

RWS Holdings plc
Acquisitions of
Iconic Translation Machines, Ltd and Webdunia.com (India) Private Limited

RWS Holdings plc ("RWS", "the Group"), one of the world's leading language, intellectual property support services and localization providers, today announces the acquisitions of Iconic Translation Machines, Ltd ("Iconic"), for an initial consideration of US\$10.0m with additional deferred consideration of up to US\$10.0m in RWS shares, subject to future performance and Webdunia.com (India) Private Limited ("Webdunia") for a total cash consideration of US\$21.0m.

Iconic

Based in Dublin, Ireland, Iconic specializes in developing best-in-class neural machine translation (NMT) solutions adapted for specific industries and blue-chip clients. An award-winning machine translation (MT) and artificial intelligence (AI) solutions industry expert, Iconic is a respected thought-leader in NMT and in the application of language technology.

The acquisition will provide RWS with the competitive advantage of leveraging language technology to improve on our already high-quality standards and service delivery as well as strengthen our capabilities in service-offerings in the NMT sector.

Recently Iconic has been working closely with the RWS Life Sciences division, delivering NMT solutions to RWS's pharmaceutical clients.

Iconic will form a new vertical language technology business within RWS and will be led by Iconic co-founders Dr John Tinsley and Dr Páraic Sheridan.

Iconic achieved revenues of US\$1.2m for the year ended 31 December 2019, a 100% increase on the prior year, and an adjusted EBITDA* of US\$23k.

The consideration for Iconic comprises US\$10.0m in cash at completion, and up to US\$10.0m in RWS shares after twenty eight months subject to the achievement of pre-agreed revenue and EBITDA targets.

Webdunia

With over 600 employees, and offices in India, Thailand and the US, Webdunia is a leader in translation, localization and technology services to technology and digital companies in the Indian and North American markets.

The acquisition includes the localization and software services business units of Webdunia as well as the technology solutions component of its affiliated company, Diaspark Inc.

The acquisition will be highly complementary to RWS's existing Moravia business, will strengthen our Indian-based translation and localization market share, support our customers' growth aspirations in India, as well as complement our digital technology services.



Webdunia achieved revenues of US\$13.8m for the year ended 31 March 2020, an increase of 12% on the prior year, and an adjusted EBITDA* of US\$3.1m, up 33% on 2019.

RWS Moravia has worked successfully with Webdunia for several years and the business will be integrated within the RWS Moravia division.

* EBITDA – profit before tax adjusted for interest, depreciation, amortization and other non-recurring costs.

Andrew Brode, Chairman of RWS, commented:

"The acquisitions of Webdunia and Iconic are an ideal fit for RWS. They complement and strengthen our existing translation and localization and technology services, while extending the Group's geographic reach in line with our strategic objectives.

"Notwithstanding the challenges presented by COVID-19, the Group's strong financial position enabled us to acquire these businesses from existing financial resources.

"We see a number of opportunities for both businesses to benefit from RWS's larger scale, global presence and client base, and for them to make a significant contribution towards the long-term success of the Group. The acquisitions will enhance our progress in the Asia Pacific region, support our customers' growth ambitions as well as strengthen our machine translation capabilities with technology which has already been proven by our life sciences team and will now be of benefit to all our clients."

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About RWS

RWS is the world's leading provider of intellectual property support services (patent translations, international patent filing solutions and searches), a market leader in life sciences translations and linguistic validation, a leading localization provider, and a high-level specialist language service provider in other technical areas, providing for the diverse needs of a blue-chip multinational client base spanning Europe, North America and Asia.

RWS is based in the UK, with offices across five continents. The company is listed on AIM, the London Stock Exchange regulated market (RWS.L).

For further information, please visit: www.rws.com.