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Authorised for release by:
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Altium Announces Audited Financial Results for the Year ended 30 June 2023 Strong Financial Performance and Accelerating Business Transformation with Positive Outlook for FY24

Sydney, Australia – 21 August 2023 - Electronic design software company Altium Limited (ASX: ALU) has announced its financial results for the year ended 30 June 2023. The Company delivered a strong financial performance, built momentum in the Americas and the enterprise market, and accelerated its business transformation. Highlights for the financial year include:

- Revenue increased by 19.2% to US\$263.3 million.
- EBITDA grew by 20.3% to US\$96.0 million.
- Design Software revenue increased by 19.9% to US\$203.0 million, with ARR growing by 31.5% to US\$147.2 million.
- Enterprise revenue grew by 143% to US\$33.3 million.
- Americas Design Software revenue grew by 32.3% with 17% growth in new software licenses and 10% growth in subscriptions.
- EMEA Design Software revenue grew by 19.8% (23.6% in Euros) with 10.5% growth in subscriptions.
- Average Subscription Seat Value grew by 22.5% to US\$2,408.
- Subscribers grew to 61,159, up 7.5% from 56,912 one year earlier.
- Altium 365 adoption grew by 54% to over 36,700 monthly active users and grew by 42% to over 12,500 monthly active accounts (August, year on year).
- Earnings Per Share (EPS) grew by 19.4% to USD 50.4 cents.
- Final dividend of AUD 29 cents (AUD 54 cents for the full year up 14.9%).

Key Full Year Financial Measures Compared with Prior Corresponding Period

| Key Financial Measures | Full Year | | |
|--------------------------------|------------------------|------------------------|----------|
| | FY23 (US\$ million) | FY22 (US\$ million) | % Change |
| Revenue | 263.3 | 220.8 | 19.2% |
| Operating Expenses | 167.3 | 141.0 | 18.7% |
| EBITDA | 96.0 | 79.8 | 20.3% |
| EBITDA Margin | 36.5% | 36.2% | 0.3Pts |
| Underlying EBITDA Margin | 36.2% | 36.7% | -0.5Pts |
| Profit Before Tax | 87.8 | 67.9 | 29.3% |
| Profit After Tax | 66.3 | 55.5 | 19.6% |
| Total EPS (cents) | 50.4 | 42.2 | 19.4% |
| Operating Cash Flow* | 55.7 | 72.5 | -23.2% |
| Cash and Cash Equivalents* | 201.0 | 199.3 | 0.9% |
| Full Year Dividend (AUD cents) | 54.0 | 47.0 | 14.9% |

*Operating Cash Flow and Cash and Cash Equivalents are after a payment was made to the Australian Tax Office (ATO) of AU\$40.0 million (US\$27.2 million) in relation to Altium's ongoing dispute with the ATO.

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| Revenue Breakdown | Full Year | | |
|------------------------|------------------------|------------------------|--------------|
| | FY23 (US\$ million) | FY22 (US\$ million) | % Change |
| Revenue | 263.3 | 220.8 | 19.2% |
| Design Software | 203.0 | 169.3 | 19.9% |
| • Americas | 92.1 | 69.6 | 32.3% |
| • EMEA (USD) | 74.5 | 62.2 | 19.8% |
| • EMEA (Euros) | 68.6 | 55.5 | 23.6% |
| • China | 19.5 | 21.2 | -8.0% |
| • Rest of World | 16.9 | 16.3 | 3.7% |
| Cloud Platform | 60.3 | 51.5 | 17.0% |
| • Octopart | 56.2 | 50.0 | 12.4% |
| • Smart Manufacturing | 4.1 | 1.5 | 156.2% |

Altium CEO Mr Aram Mirkazemi commented, “Our Cloud-First Strategy is transforming our product portfolio from stand-alone desktop design software to a connected cloud-based design platform providing mid-market customers with access to enterprise capabilities. We are also gaining increasing traction in the enterprise market, where Altium 365 is proving to be a game-changer for our prospects of succeeding with enterprise customers. As an example of this, we recently closed a significant multi-million-dollar, multi-year contract with Renesas Electronics Corporation (a global semiconductor provider) who have decided to standardize on Altium design software with the view to streamline their go-to-market and customer engagement leveraging Altium 365.”

“Furthermore, we are connecting Octopart to Altium Designer to create a transformative outcome for the industry and as we invest in both *make* and *buy* bolt-on capabilities through M&A that will deepen the value proposition and reach of Octopart”, said Mr Mirkazemi.

Mr Mirkazemi further added, “Adoption of Altium 365 continues to grow in strength capturing the interest of the wider engineering community and providing a strong basis from which to monetize beyond PCB designers.”

Altium Interim CFO Mr Richard Leon commented, “Beyond our Cloud-First Strategy, the investment that we made in the digitization of our transactional sales in the mid-market is beginning to be rewarded. Altium has returned to its pre-COVID form with Americas delivering a strong financial performance across all metrics. The Americas increased revenue by 32.3%, increased new software licences by 17% and increased subscriptions by 10%. This bodes well, as the United States is our leading market and I expect our performance in other western economies to follow the same pattern in time.”

Mr Leon further noted, “What is remarkable is that Altium is performing strongly while investing more than ever before in transformation to deliver a sustainable long-term financial performance. We made a number of significant leadership hires during the fiscal year to support our drive toward our aspirational goal of US\$500 million in revenue by fiscal 2026. In fiscal 2024, we will continue to invest in our enterprise sales and cloud platform business to expand our total addressable market (TAM).”

Outlook

Altium provides guidance for the 2024 financial year of:

- Revenue of US\$315 million to US\$325 million (20%-23% growth), comprising:
 - US\$250 million to US\$255 million for Design Software (23%-26% growth)
 - US\$65 million to US\$70 million for Cloud Platform (Octopart and Smart Manufacturing) (8%-16% growth)
- Underlying EBITDA margin of 35%-37%

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Dividend

The Directors have declared an unfranked final dividend of AUD 29 cents per share for the year ended 30 June 2023 bringing the total dividend for the year to AUD 54 cents per share, up 14.9%. Key dates for the final dividend are:

| | |
|-------------------|-------------------|
| Announcement date | 21 August 2023 |
| Record date | 5 September 2023 |
| Payment date | 26 September 2023 |

Investor Presentation and Call

Altium management will host a conference call on 21 August 2023 at 5pm AEST to discuss the investor presentation and to provide an update of the Company's business strategy and financial performance. The full year investor presentation will be released to the ASX separately and available on Altium's website at www.altium.com.

Participants can register for the investor call using the following link to receive dial in detail:

<https://s1.c-conf.com/diamondpass/10031534-6fsivy.html>

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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®.

Founded in 1985, Altium has offices worldwide, with US locations in San Diego, Boston, Dallas, New York City and New Jersey. European locations in Karlsruhe, Kiev, Cambridge, 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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