

AD1 enters Deed of Company Arrangement for USS Subsidiary

Melbourne, Australia, 24 May 2024: AD1 Holdings Limited ('AD1', the 'Company' or the 'Group') (ASX: AD1), a technology company with a growing portfolio of market-leading software businesses, has executed a Deed of Company Arrangement ('DOCA') in relation to Utility Software Services Pty Ltd ('USS').

As previously announced to market, the USS' technology platform was discontinued and fully impaired for the financial year ended 30 June 2023, and the board placed USS into voluntary administration. AD1 has now executed a Deed of Company Arrangement ('DOCA') in relation to USS.

As part of the DOCA, AD1 will be required to make an upfront payment of \$100,000 to USS which will be applied by the administrators to repay USS creditors. USS will continue to collect license fees from its sole remaining customer under a fixed term arrangement which is due to end in March 2025 (and such fees will also be applied to repay USS creditors).

The net financial impact for the Group under the terms of the DOCA is expected to be a net benefit to AD1 Holdings of approximately \$1m, which will be illustrated in AD1's financial statements for the financial year ended 30 June 2024.

Having signed the DOCA, management return their focus towards strengthening AD1's remaining platforms and core subsidiaries within the Group, which continue to perform in line with its current strategy.

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This release has been authorised by the Board of Directors of the Company.

For more information:

Todd Perkinson

Chief Executive Officer

todd.perkinson@ad1holdings.com.au

+61 3 8199 0455

About AD1 Holdings

AD1 Holdings is a technology company with a growing portfolio of market-leading HR Technology software businesses. We build, manage, and acquire best of breed, high potential software businesses that develop specialised software solutions to address the specific needs of the global workforce. The Company currently operates in two main verticals being 'HR Services' and 'Niche Services'. Under HR services the company provides talent recruitment solutions in the form of ApplyDirect and mentoring products under the Art of Mentoring banner.