

22 June 2020

ALT IUM L I M I T E D

ACN 009 568 772

Level 6, Tower B
The Zenith
821 Pacific Highway
Chatswood NSW 2067
Australia

Announcement authorised by:

Samuel Weiss
Chairman
Altium Limited

Investor Relations
Contact Details:

Kim Besharati
VP Investor Relations &
Corporate Affairs

Phone: +1 858 864 1513
Mobile: +1 760 828 3567

Altium Announces Business and Market Update

Altium Drives Strong Seat and Revenue Growth But is Likely to be Below Analyst Consensus in COVID Environment

Sydney, Australia - 22 June 2020 - Electronic design software company Altium Limited (ASX:ALU) advises that while its attractive pricing and extended payment terms to support its customers during COVID-19 are driving strong seat growth, its increase in revenue for the full year, while likely to be solid, will be below latest analyst consensus. New lock-downs in Beijing, China and an increase in COVID-19 cases in parts of the US are having some impact on Altium's final sprint to the close of fiscal 2020.

Business and Market Update

Historically, Altium closes a significant amount of its second half business in the last two weeks of June. This June, Altium's run-rate has begun to fall behind current analyst consensus and additionally we will be impacted by the recent lock-down in Beijing and increased COVID-19 infection rates in the US. Altium has temporarily closed its Beijing office, while staff continue to close sales from their remote working environments.

Globally, Altium is aggressively closing sales, with larger deals still in the pipeline, and seat growth is up 7% on the same period last year. However, the pricing strategy adopted in response to COVID-19 for Altium Designer is impacting revenue potential for the full year.

Altium CEO, Aram Mirkazemi noted that in response to COVID-19, "our strategy to support our customers and to increase volume under COVID-19 conditions through attractive pricing and extended payment terms is driving strong seat growth and will get us close to or just surpass our key target of 50,000 subscribers. However, we are feeling the revenue impact of this strategy. While we are likely to deliver solid revenue growth this will land marginally behind latest analyst consensus for the full year".

Mr Mirkazemi further commented, "we see Altium's approach to COVID-19 pricing and extended payment terms as the right thing to do to support our customers in this challenging environment and to not lose momentum as we enter the next phase of growth. As the world restarts we will assume new pricing effective 1 July 2020 as published on our website. We will return to full Altium Designer pricing with no extended payment terms from 1 September 2020".

Altium will provide a final market update of its headline sales and revenue results for fiscal 2020 in early July.

Investor Relations contact details:

Kim Besharati - VP Investor Relations & Corporate Affairs (US based)
Mobile: +1 760 828 3567

Alison Raffin - Company Secretary (Australia based)
Ph: +61 413 528 120

ENDS

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™, the TASKING® range of embedded software compilers, Upverter®, X2®, XSignals®, PCB:NG®, and Gumstix®.

Founded in 1985, Altium has offices worldwide, with US locations in San Diego, Boston, Dallas and New York City, European locations in Karlsruhe, Amersfoort, Kiev, St Petersburg, Moscow, 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.

www.altium.com