

ASX Announcement

30 August 2023

Atturra completes Silverdrop acquisition, a leading HR and payroll consulting firm

Key highlights:

- Atturra Limited (**Atturra**), through its subsidiary Galaxy 42 Pty Ltd (ACN 167 654 382) (**Galaxy 42**), completes the acquisition of the business and certain assets of Silverdrop Education Pty Ltd (ACN 139 433 775) as trustee for the G & S Barwell Family Trust (**Silverdrop**) (**Silverdrop Acquisition**), a specialist HR and payroll consulting firm.
- Upfront consideration is \$2.207m in cash and \$0.5m of Atturra shares, with earn-out/post-completion consideration of up to \$0.6m in cash subject to the achievement of performance hurdles for the remainder of FY24 financial year.
- The purchase price, including upfront and deferred consideration, is based on a multiple of 5.5 times forecast earnings before interest and tax (**EBIT**) contribution to Atturra in FY24, excluding integration costs which are forecast to be \$175,000.

Sydney, 30 August 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, Galaxy 42, has completed the Silverdrop Acquisition. Completion of the Silverdrop Acquisition follows Atturra's announcement on 20 July 2023.

Headquartered in Sydney, Silverdrop specialises in HR and payroll services, focusing on assisting clients with chris21 and ichris applications. They have established a loyal client base across some of our key verticals and we expect their specialist HRIS expertise will be welcomed by our existing clients.

The cash portion of the consideration will be funded by Atturra's Westpac Banking Corporation debt facility, the details of which were announced to ASX on 22 December 2022. The purchase price, including upfront and all deferred consideration, is calculated by reference to a multiple of 5.5 x forecast EBIT contribution to Atturra in FY24.

CEO of Atturra, Stephen Kowal, said:

"The acquisition of the Silverdrop business and assets aligns nicely with our industry and technology strategy. The HR technology Silverdrop focuses on, chris21 in particular, is widely used by local councils in Australia. It is an industry we know really well through the work we do around ERP and data integration, so I see a good opportunity to service our clients even more broadly.

We look forward to bringing Silverdrop into the Atturra fold, as it is a trusted technology partner with significant experience delivering great outcomes to its clients."

Managing Director of Silverdrop, Gerard Barwell, said:

“The team at Silverdrop are excited about joining Atturra and the synergies that this opportunity presents. Over the last 11 years we have developed a strong reputation for delivering the highest quality service. Atturra and Silverdrop are strongly aligned with strong service cultures and proven track records in delivering successful outcomes for valued clients.

This change will provide our staff with wonderful opportunities to learn and grow within a wider network of colleagues and will enable us to continue to build strong partnerships in the payroll and HR services marketplace. Our clients can look forward to continuing to receive the best service from our team while enjoying a wider selection of services that we will now be able to offer them”.

- 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 Silverdrop:

Silverdrop is a specialist consultancy providing direct consulting and BAU support for HRIS solutions. Their dedicated team of consultants have a diverse knowledge base that encompasses HR, Payroll, Training, Integration, Project Management and HRIS systems. Their specific expertise in chris21, ichris and the broader payroll industry has provided a loyal client base across some of our key verticals including Local Government, Utilities and Health.

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