



27 March 2018

Solution Dynamics acquires Scantech

Solution Dynamics Limited (SDL) has agreed to acquire the business assets and intellectual property of Auckland-based scanning services and technology provider Scantech Limited (Scantech).

Scantech is an outsource scanning and transaction processing service provider. Its core activities include full accounts payable and accounts receivable outsource scanning, credit and debit document scanning and processing, election processing and large volume back scans.

Scantech has developed its own scanning-related application software. This provides information capture, transaction processing, process management and accounts payable and accounts receivable workflow software.

This acquisition adds to SDL's current offering through expansion into the inbound document capture and transaction processing market, allowing SDL to complete full customer communications, document lifecycle management.

The acquisition has an initial cost of \$570,000 with additional earn out payments subject to achievement of sales targets over the twelve-months following acquisition. The acquisition will be funded from existing cash reserves and the maximum amount payable will not exceed \$960,000. The target acquisition closing date is 2 April 2018.

Scantech is unlikely to have a material effect on SDL's FY2018 result but on an annualised basis should add a high single digit percentage growth to net profit after tax in FY2019.

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