



## BID ACQUIRES UK ENERGY MANAGEMENT SOFTWARE COMPANY AND LAUNCHES FULLY UNDERWRITTEN A\$15M INSTITUTIONAL PLACEMENT

ASX Release  
3 DECEMBER 2020

### Highlights:

- Bid has acquired Optima Energy Management Holdings Ltd (“**Optima**”), a UK-based energy management software business with 51 customers and 196,400+ meters under management
- The acquisition of Optima accelerates Bid’s market penetration in the UK and creates a compelling customer proposition in the UK and European markets
- Optima’s market knowledge will support the increased market reach, product competitiveness, and RPA platform leadership of Bid
- Bid has acquired Optima for GBP5.4 million (~A\$9.8m<sup>1</sup>), plus a conditional Deferred Payment, as follows:
  - GBP3.2 million (~A\$5.8m<sup>1</sup>), payable in cash upfront;
  - 3.384 million Bid shares are to be issued to Optima vendors at an issue price of A\$1.16 per share (~A\$3.9m); and
  - A Deferred Payment, payable in cash, subject to Optima achieving certain performance milestones regarding revenue and costs within the year following the completion of the Acquisition (further details below)
- Bid to undertake a fully underwritten institutional placement to raise A\$15 million at A\$1.07 per share to fund the Optima acquisition cash consideration, UK and EU sales and marketing costs, and general working capital requirements

**bid (trading name for BidEnergy Limited ASX: BID) (“Bid” or the “Company”)** is pleased to announce it has acquired 100% of the issued shares of Optima Energy Management Holdings Ltd (the “**Acquisition**”), a UK-based energy management software business for GBP5.4 million (A\$9.8m<sup>1</sup>), plus a conditional Deferred Payment. The Acquisition will be funded by a fully underwritten institutional placement to raise A\$15 million (the “**Placement**”).

Optima is one of the UK’s leading energy management software providers and has established a strong reputation and brand recognition within the UK public and private sectors. Optima’s software platform provides bill validation, budgets and accruals, and tenant and self-billing, via a predominantly self-service model. Bid already has a long term relationship with Optima, having provided data collection services to support a limited part of their core business.

Optima directly manages energy data for 51 customers who in turn are responsible for over 196,400 meters under management across the UK. Optima’s clients are multisite multi-national corporates

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<sup>1</sup> GBPAUD: 1.81 (as at 1 December 2020). All AUD figures in this ASX Announcement apply this exchange rate unless indicated otherwise



("MNCS"), Third Party Intermediaries ("TPIs"), and property management agents. Optima generated revenue of GBP2.18 million<sup>2</sup> (A\$3.9m<sup>1</sup>) and was EBITDA positive in FY20.

Bid acquired Optima on a multiple of ~2.9x FY20 revenue<sup>3</sup>. Revenue and cost synergies are intended to be realised, including reduced corporate overheads. The realisation of revenue synergies is expected to reduce the acquisition multiple to ~2.55x.

Bid believes that the Acquisition is complementary to its goal of accelerating penetration in the UK and European markets. The Acquisition creates the opportunity for Bid to leverage Optima's international client base to drive growth globally, and provides further opportunities for Bid to scale its platform with customers within its four key revenue pillars.

The Acquisition will see Bid integrate key elements of Optima's platform into Bid's Robotic Processing Automation ("RPA") platform to build a 'best of breed' utility bill management solution for the UK and European markets.

Optima's management will work with Bid to transition all key customers as soon as possible. Optima's Managing Director will be retained for at least 12 months to assist with the transition of Optima clients to the Bid platform (with the potential for a consultancy arrangement thereafter).

