionality across the Ideagen portfolio and increase Annual Recurring Revenues (ARR).

Audit Analytics

Ives Group Inc., trading as 'Audit Analytics', was established in 2000 and is used every day to empower accounting, financial, and compliance professionals with the informative content critical to impact their regulatory work. As a trusted source for research, data is collected, organized, and analyzed with rigor to support on-line market intelligence, due diligence and risk assessment tools for audit, corporate, regulatory, investment, accounting, and research professionals. With last reported revenue of \$10.7m of which more than 99% was recurring, Audit Analytics provides more than 500 customers, including BDO, RSM, PwC, Bloomberg and the SEC, with powerful and unique data for better decision making. It also serves thousands of professionals globally from accountants to academia. Audit Analytics is highly complementary to the Group's existing Pentana Audit product suite.

Ideagen has agreed to pay an initial cash consideration of \$44.9m with a further earnout of \$5m in cash conditional upon achieving ARR of \$13m within 24 months. The Board expects Audit Analytics to achieve double digit ARR growth and margins similar to those of the Group within 12 months of ownership.

Audit Analytics recorded net income of \$0.8 million for the year to 31 December 2020 and had net assets of \$3.8 million as at that date.

Ai XPRT

Audit Xprt Limited, trading as 'Ai XPRT', provides end-to-end B2B solutions to the FinTech and RegTech sectors using its advanced technology which Ideagen will use to accelerate its own product development roadmap. It has developed a proprietary platform to leverage true artificial intelligence (AI) techniques to automate auditing of financial disclosure reports, compliance checking of documents, and document review for due diligence.

The technology enhances AI capability across Ideagen's Cloud Service architecture and is expected to support new functionality across all products in the medium term. The system is currently in active beta testing with Deloitte, AIA, and Barclays and the Board believes Ai XPRT can reduce compliance costs by up to 90%.

Ideagen has paid an initial cash consideration of £2m with an additional earnout payment of up to £4m on the second anniversary of completion subject to certain performance criteria.

Consideration for the Acquisitions

Ideagen will fund the total consideration for the Acquisitions from existing resources. The acquisition of Audit Analytics is expected to complete in the next 3 working days after satisfaction of certain procedural steps and the acquisition of Ai XPRT completed on 21 October 2021.

Ben Dorks, Chief Executive Officer of Ideagen, said:

"Today's announcement highlights accelerated execution of our M&A growth strategy. With the acquisitions of Audit Analytics and Ai XPRT, Ideagen has enhanced its position as the only end-to-end platform for audit and compliance and accelerating the roll-out of our AI capabilities. We've also significantly increased our current ARR and, with our integration playbook, will achieve increased visibility of revenues and quality of earnings."

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About Ideagen plc

Ideagen's software helps companies comply with regulation and manage risk.

Ideagen is a leader in the \$30 billion GRC software market, serving highly regulated industries such as life sciences, healthcare, banking and finance and insurance. Ideagen has made twenty acquisitions to build its market leadership.

More than 6000 organisations use Ideagen's software, including nine of the top 10 UK accounting firms, all of the top aerospace and defence companies and 75% of leading pharmaceutical firms.

Ideagen has a diversified customer base including blue chip, global brands such as Heineken, British Airways, BAE, Aggreko, US Navy, Bank of New York and Johnson Matthey, as well as 250 hospitals across the UK and US.

With over 700 employees Ideagen is headquartered in the UK, listed on the London Stock Exchange AIM market (Ticker: IDEA.L), and has key hubs in the UK, EU, US, Middle East and South East Asia. For further information please visit www.ideagen.com.

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