

Atturra Limited

ACN 654 662 638

Supplementary Prospectus

Important Information

This supplementary prospectus is dated 24 November 2021 (**Supplementary Prospectus**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on the same date. This Supplementary Prospectus supplements the prospectus dated 17 November 2021 (**Prospectus**) issued by Atturra Limited ACN 654 662 638 (**Company**) in relation to the Offer of Shares by the Company. Unless otherwise indicated, terms defined in the Prospectus have the same meaning in this Supplementary Prospectus.

Neither ASIC nor ASX takes any responsibility for the contents of this Supplementary Prospectus. This Supplementary Prospectus must be read together with the Prospectus. Other than the changes set out below, all other details in the Prospectus remain unchanged.

Pursuant to section 719(4) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Prospectus is taken to include this Supplementary Prospectus. If there is a conflict between the Prospectus and the Supplementary Prospectus, the Supplementary Prospectus will prevail.

This Supplementary Prospectus provides important information to assist investors in deciding whether to invest in the Company and should be read in its entirety. If, after reading this Supplementary Prospectus, you have any questions, you should consult your professional adviser.

This Supplementary Prospectus and the Prospectus will generally be made available in electronic form, copies of which can be downloaded from the Company's website at <https://atturra.com/au-en/ipo>.

As at the date of this Supplementary Prospectus, the Company has not processed any Applications and has not issued any Shares pursuant to the Prospectus.

1. Reasons for the Supplementary Prospectus

This Supplementary Prospectus has been prepared to provide additional information to investors as set out in Section 2 below following feedback from ASIC.

2. Updates to the Prospectus

2.1 Important Information

Page 2 of the Prospectus includes the following statement: "This Offer to New Zealand investors is a recognised offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014." This sentence in the Prospectus is deleted as the Company is not making an offer to retail investors in New Zealand.

2.2 Key technology capabilities - Microsoft

Table 3.2 in the Prospectus (Section 3.2.3) contains information about the Company's strategic technology partnerships that enable the Company to implement its services, including its partnership with Microsoft. The growth rates refer to the financial performance of those named Microsoft products. The growth rates mentioned are not growth rates for the Company itself.

2.3 Investment Overview

Section 2.6 of the Prospectus discloses key financial information in relation to the Company. The Company discloses the following additional information in relation to the source of the Company's revenue growth as between organic growth compared to growth through acquisitions:

- (a) Historically, for the years FY19-FY21 management believes that revenue introduced from acquired entities has contributed on average to approximately 50-55% of the Company's revenue growth and the other 45-50% has been generated by organic growth. Management's estimates are based on the average of the aggregated revenues of entities the Company acquired during FY19 - FY21 against total revenue over the same period. No revenue from future acquisitions has been included in FY22F.

2.4 Disclosure

Section 4.8 of the Prospectus discloses the interests of Frost & Sullivan in the Company. The Company discloses the following additional information in relation to the professional fees for Frost & Sullivan:

- (a) The Company has paid, or agreed to pay, a total of \$22,000 (excluding GST and disbursements) to Frost & Sullivan for the preparation of the independent report in Section 4 of the Prospectus and services rendered in connection with that report.

2.5 Financial Information regarding acquisition of Atturra Advisory (formerly known as Noetic Group)

Section 5.2.9 of the Prospectus discloses information about the acquisition of a shareholding interest in Noetic Group Pty Ltd (**Noetic**), whose wholly owned subsidiary, Noetic Solutions Pty Ltd, currently trades as "Atturra Advisory" (outside Canberra) and as "Noetic Solutions Pty Ltd" (in Canberra). The Company discloses the following financial information for the purposes of this acquisition:¹

| | FY21 Pro Forma | | | FY22 Pro Forma | | |
|------------------------------|----------------|---------------------|-------|----------------|---------------------|-------|
| | Consolidated | Noetic contribution | | Consolidated | Noetic contribution | |
| Revenue | 98.3 | 8.8 | 8.9% | 126.7 | 20.3 | 16.0% |
| Net profit after tax and NCI | 4.5 | 1.0 | 21.4% | 8.2 | 1.3 | 15.6% |
| NPAT | 5.6 | 1.4 | 25.5% | 8.6 | 1.6 | 18.5% |
| EBIT | 6.8 | 2.0 | 30.0% | 11.5 | 2.3 | 19.8% |
| EBITDA | 8.4 | 2.1 | 25.1% | 13.1 | 2.3 | 17.6% |

2.6 Related Party Transactions

Section 8.3.5 of the Prospectus discloses related party transactions which the Company has entered into on arms' length terms. The Company discloses the following additional information in relation to related party transactions of the Company:

¹ Noetic Solutions Pty Ltd full year results for FY20 and FY21 have been extracted from the financial statements independently audited by PricewaterhouseCoopers Securities Ltd..

