



68 St Asaph Street  
Christchurch Central, 8011  
Christchurch, New Zealand  
Tel +64 3 338 6701  
Fax +64 3 338 6704  
Email [info@syft.com](mailto:info@syft.com)  
Web [www.syft.com](http://www.syft.com)

## Syft Technologies Business Update

On 21 July 2023, Syft issued a convertible note with a repayment date of 31 December 2023, subsequently extended to 31 March 2024. As a condition of the note, the Board also initiated a review to consider future capital and strategic options for the business. Today the company has updates on these matters and the broader business.

### *1. Trading update*

FY24 has continued to show a strong rebound from FY23, despite volatile trading conditions. The investments Syft has made over recent years in its core technology, new products, brand, and customer-facing teams have generated a larger and more diverse sales pipeline that is converting to revenue.

Current committed orders will deliver greater than \$25m in revenue in FY24, approximately 50% year-on-year growth. Instrument revenue will grow by over 100% with approximately 75% coming from customers other than our major semiconductor clients. However, some sales expected in Q4 have been delayed, with customers citing tightening budgets and resource constraints. The Syft team is driving hard for a strong close to the year, but FY24 revenue is no longer expected to reach \$30m. The business will enter FY25 with a strong pipeline, but timing of sales will remain volatile, particularly with mixed signals from the semiconductor industry on the immediate outlook.

### *2. Conversion of notes to preferred equity*

We have received notice from Ampersand and ACC that they will convert their notes to second ranking preference shares, effective 31 March 2024. In accordance with the terms of the note, all other notes will also convert to second ranking preference shares. Each noteholder will receive personal communication outlining changes to their holdings by close of business this Monday, 19 February. Both Ampersand and ACC have also signaled their intent to exercise their warrants.

These changes will increase total share capital (including preference shares) from 89,692,692 to 110,509,632, with Ampersand holding 24.6% and ACC holding 17.9%. Combined with the improved business results, the conversion of the notes alleviates any immediate need for capital.

### *3. Completion of strategic review*

The Board has now completed the review of future capital and strategic options. Having considered all factors, including indicative bids from interested parties and recent business performance, the Board has deemed that it is in the company's best interests to continue executing on its growth plan as a standalone entity.



68 St Asaph Street  
Christchurch Central, 8011  
Christchurch, New Zealand  
Tel +64 3 338 6701  
Fax +64 3 338 6704  
Email [info@syft.com](mailto:info@syft.com)  
Web [www.syft.com](http://www.syft.com)

#### 4. CEO resignation

Alex Fala, CEO, has given notice that he will leave the company with his final day being April 12, 2024. Alex noted "If Syft was based in Auckland, then I would not be leaving. I'm proud of the progress we've made and would have dearly loved to be around to show that consistently on the scoreboard. However, my wife and kids remain settled in Auckland, and I've had to make a family call. With the rebound of the business and the other announcements today, I've been able to do that with confidence that Syft is on the right trajectory."

\*\*\*\*\*

Chair, Al Monro, commented on today's announcements. "The improved business performance, and resolution of the convertible note and strategic review, puts Syft in a much stronger position than we have been for some time. Alex's leadership has been critical to us navigating a challenging environment, while also shaping a strategy and building core business capabilities that will enable our next CEO to start from a position of strength. The Board and I thank Alex for his contribution and will immediately commence the search for a new Chief Executive."

Enquiries:

Syft Investor Relations  
[investor@syft.com](mailto:investor@syft.com)

#### **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).