

**ASX ANNOUNCEMENT**  
12 February 2020



**ELMO Software Limited**  
(ASX:ELO)

### **Acquisition of Vocam**

#### **Transaction highlights:**

- Acquisition of Vocam, a leader in HR and safety video e-learning content with offices in Australia and the United Kingdom
- \$1.5m revenue over the last 12 months to 31 December 2019, EBITDA neutral
- Subscription revenues accounting for over 95% of total revenues
- Strong customer base of over 150 organisations in Australia, New Zealand and the United Kingdom
- Provides ability to cross-sell ELMO modules to Vocam's customer base and also cross-sell Vocam's e-learning video library to ELMO's customers
- Total consideration of \$3.5m, to be funded by a mixture of cash and scrip. \$2.5m cash and \$1m scrip which is subject to a 12-month voluntary escrow

ELMO announces the execution of a binding sale agreement to purchase 100% of the shares in Vocam group entities (**Vocam**), which is a leading provider of cloud-based HR and safety video content.

Vocam produces high quality video-based training. They have a library of more than 150 online videos for companies based in Australia, New Zealand and the United Kingdom. These videos not only provide valuable context by being shot on-site in workplaces in each region, but the content is regularly updated to ensure compliance with local legislation.

This acquisition also gives ELMO access to cutting-edge video production and post-production facilities in Melbourne and the Philippines. This will enable ELMO to expand and update video content according to changing customer and industry requirements.

Over the last twelve months to 31 December 2019, Vocam achieved \$1.5m in revenue with over 95% being subscription based. They have built a high-quality customer base of over 150 organisations across Australia, New Zealand and the United Kingdom.

The acquisition of Vocam is consistent with ELMO's growth strategy of delivering strong organic growth and supplementing this with disciplined and selective complementary acquisitions.

Co-founder & CEO Danny Lessem said, "We are delighted to welcome Vocam into ELMO. This acquisition provides 150+ valuable customers across Australia, New Zealand and the United Kingdom to whom ELMO will be able to cross-sell our suite of HR and Payroll modules. Furthermore, the addition of the Vocam e-learning video library will provide ELMO with an additional revenue stream."

#### **Authorised by:**

Board of ELMO

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### **About ELMO**

Established in 2002, ELMO is a cloud-based HR & Payroll software provider. The company offers customers a unified platform to streamline processes for HR, and also manage payroll and rostering / time & attendance. ELMO operates on a Software as a Service (“SaaS”) business model based on recurrent subscription revenues.

For more information, please visit [www.elmosoftware.com.au](http://www.elmosoftware.com.au).