

**MARKET RELEASE (ASX: RDY)**

## **Update on process with PEP**

**23 December 2022** – ReadyTech Holdings Limited (ASX: RDY) (**ReadyTech**) (ABN 25 632 137 216) refers to its announcement dated 1 November 2022 (and updates dated 15 November 2022 and 30 November 2022) advising that ReadyTech had received an unsolicited, conditional, non-binding indicative proposal from funds managed or advised by Pacific Equity Partners Pty Limited and its affiliates (**PEP**) to acquire ReadyTech by way of a scheme of arrangement at an offer price of \$4.50 per share (**Proposal**).

Following PEP's approach, the Independent Board Committee (**IBC**) carefully considered all aspects of the Proposal and with advice from its financial and legal advisers, formed the view that it was in the best interests of ReadyTech shareholders to engage with PEP on a non-exclusive basis to allow PEP to develop a more certain proposal.

As part of this engagement and at the request of ReadyTech's IBC, PEP provided written confirmation to ReadyTech on two separate occasions during the due diligence process that they remained willing, on a conditional, non-binding indicative basis, to pursue an acquisition of ReadyTech at an offer price of \$4.50 per share.

ReadyTech announced on 22 December 2022 that it had been advised by PEP that it had withdrawn its Proposal and was working on an alternative proposal that could deliver \$4.50 per share consideration (even if not all upfront). Following discussions between the parties, PEP has not provided an alternative proposal. As noted by the IBC on 22 December 2022, its intention was to promptly finalise the discussions with PEP and the IBC confirms that discussions have ceased between the parties.

"Despite good faith engagement with PEP, it has not been possible to conclude a binding transaction," ReadyTech Chair, Tony Faure said. "We believe it is in the best interests of all shareholders to proceed with our growth strategy across three key verticals: Education and Work Pathways, Workforce Solutions and Government and Justice."

"ReadyTech is well positioned for growth, has a strong business pipeline and is led by a highly talented and capable team. This confidence in the business is evident in ReadyTech reconfirming its FY23 guidance in yesterday's ASX announcement," Mr Faure said.

ReadyTech Co-Founder and Chief Executive Officer, Marc Washbourne, said, "ReadyTech's growth strategy is enjoying strong momentum and is on track to deliver a FY26 organic revenue target of over \$160 million. We remain highly confident in our outlook with our sustainable growth being achieved through ongoing and disciplined investment across three key pillars: product-market fit, go-to-market and scaling.

"As we look to the new year, we're excited about the strength in the company, our great prospects and momentum and have positioned ReadyTech for a very bright future," Mr Washbourne said.



**– ENDS –**

*This announcement has been authorised for release by the Independent Board Committee of ReadyTech Holdings Limited.*

**For more information, please contact:**

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**About ReadyTech**

ReadyTech is a leading provider of mission-critical SaaS for the education, employment services, workforce management, government and justice sectors. Bringing together the best in people management systems from students and apprentices to payroll, employment services, and community engagement, ReadyTech creates awesome technology that helps their customers navigate complexity, while also delivering meaningful outcomes. To learn more about ReadyTech's people-centric approach to technology, please visit [www.readytech.io](http://www.readytech.io).