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ALT IUM L I M I T E D

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Altium Investor Presentation and Trading Update

Sydney, Australia - 18 June 2021 - Electronics design software company Altium Limited (ASX:ALU) today outlined further details of its vision for electronic industry transformation, an update on the Company's value creation strategy and updated commentary on trading conditions.

Company Vision and Strategy

At an investor presentation hosted by Altium CEO Mr Aram Mirkazemi, Altium Chairman Mr Sam Weiss and Altium CFO Mr Martin Ive, Altium management will reaffirm the Company commitment to achieve Altium's aspirational 2025 financial goals of US\$500 million revenue and 100,000 subscribers, underpinned by the Company's unique position within the global engineering software industry and track record of strategic execution.

"Everyone at Altium is strongly focused on delivering our strategy and driving value for our investors," Altium CEO Aram Mirkazemi said.

"Electronics sit at the heart of all intelligent systems, and Altium software and services provide the unique bridges that connect electronic design to the electronics supply chain and the manufacturing of electronics products. With the strong early adoption of our cloud platform, we are evolving from our PCB design origins and are now playing an essential and growing role in the design and making of smart products, that spans manufacturability and productivity, research and influence, and component sourcing".

The cloud transition is shifting traditional maintenance subscription revenue to become SaaS-like revenue, as customers adopt Altium 365. The Company estimates that by 2025 recurring revenue will rise from around 60% today to 80% or higher. In addition, Altium 365 and Nexar will provide unique opportunities for direct monetization.

To support Altium's strategic execution a strong focus has been placed on a series of initiatives, known as the Four Flywheels for Dominance and Transformation:

- Design tools adoption - expanding reach and volume through our new digital sales platform.
- Design platform adoption - driving value and ARR through Nexus and strategic partnership.
- Cloud adoption - driving adoption of Altium 365 by existing and new customers.
- Ecosystem adoption - driving industry partners and users to Altium 365.

Mr Mirkazemi said: “with our strategy we are pursuing dominance and transformation simultaneously. This will allow us to continue to deliver value to shareholders, while driving electronics industry transformation for the benefit of our customers”.

“The building blocks of our strategy are in place; our flagship PCB design tool Altium Designer supported our journey to market leadership and remains at the core of the Company, our new cloud platform Altium 365 will drive our ambition to unify and align the electronics industry and our ecosystem platform Nexar will bring transformation and a clear pathway to monetization”.

“The Altium Board and Altium’s leadership team is highly focused on executing with intensity and commitment to capitalise on both the changes that have been made, and the opportunity that is before us, particularly in the rising momentum that is coming from Altium 365 from our users, the industry and strategic partners”, Mr Mirkazemi said.

Trading Update

Altium anticipates revenue for fiscal 2021 to be at the low end of the guidance range of US\$190 million to US\$195 million and margin to be at the low end of the guidance range of 37-39% on an underlying basis (excluding one-off acquisition costs and write back of the SolidWorks minimum contractual amount due to termination of the agreement with SolidWorks).

Altium CFO, Mr Martin Ive commented “momentum has returned to Altium’s business with double-digit growth in the second half, however, after a slow first half due to the impact of COVID and our pivot to the cloud, the full year is likely to be at, or slightly below, the low end of our guidance”.

Mr Ive further noted, “Altium’s renewal business is strong, Octopart is set for a record performance and China is delivering a solid performance. Demand is growing for Term Based Licences (TBLs), which is a positive for future recurring revenue, however, Altium’s perpetual licence sales have underperformed relative to our expectations in the key markets of the US and EMEA as our sales organization works through its transition of our new sales model”.

Adoption of the Altium 365 cloud platform has increased and there are now more than 13,100 monthly active users and over 6,300 monthly active accounts.

In an investor presentation released separately to the market, and on an investor call hosted by Altium CEO Mr Aram Mirkazemi, Chairman Mr Sam Weiss and CFO Mr Martin Ive will explain the Company vision and strategy to unify and to transform the electronics industry.

Investor Call Details

Date: Friday 18 June 9.30am AEST

Host: Altium CEO Aram Mirkazemi, Altium Chairman Sam Weiss and CFO Martin Ive

Participants can pre-register for the investor call using the following link to receive dial in details:

<https://apac.directeventreg.com/registration/event/7187104>

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About Altium

Altium (ASX:ALU) is a multinational software corporation headquartered in San Diego, California, that focuses on electronics design systems for 3D PCB design and embedded system development. Altium products are found everywhere from world leading electronic design teams to the grassroots electronic design community.

With a unique range of technologies, Altium helps organizations and design communities to innovate, collaborate and create connected products while remaining on time and on budget. Products provided are ACTIVEBOM®, ActiveRoute®, Altium 365®, Altium Concord Pro™, Altium Designer®, Altium NEXUS®, Altium Vault®, Autotrax®, Camtastic®, Ciiva™, CIIVA SMARTPARTS®, CircuitMaker®, CircuitStudio®, Common Parts Library™, Draftsman®, DXP™, Easytrax®, EE Concierge®, NanoBoard®, NATIVE 3D™, OCTOMYZE®, Octopart®, P-CAD®, PCBWORKS®, PDN Analyzer™, Protel®, Situs®, SmartParts™, Upverter®, X2®, XSignals®, PCB:NG®, and Gumstix®.

Founded in 1985, Altium has offices worldwide, with US locations in San Diego, Boston, Dallas and New York City, European locations in Karlsruhe, Kiev, St Petersburg, Moscow, Munich, Markelo and Zug, and Asia Pacific locations in Shanghai, Beijing, Shenzhen, Tokyo and Sydney. For more information, visit www.altium.com. You can also follow and engage with Altium via Facebook, Twitter, LinkedIn and YouTube.

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