- (a) Mr Kanji is a director and secretary of 263 Finance Pty Ltd. The parent entity of 263 Finance Pty Ltd, 263 Pty Ltd, is owned by a trustee of a trust (**263 Trust**) of which Mr Kanji is a director and secretary. Mr Kanji and certain of his associates are potential beneficiaries of the 263 Trust. See Section 10.3 of the Prospectus for further information regarding the loan agreement referred to in Section 8.3.5(d) of the Prospectus.
- (b) As disclosed in the Prospectus, the Company completed the acquisition of the following companies between 2020 and 2021:
- Mentum Systems Pty Ltd, currently trading as "Atturra MCS", which was acquired in August 2021;
 - ESAM Consultants Pty Ltd, currently trading as "Atturra Business Applications - Education", which was acquired in April 2021;
 - Chartsmart Consulting Pty Ltd, currently trading as "Atturra Business Applications - Government", which was acquired in July 2020.
- (c) In December 2019, the Company acquired a majority stake of Galaxy 42 Group Pty Ltd. In June 2021, the Company acquired the remaining shares of Galaxy 42 Group Pty Ltd.
- (d) In February 2021, the Company acquired a majority stake (55%) in Noetic Group Pty Ltd, whose wholly owned subsidiary, Noetic Solutions Pty Ltd, currently trades as "Atturra Advisory" outside Canberra and as "Noetic Solutions Pty Ltd" in Canberra. In October 2021, the Company acquired an additional 25% of the shares in Noetic Group Pty Ltd.
- (e) Prior to the Company (or a subsidiary of the Company) first acquiring shares in each abovementioned company (**Acquired Entities**), none of the Acquired Entities were a "related party" (as defined in section 228 of the Corporations Act) of the Company (or a subsidiary of the Company). Mr Shan Kanji was appointed as a director of each of the Acquired Entities following completion of the initial share acquisition in each respective Acquired Entity by the Company (or a subsidiary of the Company).

2.7 Use of Funds

Note 1 in in Table 9.1 of the Prospectus (Section 9.5) notes that \$20 million of funds allocated to acquisitions will be utilised within the 12 to 24 months following the Prospectus Date, subject to there being suitable acquisition targets. The Company discloses the following additional information in regards to the Company's current acquisition targets:

- (a) The FY22F does not include any revenue or profit from acquisitions post-listing on the ASX. At present, the Company does not have specific targets, however it is in early stage discussions with several companies (and are regularly as part of its normal business) as reflected in Section 3.6.1 of the Prospectus. To date none of these discussions have resulted in any non-binding indicative offers being agreed. However, it is possible that an opportunity may progress to a non-binding indicative offer within the offer period.

2.8 Escrow Arrangements

Section 9.13 of the Prospectus discloses information about the Company's intention to enter into voluntary escrow arrangements for existing Shares. The Company discloses the following additional information in regards to the voluntary escrow arrangements:

- (a) In regards to the specific restrictions applying under the voluntary escrow restrictions, each holder may deal with any of its existing Shares that are subject to escrow restrictions if the dealing arises solely as a result of:
- the acceptance of a bona fide takeover bid made under Chapter 6 of the Corporations Act in respect of a proportion or all of the Shares, provided the holders of at least half of the

Shares on issue in the Company have accepted the offer made under that bona fide takeover bid;

- the transfer or cancellation of the Shares as part of a scheme of arrangement;
- the shares ceasing to be quoted on the ASX.

In the event that a takeover bid does not become unconditional or a scheme of arrangement does not take effect, the obligations of the escrowed holder will be reinstated for the relevant escrow period.

- (b) In relation to the Shares held in voluntary escrow that are held for the benefit of Jeff Budgen, the holder may deal with those Shares in the circumstances outlined above and additionally, if the dealing arises solely as a result of, on and from 21 March 2022 only:
- the sale of those restricted Shares at any time through an off-market transfer arranged and agreed to by either or both of Morgans Financial Limited and Shaw & Partners Limited (each a **Broker**) as a block trade (such agreement not to be unreasonably withheld by a Broker), provided that the reasonable costs of a Broker are paid for by the holder in full; or
 - the on-market sale of up to \$100,000 worth of those restricted Shares in any 30 calendar day period (with the dollar value to be determined by reference to the actual sale price achieved for the sale of those restricted Shares).

