

MARKET RELEASE (ASX:RDY)

ReadyTech invests in local government capability to accelerate cloud strategy

4 February 2025 – ReadyTech Holdings Limited (**ReadyTech** or **Company**), a SaaS provider of next generation cloud-based software to the education, workforce, government and justice sectors, has entered into an agreement to acquire CouncilWise Pty Ltd (ABN 39 620 219 301).

Key highlights:

- Strategic acquisition of CouncilWise enhances ReadyTech's Property & Rates engine, uplifts domain expertise and strengthens national footprint in local government
- Provides opportunities to upsell ReadyTech's broader product suite to CouncilWise's customer base of 35 local councils, driving further revenue growth
- Accelerates the cloud transition for ReadyTech's existing customers, contributing to margin expansion
- Total consideration of up \$8 million, consisting of an upfront payment of \$4 million and up to \$4 million in deferred consideration.

CouncilWise has built a business dedicated to supporting local councils with a specialised Property & Rates solution. Their engine ensures councils have a robust and efficient system for property and revenue management. The acquisition of CouncilWise, headquartered in Tasmania, will add 35 local council customers to ReadyTech's Government & Justice segment, increasing the segment's total local council relationships to over 280 and further strengthening ReadyTech's leadership in the market.

Commenting on the acquisition, ReadyTech Co-Founder and CEO Marc Washbourne said:

"The acquisition of CouncilWise represents a significant step forward in advancing our cloud strategy in local government. It further reinforces our commitment to the sector, and strengthens our capability and strategic focus in this critical market. CouncilWise brings deep domain expertise to ReadyTech that will enhance our offering and improve referenceability, enabling us to deliver even greater value to local councils across Australia."

ReadyTech's Chief Executive, Government & Justice, Daniel Wyner added:

"We understand that a robust Property & Rates capability is strategically important for councils, and this investment in the team and technology underscores our commitment to delivering market-leading solutions. CouncilWise's proven Property & Rates capability is the ideal complement to our vision, enabling us to integrate best-of-breed functionality into our enterprise Ready Community platform, enhancing our offering for local councils. Additionally, this acquisition accelerates the cloud transition for many of our legacy customers, ensuring they are well-positioned for the future."



Former Local Council executive and current Managing Director of CouncilWise, Ben Dornier said:

"We're very excited to be joining ReadyTech. This acquisition provides us with the scale and resources to maintain our focused expertise in the Property & Rates domain, while also unlocking significant opportunities for our customers through access to a broader, end-to-end enterprise platform. By integrating into the Ready Community offering, we're now positioned to meet the full spectrum of our customers' needs and support their success across all facets of council operations."

The purchase price of \$8 million, includes upfront consideration of \$4 million, reflecting a recurring revenue multiple of 3.5x and up to \$4 million in deferred consideration based on achievement of activity-based goals linked to migration of existing customers to the ReadyTech Community cloud offering. Upfront consideration will be split between 63% cash (funded out of existing cash reserves) and 37% ReadyTech scrip. Revenue and earnings impact for FY25 is considered immaterial.

The acquisition is expected to complete in mid-February 2025 and is subject to the satisfaction of customary conditions precedent.

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This announcement has been authorised for release by the Board of Directors of ReadyTech Holdings Limited.

For more information, please contact:

Heidi Lord
Investor Relations
p. +61 404 216 403
e. heidi.lord@atomicgroup.com.au

Nimesh Shah
Chief Financial Officer
p. +61 437 980 296
e. nimesh.shah@readytech.io

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.

