

Bringing the ‘Internet of everything’ a step closer Australian global software company Altium acquires Morfik to help electronics designers add cloud connectivity to anything

SYDNEY, Australia – 16 September 2010 – Australian global software company Altium has announced it intends to acquire Morfik Technology. The deal is subject to due diligence now under way.

Morfik is also an Australian software company. Its products are used by professional software engineers to design, engineer and deploy cloud-based software applications, applications that reside on the Internet infrastructure and that are accessed by connecting to the Internet. Morfik’s software engineering approach to web-application development makes it suitable for building web-based systems for applications, such as electronics design, that involve large amounts of complex, dynamic content.

Altium’s objective is to help electronics designers expand their role from designing the electronics in devices to the larger role of designing and engineering web-based ‘device ecosystems’. As discussed in the paper [“What’s next for electronics devices,”](#) these ecosystems will consist of the actual electronic devices, connected via the Internet, along with cloud-based software applications that run on this platform.

Altium will continue Morfik’s existing business model, which sells software tools and subscriptions for building web-based applications, for Morfik’s existing customers.

Altium has been using Morfik’s technology and development tools for a number of years in the development of its own web-based infrastructure for the electronics design process.

Now, Altium is moving to acquire Morfik to strengthen Altium’s engineering team and technological capabilities in the web application domain, and accelerate the development of this platform for Altium’s customers. When developed, this platform will form the basis of the tools and infrastructure required to help electronics designers develop their own ecosystems of intelligent, connected devices, running their own cloud-based applications.

These ‘device ecosystems’ will provide the next generation of experiences for their customers.

Nick Martin, Altium’s CEO, said, “We see the need for a move from designing standalone devices, to designing ecosystems of devices that deliver better customer experiences.

“Altium’s task is to create the design solution that lets any electronics designer do this, and provide the methodologies, tools, infrastructure and services needed to do so.

“We believe that cloud-based software applications, engineered to harness the power

of Internet-enabled intelligent devices, are a vital part of this future. Therefore, this acquisition provides a powerful step forward for Altium in this area. The combination of the Morfik team and the technology they have developed will help us accelerate and advance this process.”

Altium believes that Morfik's existing business model is fundamental to the development of the distributed applications that provide the intelligence in these future device ecosystems. Historically, Morfik has focused on providing tools for building cloud applications where the client devices are conventional personal computers (desktop and mobile). This focus will expand over time to include the more intelligent, application-specific devices created by electronics designers that will be part of the next generation of the Internet.

Details of the purchase

Altium will acquire Morfik in a scrip transaction with Altium issuing 13.3 million fully paid ordinary shares (representing between 14% and 15% of outstanding shares) for 100% of Morfik's outstanding shares. All members of Morfik's team will join Altium and Altium will acquire all Morfik's IP and other assets, which are located in Sydney, Hobart, and Kiev in the Ukraine. Morfik's CEO, Aram Mirkazemi, will join Altium as Chief of Engineering, part of Altium's senior management team. He will work with Altium's founder and CEO/CTO Nick Martin on defining R&D strategy and directing product development.

Altium's software is used by electronics designers, large and small, around the world. Customers include Australian companies Cochlear and ResMed, and overseas customers include NASA and hi-fi style setters Bang & Olufsen.

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About Altium

Altium Limited (ASX:ALU) creates electronics design software based on the belief that anyone who wants to create electronic products that make a difference should be able to do so. Altium's unified electronics design environment links all aspects of electronics product design in a single application that is priced to be as affordable as possible. This

helps electronics designers break down barriers to innovation, harness the latest devices and technologies, manage their projects across broad design 'ecosystems', and create connected, intelligent designs.

Founded in 1985, Altium has headquarters in Sydney, and operates worldwide. For more information, visit www.altium.com.

