



ASX ANNOUNCEMENT

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Covata acquires data classification technology from dataglobal, unveils strategic alliance

Sydney, Australia – Covata (ASX: CVT) has entered into a strategic alliance with German-headquartered dataglobal and will acquire certain rights to dataglobal's intellectual property relating to data classification and analysis and enter into a worldwide OEM agreement for the entire dataglobal product suite. The key benefits of the agreement with Covata include:

- **having immediate access to and ability to deliver world-class data discovery, classification and archiving solutions to customers;**
- **accelerating the speed and reducing the cost of development of Covata's Data Security Platform; and**
- **cross-selling opportunities and collaboration on channels to market.**

dataglobal is a leading provider of enterprise information management and enterprise information archiving solutions servicing over 550 major corporations across 40 countries. It services globally branded customers in the automotive, aerospace, chemical, finance, energy and manufacturing sectors.

At the core of dataglobal's solutions is a highly-developed data classification engine that enables real-time analysis of metadata and content across all data types. It has the necessary platform connectors to the most significant content service platforms. dataglobal's offerings link with all forms of data, whether stored on-premises, hosted privately or in public cloud environments, such as Microsoft Azure and Amazon Web Services (AWS). As well as this new relationship with Covata, dataglobal has a global go-to market alliance with Dell EMC.

The terms of the acquisition and alliance provide that:

- Covata will acquire ownership of the underlying intellectual property in dataglobal's solutions relating to its automated data classification engine, connectors into content service platforms and data analysis tools for use as part of the Covata Data Security Platform. Covata will then own its own version of this core IP;
- Covata and dataglobal will share sales leads and collaborate in channel development, particularly across Europe. Covata will also become an original equipment manufacturer (OEM) reseller of dataglobal's archiving solutions that complement Covata's security offerings; and
- dataglobal will provide platform integration and product support and training to Covata for an extended period. dataglobal teams will work alongside Covata's team in Australia.

Covata will pay dataglobal €1m for the intellectual property acquisition, with payments spread and paid over FY18 and FY19, although the initial integration is expected to only take three-to-four months. Covata will seek to quickly recoup this investment from avoided internal development costs, incremental Covata



product sales and revenues from Covata being able to resell all of dataglobal's products, including its world-class data archiving solution. Covata will also pay dataglobal monthly maintenance fees in consideration for provision of support services in relation to the intellectual property.

Covata CEO and Managing Director Mr Ted Pretty said: "This is an exciting and valuable opportunity for Covata. Our collaboration with dataglobal is, at its core, about technical capability, channels and customers. This transaction dramatically reduces Covata's development time and cost. It also sees Covata acquire world-class platform and connector capability that will enable us to offer information governance and security across the lifecycle of data within any organisation. This alliance and the resulting capability will dramatically improve our offerings and further position Covata as a compelling investment opportunity".

dataglobal Founder and CEO Mr Wolfgang Munz said: "dataglobal has been a leading player in enterprise information management and enterprise information archiving platforms for over 20 years. For the benefit of our customers, we have relationships with the suppliers of the world's most used content service applications and with on-premises and cloud-based data storage players. Partnering with Covata will see us leverage our core data classification engine to a far broader audience. We are excited to work together".

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About dataglobal

dataglobal is a leading provider of enterprise information management and enterprise information archiving. With its solutions, dataglobal supports its customers in digital transformation, as well as in the areas of governance, risk management, compliance and eDiscovery. dataglobal solutions optimise systems search, such as file servers, mail servers, SharePoint, ERP and third-party applications, and help companies leverage information from heterogeneous systems to create added value.

More than 500 successful installations in over 40 countries around the world are proof of the performance of dataglobal's products. Customers include Rhenus Logistics, NDR, Mars, Universal, T-Systems, the Federal Network Agency and German Stock Exchange. dataglobal is headquartered in Heilbronn, Germany

For further information, please visit dataglobal.com

About Covata

Covata is a leading provider of software solutions that protect data and enable secure collaboration. Our data-centric security platform empowers governments and businesses to discover, protect and control their sensitive information. Our products and platform support multiple use cases, including search, governance and compliance, user behaviour and analytics, and file synchronisation and sharing. Covata also provides data discovery, transparent data encryption, centralised permissions management, and activity logging for sensitive and regulated information in SharePoint. With offices and resources in the US, UK, Europe and Australia, and coverage in all other regions, our customers span the public sector and defense, aerospace, technology, finance, media and sports industries.

For further information, please visit covata.com



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