



SOCO Corporation Ltd (ASX:SOC)

SOCO completes AxSym acquisition, a Canberra based consultancy Federal Government focus

SOCO Corporation Ltd (ASX:SOC) (“Company” or “SOCO”), a leading information technology consultancy, is pleased to announce that it has completed the acquisition of AxSym Technology Pty Ltd ACN 640 959 191 (“AxSym”).

As announced on 24 October 2023, SOCO has acquired AxSym, with an initial payment of \$4.3m in cash funded from the Company’s available cash on hand, and \$3.2m in SOCO ordinary shares (10,714,753 shares). The sellers may receive up to \$3.4m over a two-year period (ending FY24 and FY25) if certain profit growth targets are achieved, therefore the maximum purchase price is \$10.9m. The upfront and deferred consideration equates to a 4.6x EBITDA multiple calculated by reference to achieving the deferred consideration milestones.

The acquisition is highly complementary and delivers significant EPS accretive earnings. AxSym is a close cultural fit with aligned values. The entrepreneurial founders of AxSym have a tier one consultancy background.

SOCO CEO, Simon Forth said *“The acquisition increases our Canberra footprint and opens additional opportunities to service our growing book of Federal Government clients. In addition, the acquisition will serve as an accelerator in the NSW Government sector. Our integration program has commenced, with AxSym’s rebranding to SOCO along with corporate services functions that includes marketing, people and culture and administration.”*

About AxSym

AxSym is a Canberra-based information technology consultancy with a federal government focus, with clients including Defence, Foreign Affairs, and National Security agencies. AxSym also brings success in the New South Wales state government sector, delivering services to the NSW Rural Fire Service.

The AxSym team’s expertise across diverse IT architecture domains positions them favourably to offer trusted advice to decision-makers, along with confidence that the advice translates into delivery success.

About SOCO

SOCO (ASX:SOC) is one of Australia's fastest-growing IT consultancies. SOCO's consulting teams solve business problems by applying and modernising IT systems to improve business processes - digitally transformational outcomes. Key to SOCO's success is the 4D methodology (Discover, Design, Deliver, Drive®), designed to place clients at the heart of the business, creating a genuine partnership every step of the way. SOCO's target markets include federal government, local and state government, along with large corporates. As a people business, SOCO seeks to maintain a competitive advantage by creating exceptional employment experiences for our team.

This announcement has been authorised for release by the Board of SOCO Corporation Ltd.

For enquiries contact:

Simon Forth
Chief Executive Officer
simon.forth@soco.com.au

Steve Parks
Chief Financial Officer
steve.parks@soco.com.au

For media enquiries contact:

Grace Tiong
Head of Marketing
grace.tiong@soco.com.au