

ASX Announcement

3 April 2023

Atturra completes Somerville acquisition and raises guidance after completion of Somerville and Hammond Street Developments acquisitions

Key Highlights

- Atturra Limited (**Atturra**) completes the acquisition of The Somerville Group Pty Ltd (ACN 002 876 360) (**Somerville**) (**Somerville Acquisition**).
- Post acquisitions, FY23 revenue is now expected to be in the range of \$168.5m-\$175.5m, up from the \$160m-167m previously communicated to the market in the Capital Raise Presentation released on 28 November 2022.
- FY23 earnings before interest and tax (**EBIT**) is expected to be in the range of \$15.5m-\$16.5m, up from \$15m-\$16m previously communicated to the market in the Capital Raise Presentation released on 28 November 2022.
- Atturra will start reporting on Underlying EBITDA¹ and anticipates Underlying EBITDA will exceed \$19m for FY23.

Sydney, 3 April 2023 – Atturra (ASX: ATA), a leading advisory and technology services business in designing, implementing, and maintaining IT solutions, is pleased to announce that its subsidiary, Atturra Holdings Pty Ltd (ACN 132 368 104), has completed the Somerville Acquisition, a leading managed services provider to the corporate and education sectors. Completion of the Somerville Acquisition follows Atturra’s announcement on 9 March 2023.

Headquartered in Sydney, with offices in Melbourne and Brisbane, Somerville provides a wide range of enterprise-grade managed services including cloud, connectivity, modern workplace, security, and hardware and software lifecycle management. Somerville also has a strong position in the education sector with its solutions mix which supports over 285 schools in Australia. The Somerville Acquisition is “Acquisition 01” referred to on page 25 of the Capital Raise Presentation released to the market on 28 November 2022.

With the successful completion of this acquisition Atturra adds significant infrastructure capability and can offer end-to-end solutions to its clients, contributing to Atturra’s vision to be Australia’s leading advisory and IT solutions provider.

Upfront consideration is \$15m cash and 1,647,060 Atturra shares, with earn-out/post-completion consideration of up to \$2.6m cash subject to Somerville achieving performance hurdles for the FY23 and FY24 financial years. The cash portion of the consideration will be funded from the proceeds of the Placement and Institutional Entitlement Offer in 2022. The purchase price, including upfront and all deferred

¹ Underlying earnings before interest, taxation, depreciation and amortisation (**Underlying EBITDA**) is a financial measure which is not prescribed by the Australian Accounting Standards Board (**AASB**) and represents EBIT under AASB adjusted for specific items, being initial public offering and capital raising costs, share based payments, one-off transaction, retention and integration costs relating to mergers and acquisitions, revaluations of contingent consideration, one off restructure and redundancy costs, goodwill impairments, government grants and any other one off or non-recurring extraordinary events. The Directors consider Underlying EBITDA to be one of the key financial measures of Atturra.

consideration, is calculated by reference to a multiple of 7.5 x forecast earnings before interest, tax, depreciation, and amortisation contribution to Atturra in FY24.

CEO of Atturra, Stephen Kowal, said:

“The acquisition of Somerville will be significant, as it will not only provide Atturra with a broad-based managed services capability to facilitate large end-to-end projects, but it will also strengthen our position within the Australian education sector. Combining Atturra’s established reputation in the application space with Somerville’s strong reputation in the infrastructure space will effectively create a new Australian transformation powerhouse.

We are excited to have the opportunity to bring Somerville into the Atturra fold, as it is a trusted technology partner with over 30 years’ experience offering solutions that will complement the Atturra offerings. I am particularly excited to have the industry-leading team of Adrian Toole, David La Bozzetta and Craig Somerville join the Atturra team.”

CEO and Founder of Somerville, Craig Somerville, said:

“This acquisition represents an outstanding opportunity for Somerville’s staff, clients, and partners. Atturra has forged a strong reputation as a well-respected player within the Australian IT services industry, with long-standing client and partner relationships.

Our strong focus on delivering quality outcomes to our valued customers will be enhanced by the breadth and depth of offerings that Atturra brings. Atturra opens the door to fantastic career opportunities for our team and the chance to work on a wide range of projects with the larger organisation.”

Trading Update

Having successfully completed the acquisitions of Somerville and Hammond Street Developments Pty Ltd (ACN 074 649 595), Atturra is now expecting post Acquisitions FY23 revenue to be in the range of \$168.5m-\$175.5m, compared to pre Acquisitions guidance of \$160m-\$167m and post Acquisitions FY23 EBIT is expected to be in the range of \$15.5m-\$16.5m, compared to pre Acquisitions guidance of \$15m-\$16m.

Based on feedback from Institutional investors, going forward, Atturra will provide guidance on Underlying EBITDA. Atturra is forecasting Underlying EBITDA in excess of \$19m for FY23. The definition of Underlying EBITDA was detailed above, however the key differences in FY23 between EBITDA and Underlying EBITDA are costs related to mergers and acquisitions activity and previously disclosed one off share payments made in prior years.

In conjunction with the FY23 results scheduled for release in August 2023, Atturra is planning to continue its policy of transparency and will provide a bridge between EBITDA and Underlying EBITDA.

- ENDS -

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

About Atturra:

Atturra is an ASX-listed technology business providing a range of enterprise advisory, consulting, IT managed services and solutions with a focus on local government, utilities, education, defence, federal government, financial services, and manufacturing industries. Atturra has partnerships with leading global providers including Microsoft, Boomi, Software AG, OpenText, Smartsheet, QAD, Infor and Solace and its clients are some of the largest public and private-sector organisations in Australia. For more information visit: www.atturra.com.

About Somerville:

Headquartered in Sydney, with offices in Melbourne and Brisbane, Somerville provides a wide range of enterprise-grade managed services across cloud, connectivity, modern workplace and security, and hardware and software lifecycle management. Somerville has clients across several industries including finance, education, legal, insurance, superannuation and automotive.

Contacts:

Investors

Stephen Kowal

CEO Atturra

P: +61 2 8241 1725

E: stephen.kowal@atturra.com