

9 September 2021

ACQUISITIONS MEET TRADING TARGETS DRIVEN BY STRONG CUSTOMER SALES

Spirit Technology Solutions ("Spirit" ASX:ST1) is pleased to announce earn out incentives related to recently acquired businesses. The performance of these acquired businesses since joining the Spirit group has demonstrated Spirit's capability to acquire, integrate and grow its acquisitions as demonstrated by the recently announced FY21 results.

The total incentive payments for the period ended 30 June 2021 in relation to the acquisitions of Trident Technology Solutions, Altitude IT, Beachhead Group and Reliance IT is \$1,940,240 in cash and the equity amount totalling \$772,254 to be issued in Spirit fully paid ordinary shares (Shares), in accordance with the terms of the respective Share Purchase Agreement for each acquisition.

Additionally, Beachhead Group and Intalock Technologies both had deferred consideration amounts payable which totals \$3,773,264 in cash and an additional \$416,373 in Shares, in accordance with the terms of the respective Share Purchase Agreement for each acquisition.

Details of the Trident acquisition were announced on 14 February 2020, and the acquisition was completed on 18 February 2020. Details of the Altitude IT, Beachhead Group and Reliance IT acquisitions were announced on 20 August 2020, and the acquisitions were completed on 1 September 2020. Details of the Intalock Technologies acquisition were announced on 2 December 2020, and the acquisition was completed on 3 December 2020.

There was no incentive or deferred consideration due in relation to the VPD acquisition.

The cash component will be funded from Spirit's cash reserves and its debt facility provided by the CBA. All payments were factored into Spirit's FY22 contingent and deferred consideration liabilities as recorded in the 30 June 2021 audited accounts.

Spirit will utilise its capacity under ASX Listing Rule 7.1 for the equity component amounts. A total of 4,059,173 shares will be issued, with 1,024,218 Shares at a deemed issue price of \$0.28 (28 cents) per Share in relation to Target 2 incentive Shares associated with the Trident acquisition, 1,648,142 Shares at a deemed issue price of \$0.32 (32 cents) per Share in relation to deferred consideration and incentive payments to Beachhead Group, and a total of 1,386,813 Shares at a deemed issue price of \$0.27 (27 cents) per Share in relation to incentive payments for Reliance IT and Altitude IT. There are no escrow conditions attached to the shares to be issued. The details of the shares to be issued will be contained in the Appendix 2A's to be lodged shortly.

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This announcement is authorised for release to the market by the Board of Directors of Spirit Technology Solutions Ltd.

For all media enquiries regarding this announcement, please contact:

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