

Date: 21 November 2022

Announcement authorised by Altium Limited

ALTium LIMITED

ACN 009 568 772

Level 6, Tower B
The Zenith
821 Pacific Highway
Chatswood NSW 2067
Australia

Investor Relations
Contact Details:

Kim Besharati
Chief of Staff (US based)
Mobile: +1 760 828 3567

UPDATE ON AUSTRALIAN TAX OFFICE MATTER

Sydney, Australia – 21 November 2022 – Altium Limited (ASX: ALU) informs the market that it received a formal communication from the Australian Tax Office (ATO) after the close of market on Friday, 18 November 2022 in line with what was reported in Altium’s 2022 Annual Report as set out in Note 31 (page 98) of the report:

‘On 29 July 2022, the ATO issued its final position papers on the application of the general anti-avoidance provisions, and in the alternative the application of transfer pricing. In doing so, and on the advice of the ATO’s General Anti-Avoidance Rules Panel, the ATO has withdrawn its principal anti-avoidance position and amended its secondary anti-avoidance position. In its position papers, the ATO asserts the tax liability in respect of the 2016 to 2018 tax years is a range from AU\$21.1 million to AU\$80.0 million (excluding penalties and interest).’

Based on the ATO communication, Altium understands that:

- The ATO intends to proceed with issuing amended assessments for the 2016 to 2018 tax years of approximately AU\$80.0 million (excluding penalties and interest, but not including deductions of global operating costs).
- Further, the ATO has indicated that it will also commence a roll-over audit of the subsequent 2019 to 2021 tax years, on the same basis.

Altium disagrees with the ATO and believes that the ATO position is based on a misperception of the substance that underpinned Altium’s relocation to China in 2011 and subsequent relocation of its core business assets in 2015 to the United States. Furthermore, Altium regards the amended assessments as illogical as it implies an Australian corporate tax rate of approximately 65% of Group Profit Before Tax.

Altium continues to engage external legal advisers in relation to this matter and will request an independent internal review of the decision by the ATO. Altium intends to vigorously defend its position and if necessary, contest the matter through litigation proceedings.

Investor Relations Contact Details:

Kim Besharati - Chief of Staff (US based)

Email: Kim.Besharati@altium.com

Mobile: +1 760 828 3567

Sam Weiss - Chairman (Australia based)

Email: Sam.Weiss@altium.com

Mobile: +61 404 892 221

ENDS

About Altium

Altium ([ASX:ALU](https://www.altium.com)) is a multinational software corporation headquartered in San Diego, California, that focuses on electronics design systems for 3D PCB design and embedded system development. Altium products are found everywhere from world leading electronic design teams to the grassroots electronic design community.

With a unique range of technologies, Altium helps organizations and design communities to innovate, collaborate and create connected products while remaining on time and on budget. Products provided are ACTIVEBOM®, ActiveRoute®, Altium 365®, Altium Concord Pro™, Altium Designer®, Altium NEXUS®, Altium Vault®, Autotrax®, Camtastic®, Ciiva™, CIIVA SMARTPARTS®, CircuitMaker®, CircuitStudio®, Common Parts Library™, Draftsman®, DXP™, Easytrax®, EE Concierge®, NanoBoard®, NATIVE 3D™, OCTOMYZE®, Octopart®, P-CAD®, PCBWORKS®, PDN Analyzer™, Protel®, Situs®, SmartParts™, Upverter®, X2®, XSignals®, PCB:NG®, and Gumstix®.

Founded in 1985, Altium has offices worldwide, including US locations in San Diego, Boston, Dallas, New York City and New Jersey. European locations in Karlsruhe, Munich, Markelo and Zug, and Asia Pacific locations in Shanghai, Beijing, Shenzhen, Tokyo and Sydney. For more information, visit www.altium.com. You can also follow and engage with Altium via [Facebook](#), [Twitter](#), [LinkedIn](#) and [YouTube](#).

www.altium.com