

28 April 2021

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By E-Lodgement

### **CESSATION OF MATERIAL GOVERNMENT CONTRACT**

Acumentis Group Limited (ASX: ACU) ("Acumentis" or the "Company") has provided valuation services to a large federal government department since late 2014 under an initial 3 year contract (with subsequent extensions).

In mid-2020, the department issued a request for tender for a new contract and Acumentis responded to that request and was informed in late 2020 that it had been selected as a preferred tenderer for inclusion on its panel of suppliers. Acumentis subsequently executed the formal contractual arrangements for Acumentis to continue to provide services to the department.

Notwithstanding receiving preferred tenderer status, confirmation of appointment to the panel and execution of the formal contract documentation, the department has informed Acumentis that it does not intend to issue a purchase order under the new contract on the terms tendered by Acumentis. Accordingly, the Company does not foresee further revenue at this stage once the existing contract extensions expire. The department has however indicated that it may engage Acumentis under the new contract at some future date.

Acumentis through a number of initiatives has been planning and implementing further diversification of its government services work and has incorporated other federal, state and local government clients. The Company will deploy existing valuers from this contract into other government clients as well as into other areas of Acumentis' business which are seeing significantly increased demand that has been resource constrained.

**The Company's FY21 revenue will be unaffected due to the existing extension of the government contract. Through the initiatives being undertaken by the Company, coupled with the national residential property market growth, Acumentis is forecasting increased revenue in FY22.**

The Company will be reviewing if any impairment of intangible assets is required for its full year accounts. Any impairment will not impact EBITDA or cashflows for the year ended 30 June 2021.

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#### **About Acumentis**

Acumentis is entrusted to provide commercial and residential valuations, research and property advice to many thousands of homeowners, investors, developers and lenders. The company offers property valuation, insurance valuation and advisory services to clients including major banks and financial institutions, property developers, property trusts, government, lawyers, accountants, real estate agents and major and independent retailers. With 40 offices and more than 300 staff in metropolitan and regional locations around the country, Acumentis is Australia's only independent, locally owned, ASX-listed property valuation company.