

INFOMEDIA TO ACQUIRE SIMPLEPART, A LEADING US-BASED AUTOMOTIVE E-COMMERCE PLATFORM

ASX RELEASE

4 May 2021 – Sydney, Australia Infomedia Ltd (ASX:IFM), a leading software provider in parts, service and data insights solutions to the global automotive industry, today announced that IFM Americas Inc., a wholly owned subsidiary of Infomedia Ltd, has entered into an agreement to acquire US-based e-commerce platform, SimplePart.

Highlights

- **Under terms of the agreement, Infomedia to acquire SimplePart for a purchase price comprising upfront consideration of USD \$24.5 million, plus an earn-out of up to USD \$20.5 million over three years.**
- **SimplePart is a market leader in digital aftersales providing online parts, accessories and service e-commerce solutions that enable automakers and dealers to sell directly to consumers.**
- **The addition of SimplePart complements Infomedia’s SaaS platform; the acquisition enables Infomedia to offer aftersales e-commerce solutions to its global customers and access a broader addressable market.**
- **SimplePart achieved approximately USD \$10 million of revenue in the 12 months to 31 March 2021 and is expected to achieve low double digit growth rates in calendar years 2021 and 2022 before synergies.**
- **Expected to be EPS accretive¹ from the first full year of acquisition on a pro forma basis.**
- **Completion of the transaction is expected on or before 30 June 2021.**

SimplePart designs, implements and manages consumer-facing e-commerce programs in the US and Canada for many of the world's top automakers, helping them increase their sales of genuine automaker parts, accessories and service.

SimplePart’s intuitive, purpose designed e-commerce platform provides automaker and dealer customers a branded website, online store and digital marketing support to power successful e-commerce programs. The leading-edge platform also includes sophisticated production systems that can catalogue complex automaker data and provides extensive reporting and insights to increase aftersales revenue; features not commonly available with other e-commerce solutions.

Infomedia’s CEO, Mr Jonathan Rubinsztein said: “This is a very exciting acquisition as auto e-commerce is a strategic extension of our core global offering. SimplePart enables Infomedia to further penetrate the automaker parts ecosystem and transforms our presence in the Americas.

“SimplePart delivers a leading capability in OEM² and dealer e-commerce solutions and uniquely positions Infomedia to provide our shared customer base with an expanded range of market leading business-to-business and business-to-consumer parts, service and data insights solutions. With SimplePart, we can offer a total solution.

“SimplePart is profitable, cash flow generative and growing in North America. Our opportunity is to support that growth trajectory and offer our combined customer base additional products and value adding SaaS solutions in all the regions in which Infomedia operates.

¹ Based on pro-forma NPAT excluding synergies, transaction costs and one off integration costs.

² OEM – Original Equipment Manufacturer is a synonymous reference to automaker or auto manufacturer.

“We look forward to welcoming the SimplePart team into the Infomedia family and working together to continue pursuing growth opportunities globally.”

SimplePart founder, Cole Getzler, together with its President, Michael Oki, will continue to run the business from its base in Atlanta, Georgia.

“This transaction is a unique opportunity for SimplePart to partner with a global leader in parts and service software that shares our philosophy of developing and delivering innovative, industry-leading fixed operation solutions. We are looking forward to sharing our solutions globally, an opportunity every entrepreneur looks to pursue for the benefit of the business and the team”, Mr Getzler said.

Under the terms of the agreement, Infomedia will acquire 100% of SimplePart for a purchase price comprising upfront consideration of USD \$24.5 million plus an earn-out of up to USD \$20.5 million which will be calculated based on SimplePart’s EBIT over three years and paid in three annual instalments.

The upfront consideration will be funded from Infomedia’s existing cash reserves. The earn-out will be paid in cash subject to Infomedia having a right to settle up to 20% of each earn-out payment in Infomedia shares.

The transaction is expected to be EPS accretive from the first full year of acquisition on a pro forma basis.

The transaction is subject to satisfying customary closing conditions. It is anticipated that these conditions will be met on or before 30 June 2021.

Infomedia continues to assess further acquisition targets with a focus on assets that enhance its core platform offerings; extend its capabilities; open access to new customers; and increase its reach in key geographic markets.

ENDS

This release was authorised by the Infomedia Ltd Board.

Investment briefing webcast: Infomedia CEO, Jonathan Rubinsztein and CFO, Richard Leon will present an overview of the SimplePart transaction via webcast and conference call at 10:30am AEST today, 4 May 2021. Please phone +612 8038 5221 or 1800 123 296 and quote conference ID 2146837. The webcast will be available at [Open Briefing \(https://www.openbriefing.com/OB/4243.aspx\)](https://www.openbriefing.com/OB/4243.aspx).

About Infomedia: Infomedia Ltd (ASX:IFM) is an Australian-based SaaS platform provider in parts, service and data insights solutions to the global automotive industry. Infomedia has led innovation in aftersales technology within global automotive distribution networks for more than 25 years and continues to expand its reach within the three regions in which it operates.

Please visit Infomedia’s website <https://www.infomedia.com.au> and YouTube channel <https://www.youtube.com/infomedialtd> for more information.

About SimplePart: Founded in 2008 by Cole Getzler, a car enthusiast who devised a solution to find genuine restoration parts, SimplePart has evolved into a solutions platform that allows automakers and dealers to reach over 9 million vehicle owners a month. SimplePart is a leader in the digital fixed-ops space. The team of approximately 70 supports parts catalogue authoring, client support, enterprise consulting, design, digital marketing, business analytics and development. SimplePart’s website is available at www.simplepart.com.

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