



Acquisition of CompliSpace

IDEAGEN PLC

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

Acquisition of CompliSpace

Ideagen PLC (AIM: IDEA), a leading supplier of Information Management Software to highly regulated industries, is pleased to announce the acquisition of Compliance Technology Holdings Pty Ltd t/a CompliSpace ("CompliSpace") for an upfront consideration of AUD\$105 million (c. £57.7 million) plus a deferred conditional earnout payment of up to AUD\$5 million (c. £2.7 million).

Founded in 2007, CompliSpace is a fast-growing provider of SaaS-enabled governance, risk and compliance (GRC) management solutions to private and public sector customers. CompliSpace's principal focus is in the education and social care sectors where Ideagen sees globally compelling structural growth tailwinds. CompliSpace serves more than 950 clients in Australia including more than 730 schools and 135 aged care facilities across the country.

CompliSpace's proprietary software platform simplifies complex and time-consuming GRC tasks covering Policy Management, Learning and Assurance by mapping a company's policies and procedures to regulatory obligations, supported by online learning, and automated workflow and reporting. This helps customers focus on their core purpose, centralising information in an easily navigable manner allowing for better overall governance.

CompliSpace currently has annualised proforma revenues of approximately AUD\$19.0 million (c. £10.4 million) of which 88% is recurring and has grown by approximately 20% over the last twelve months. The earn-out is payable dependent on approximately 20% per annum recurring revenue growth over the next 24 months to reach ARR of AUD\$23.5 million (c. £12.8 million) by the second anniversary of acquisition. Ideagen also expects to benefit from operational leverages such that CompliSpace will achieve EBITDA margins comparable to the Group's in the first full year of ownership to April 2023.

CompliSpace's CEO, David Griffiths, will join Ideagen as regional SVP and will, together with his senior leadership team, support the integration and future growth strategy. The CompliSpace product will be integrated in to the wider Ideagen common services architecture providing future upsell opportunities.

CompliSpace recorded revenue of AUD\$15.4 million (c. £8.4 million) and a loss before tax of AUD\$3.6 million (c. £2.0 million) for the year to 30 June 2021 with net assets of AUD\$11.6 million (c. £6.4 million) at that date. The acquisition will be funded from the Group's existing cash and debt resources.

Ideagen looks forward to providing an update on trading in the first six months to 31 October 2021 in mid-November 2021 and will be hosting a capital markets day on 30 November 2021.

Ben Dorks, CEO of Ideagen, commented:

"The acquisition of CompliSpace delivers three clear strategic objectives for Ideagen - a complementary commercial offering with a compelling growth opportunity, a strong footprint in a new geography, and enhances our ARR.

We see a significant opportunity to leverage CompliSpace's Australian footprint with our existing product suite, whilst also expanding its customer base into Europe and North America - in line with our strategy to grow both our geographical and sector expertise."

We are very excited to add CompliSpace to our business. The acquisition reinforces our strategy of supporting customers operating in highly regulated environments with high quality software solutions across a range of platforms.

We look forward to providing further information on the Group's performance and prospects in the forthcoming trading update."

This announcement assumes an AUD:GBP exchange rate of \$1.83:£1.00.

This announcement contains inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310.

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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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