**Bid's Managing Director, Guy Maine, said:**

*"Bid is very excited to take the next step on its journey to becoming a major global player in the utility bill management sector. The acquisition of Optima will accelerate our growth and penetration in the UK market, and offers the potential for expansion in both the UK and European markets."*

*"We welcome the Optima team and customer base and look forward to bringing value through what will be a best of breed RPA platform."*

Optima Managing Director, Steven Wright, commented:

*"I am really excited that Optima has joined the Bid family, which is a natural home for the Optima business. Bid and Optima both have a customer focused approach to delivering innovative software solutions. Bid's global client base gives the combined companies the opportunity to deliver a market leading platform for Utility Bill Management, Procurement, Carbon & Sustainability, and Tenant On-Charging. I look forward to working with the Bid team as we move into 2021 and beyond."*

**Acquisition terms**

Bid has acquired Optima for GBP5.4 million (~A\$9.8m<sup>1</sup>), plus a conditional Deferred Payment as follows:

- GBP3.2 million (~A\$5.8m<sup>1</sup>), payable in cash upfront;
- 3.384 million Bid shares are to be issued to Optima vendors at an issue price of A\$1.16 per share (~A\$3.9m)

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<sup>2</sup> Per Optima's special purpose accounts, year-end 31 March

<sup>3</sup> Assumes a Deferred Payment of GBP1.0 million. The actual Deferred Payment may be higher or lower than this amount which will increase or decrease the multiple accordingly

- Shares will be subject to escrow as follows:
  - 25% - 9 months from completion
  - 50% - 12 months from completion
  - 25% - 15 months from completion
- A Deferred Payment, payable in cash, subject to Optima achieving certain performance milestones regarding revenue and costs within the year following the Completion Date
- The Deferred Payment has two components:
  - a GBP250,000 (A\$452,500<sup>4</sup>) payment on achievement of certain recurring cost reductions prior to 31 March 2021; and
  - a payment based on recurring run rate revenues achieved in the Optima business in the 12 months following the Completion Date. Bid has currently provisioned for a payment of GBP750,000 (A\$1,357,500<sup>4</sup>) for this component, but this payment could be higher or lower<sup>4</sup>.

### Capital Raising

Bid will undertake a fully-underwritten institutional placement to raise A\$15 million through the issue of approximately 14.0 million new fully paid ordinary shares in the Company at an issue price of A\$1.07 per share (“**Offer Price**”).

Proceeds from the Placement will be used to fund the Optima acquisition cash consideration, UK and EU sales and marketing costs, and general working capital requirements.

The Offer Price represents a:

- 7.8% discount to last close of A\$1.16 on 2 December 2020
- 7.3% discount to 5-day VWAP of A\$1.154
- 8.1% discount to 10-day VWAP of A\$1.164

Canaccord Genuity (Australia) Limited acted as underwriter and lead manager to the Placement, with Petra Capital Pty Ltd acting as a Co-Manager.

### Indicative timetable

<b>Share Purchase Agreement to acquire Optima signed and completed</b>	Thursday, 3 Dec. 2020
<b>Trading halt and announcement of the Acquisition and Placement</b>	Thursday, 3 Dec. 2020
<b>Placement bookbuild</b>	Thursday, 3 Dec. 2020
<b>Results of the Placement announced and trading halt lifted – trading resumes on ASX</b>	Friday, 4 Dec. 2020

<sup>4</sup> The final Deferred Payment will not be known until 12 months following the Completion Date (3 December 2020)



**Settlement of Placement**

Wednesday, 9 Dec. 2020

**Expected date of quotation of  
Placement shares**

Thursday, 10 Dec. 2020

Ends

This announcement has been authorised for release by the Board of BidEnergy Limited.

Further information:

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**About BidEnergy**

BidEnergy is an Australian-based technology company with offices in Australia, the USA and UK. BidEnergy's cloud-based platform simplifies the complex utility bill management process by using automation, enabling organisations to have complete control over their utility bills. Unlike manual consulting and business services, the platform automates the management of every component of the process for multi-site companies. By automatically capturing and validating invoices and meter data, BidEnergy clients can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce billing charges using sophisticated analytics and reporting.

BidEnergy's innovative Robotic Process Automation ("RPA") platform gives small to large enterprises greater control over the full utility bill lifecycle, particularly where there is a national multi-site configuration. Further, under these agreements, BidEnergy's RPA platform is utilised to automatically capture and validate invoices, automating the payable function, discovering cost reduction opportunities and providing real-time Energy information and accurate financial capabilities at the touch of a button, as and when they need it.