

**Tialis Essential IT Plc**  
**("Tialis" or the "Company")**

**Acquisition**

Tialis, the mid-market network, IT Managed Services provider is pleased to announce the exchange of contracts for the purchase of profitable partner contracts from Allvotec, a division of Daisy group adding an expected c. £5.7m in revenue in FY23. Completion is expected to occur on 31 January 2023 ("Completion").

The acquisition will bring three new channel partners to Tialis, supporting the diversification of Tialis' partner base and will also build on the existing relationship that Tialis has with its largest channel partner.

In addition, 140 staff will transfer from Allvotec to Tialis to ensure the smooth transfer and execution of the contracts.

**Andy Parker, Chairman of Tialis** commented: "This is a pivotal moment in the continued recovery and restructure of Tialis. The acquisition of these profitable contracts will further cement the position of Tialis as a partner of choice for the services it provides. Adding around 50% more to the revenues next year and three new channel partners will boost profit for Tialis in 2023 and provide longer term opportunities with the new partners."

Revenue and EBITDA from these contracts are expected to be approximately £12.5m and £1.5m respectively over the 12-month period to 31st December 2022.

The contracts will be acquired for an expected consideration of £2.144m, payable over a two-year period, £2.037m will be paid at Completion and the balance paid on a deferred basis, subject to certain performance conditions. All consideration will be paid in shares of Tialis at a share price of 89.2p (the "Consideration Shares"), being the share price for the recent debt conversion.

It is the current intention that Matthew Riley, the Founder and Chairman of Daisy will join the Board of Tialis as a Non-executive Director upon Completion.

An application will be made to the London Stock Exchange for the initial Consideration Shares to be admitted to trading following completion. A further announcement will be made in due course.

**For more information, contact:**

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