

28 January 2020

## **CLASS LIMITED (CL1) ANNOUNCES STRATEGIC ACQUISITION OF NOWINFINITY**

**Class Limited (ASX:CL1) today announces the acquisition of NowInfinity, a leading corporate compliance and documentation technology company.**

The transaction, which involves the acquisition of all of the shares in NowInfinity 3505 Pty Ltd (**NowInfinity**), is for a maximum enterprise value of \$25m. The purchase consideration will be structured with a \$10m upfront cash payment on completion, plus \$10m in Class shares, escrowed for two years, to be issued on completion. There are also deferred consideration payments of up to \$5m contingent on successful integration that are expected to be paid in April and October 2020. The acquisition will be partly funded by a new \$10m debt facility, with the remainder to be funded by existing cash.

The transaction is expected to be EPS accretive in FY21.

NowInfinity is a technology platform that produces legally backed documentation for the professional services industry including accountants, financial planners and lawyers. NowInfinity is expected to generate circa \$7m of revenue in FY20.

NowInfinity has developed a portfolio of products that provide efficiencies for corporate compliance and legal documentation. Through its cloud-based platform, NowInfinity has helped over 2,000 accounting firms support more than 400,000 entities achieve reduced costs and streamlined back-office operations. Many of these firms are already customers of Class.

Andrew Russell, Chief Executive Officer of Class, said: “NowInfinity is an attractive opportunity aligned to our Reimagination strategy that allows Class to expand its role across the professional services ecosystem. We are constantly looking for new opportunities to grow and this acquisition is complementary to the Class business in terms of culture, technology and customer base.

“Importantly, it will enable Class to execute on our ambition of providing a broader set of products and services to our customers, which will be further enhanced through stronger integration of both platforms over the medium term. We are excited by this acquisition and welcome the NowInfinity team to Class.”

NowInfinity’s founder and CEO Amreeta Abbott, who will continue with the business in the role of Chief Growth Officer – NowInfinity, said:

“Since 2012, NowInfinity has been deeply passionate and focused on solving pain points for accountants, financial planners, bookkeepers and lawyers through our innovative platform, which has brought to the market a number of industry firsts.

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Class remains fully committed to its partnering strategy and Class customers will continue to have access to a range of partners integrated within the Class platform. The acquisition is aligned to Class’ vision of providing a bundled suite of products that delivers back-office automation for professional services firms.



The transaction is subject to customary third-party consent conditions and is expected to be completed by 1 February 2020. Further details on the acquisition will be provided at the half year results announcement on 18 February 2020.

**Approved for release by:**

Andrew Russell, Managing Director & CEO

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