

27 October 2021

## ASX Announcement

### ATI Share Purchase Agreement Finalised

Mayfield Group Holdings Limited (**Mayfield**) is pleased to announce that it has entered into an agreement to acquire the remaining 60% interest in ATI Australia Pty Ltd (**ATI**) so that ATI will become a 100% subsidiary of Mayfield on completion.

#### About ATI

ATI is a telecommunication system provider with engineering capability in network and ancillary systems design. Founded in 1991, the company is headquartered in Sydney, and provides the following services:

- Design, installation and support of custom-built, predominantly wireless, enterprise telecommunications systems.
- Telecommunication systems integration.
- Hardware distribution of network and support system products to system integrators.
- Solar and battery power systems for telecommunications.
- Design, deployment and support, including remote battery management systems.

ATI holds a telecommunications carrier license, enabling the provision of public access services when required.

ATI is 60% owned by the family companies associated with the current senior executives of ATI, Peter Choquenot and Arawa Driscoll, and 40% by Mayfield.

For the year ended 30 June 2021, ATI recorded an unaudited NPAT of \$1.068m.

#### Acquisition terms

The material terms of the share purchase agreement (**Agreement**) offer are as follows:

1. Lochani Pty Ltd (Peter Choquenot) and Dhoo-Gunya Pty Ltd (Arawa Driscoll) (**Vendors**) will sell the whole of their 60% interest in ATI to Mayfield.
2. The consideration payable for the 60% interest is \$1.952 million, subject to a special purpose audit (**Audit**) of the FY21 results (**Consideration**).
3. The Consideration is payable wholly by the issue of Mayfield fully paid ordinary shares at 40.63c per share (**Consideration Shares**).
4. The date of completion as soon as practicable after the completion of the Audit and is expected to be in mid-November 2021 (**Completion Date**).
5. The Consideration Shares will be issued on the Completion Date.
6. An additional earnout payment may be payable to the Vendors in relation to the years ended 30 June 2022 and 2023. The earnout to the Vendors will only be payable if the revenue and after-tax profit of ATI in each of those years exceeds the agreed hurdles those hurdles being in excess of the revenue and after-tax profit for the 2021 year. The amount of the earnout will be a proportion of the additional after-tax profit of ATI in excess of the agreed hurdle.

7. The offer is conditional on minor amendments being made to the lease agreement for ATI's Sydney property.
8. Each of the Vendors will continue to be employed by ATI on employment contracts, the terms of which are in accordance with market practice for a company the size of ATI and the industry in which it is involved.

Mr Jon Hobbs, the Managing Director of Mayfield stated:

*"The manner in which we have moved from a conditional offer to this formal agreement evidences our strong relationship with ATI and underpins our confidence in ATI joining the Group as a wholly-owned subsidiary. I am delighted to be able too that Peter Choquenot and Arawa Driscoll have committed to staying with ATI.*

*ATI is a long-established company with a strong reputation in its field. Having been a 40% shareholder of ATI for several years, we are confident in the future of the company.*

*ATI is an engineering-led business in wireless telecommunication systems and sees us increasing our investment in the trend in digitisation of electrical infrastructure and the data-communication associated. There are also synergies in this acquisition relating to services and manufacturing capability across the Group*

This announcement is authorised by the Managing Director of Mayfield, Jon Hobbs.

Further Information:

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