2.9 Material Agreements

- (a) Section 10.3 of the Prospectus discloses the material terms of the Amended 263 Finance Loan Agreement. The Company discloses the following additional information in relation to the Amended 263 Finance Loan Agreement:
- (i) As noted in Section 8.3.5 of the Prospectus, the arrangement is on arms' length terms because of the applicable interest rate in the context of the facility being unsecured having regard to the market for unsecured loans (See Section 10.3 of the Prospectus for information regarding the interest rate). The Company believes that there are no risks to the Company under this arrangement as this is an unsecured facility.
- (ii) Clause 18.2 of the Company's Board Charter provides guidelines in respect of entry into related party transactions by the Company.
- (b) Section 10.4 of the Prospectus discloses information about the Kanji & Co Legal Services Agreement. The Company discloses the following additional information in relation to the Kanji & Co Legal Services Agreement:
- (i) As noted in Section 8.3.5 of the Prospectus, the arrangement is on arms' length terms. If the Company elects to engage Kanji & Co (**K&C**) in the future, the agreed hourly rates are \$650/hr for General Counsel, \$450/hour for a senior associate, \$250/hr for an associate and \$150/hr for a paralegal. The agreed hourly rates are consistent with current market rates, but the Company reiterates that it has no obligation to use K&C and is free to use its newly appointed Head of Legal and other third party law firms.
- (ii) The Company believes that there is no risk to the Company under this arrangement as the Company has no obligation to use K&C and is free to use its newly appointed Head of Legal and other third party law firms.
- (iii) Clause 18.2 of the Company's Board Charter provides guidelines in respect of entry into related party transactions by the Company.

- (c) Section 10.5 of the Prospectus discloses information about the Kanji IT Services Agreement. The Company discloses the following additional information in relation to the Kanji IT Services Agreement:
- (i) As noted in Section 8.3.5 of the Prospectus, the arrangement is on arms' length terms. The annual contract value of \$10,000 is consistent with current market rates for equivalent services.
 - (ii) The Company believes that there is no risk to the Company under this arrangement as the Company would need to engage the services of another service provider if the Company did not obtain the services of Kanji IT under this arrangement and having regard to the fact that the fees are consistent with current market rates for similar services.
 - (iii) Clause 18.2 of the Company's Board Charter provides guidelines in respect of entry into related party transactions by the Company.
- (d) Sections 10.1 and 10.2 of the Prospectus contain information regarding contracts for the Federal Government's Department of Defence and Department of Education, Skills and Employment. The Company will seek renewal of the JED Official Work Order, DIPD Work Order and DESE Contract and, in general, the Federal Government and the Department of Defence are continuing to increase demand as detailed in Sections 4.5.2 and 4.5.4 of the Prospectus. The Company sees continued growth amongst these clients but also sees continued addition to spending in both Education and Local Government as detailed in Sections 4.5.3 and 4.5.1 of the Prospectus respectively.

2.10 Substantial Shareholders

Sections 2.8 and 11.6 of the Prospectus contain information about the substantial shareholders of the Company as at Admission, and notes that Driftwood IT Pty Limited is a substantial shareholder of the Company as at Admission. The Company discloses the following additional information in relation to the relationship between Driftwood IT Pty Limited and Mr Shan Kanji:

- (a) Mr Kanji is a director and secretary of Driftwood IT Pty Limited; and
- (b) Mr Kanji and an associate of his are also shareholders of Driftwood IT Pty Limited.
- (c) Mr Kanji is a director and secretary of 263 Finance Pty Ltd. See Section 10.3 of the Prospectus for further information regarding the loan agreement referred to in Section 8.3.5(d) of the Prospectus.

3. Consents

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

4. Directors' belief

The Directors believe that the information contained in this Supplementary Prospectus is not materially adverse from the point of view of an investor.

5. Directors' authorisation

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC.

Signed for and on behalf of Atturra Limited by:

A handwritten signature in black ink, appearing to read 'S Kanji', with a stylized flourish at the end.

Mr Shan Kanji
Chairman

Dated: 24 November 2021