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### **Syft Technologies business update**

Syft Technologies is providing an update on recent business performance and future plans.

Full FY23 results will be released in early July. Today we can share that the business generated approximately \$17.3m in revenue in FY23 (unaudited), down 49% from the \$33.8m achieved in FY22. A reduction in revenue from Syft's largest customer made up almost 90% of the decline. As a result of this, the business will deliver a material loss.

FY24 has started on a much more positive footing. Orders received less than 3 months into this financial year are already more than 80% of FY23 instrument revenue, including multiple instruments for the aforementioned large customer. Combined with renewal of existing service billings, this will deliver more than \$16m in revenue. There is more than 9 months to go to add to this and - as orders were almost all delayed rather than lost - Syft entered FY24 with more than double the sales pipeline than the previous year.

CEO Alex Fala commented, "There's no sugar coating it; the year to March 2023 was tough. More than 50% of our revenues in each of the last 4 years have come from 1 or 2 customers, and the risk of this revenue concentration fully materialised in FY23. This was exacerbated by general macro conditions, and a cyclical downturn in the semiconductor industry, which slowed purchasing cycles.

Recurring service revenues increased 87% in FY23, providing a strong base for the future. We'd also taken actions to build our sales pipeline and diversify our customer base, and they are now bearing fruit. Fundamentally, we have a unique and valuable offering. We're excited to extend that when we properly launch our life sciences solution later this year, which remains on-plan."

Syft's major shareholders have been highly supportive and have engaged constructively with the company in securing additional capital. Terms have been agreed with our largest investor, Ampersand Capital Partners, for a convertible note that will raise a total of \$5.5m. The deal is conditional on shareholder approval, and the appointment of an independent advisor to consider future capital and strategic options for the business. ACC have also committed to participating in the raise.

The note will be open to participation from all shareholders who are wholesale investors or are otherwise eligible to invest. Detailed terms will be announced in coming days.

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#### **About Syft**

Syft Technologies Limited is a world leading provider of Selected Ion Flow Tube Mass Spectrometry (SIFT-MS) solutions. Revolutionizing the trace analysis world, Syft's instruments enable the rapid, targeted and comprehensive analysis of compounds in air to a parts-per-trillion level. Syft's technology is used in industries including semiconductor, energy, life sciences, environmental, consumer products, laboratory and research, security and air quality monitoring. Based in Christchurch, Syft trades on New Zealand's Unlisted Securities Exchange ([USX: SYF](https://www.usx.co.nz)). Further information is available at [syft.com](http://syft.com).