25 August 2026

**Tialis Essential IT Plc**

("Tialis" or the "Company" and together with its subsidiaries the “Group”)

**Strategic Agreement with AI Auxesis**

Tialis, the mid-market IT Managed Services provider, is pleased to announce that it has formalised its ongoing strategic advisory relationship with its joint venture company, AI Auxesis Limited (“AI Auxesis” or the “Adviser”). This relationship relates to supporting the Group’s strategic development, key commercial and financing relationships, broader plc matters, transaction origination and execution support, and various other associated matters detailed in the terms of a Strategic Advisory Agreement (the “Agreement”).

**The Agreement**

The Agreement is for an initial fixed term of 12 months (the “Initial Term”) and, thereafter, is terminable by either party on 3 months’ notice. Under the Agreement, the Adviser will receive an annual cash fee for the Initial Term of £192,000, payable in monthly instalments. At the end of each year, the annual fee for the following year will be revised to the greater of £192,000 and an amount that is equal to 0.7% of the market capitalisation of the Company at that time.

The Agreement also provides that the Adviser can be mandated on specific corporate disposals on terms that would result in an advisory fee of 10% of the audited profit or gain arising to Tialis from any such mandated and completed disposal. The Agreement does not itself mandate AI Auxesis in relation to any particular transaction. Any disposal must be separately and expressly designated by the independent members of the board of Tialis, being Peter Hallett and Rachel Horsefield (the “Independent Directors”) as a mandated disposal before any disposal incentive fee can arise. The terms of the Agreement therefore provide clear governance controls with the Independent Directors retaining decision-making authority.

**Commercial rationale**

The Board believes that the Agreement provides the Company with continued access to sector-specific, senior strategic and transaction experience that is complementary to the Group’s existing executive and adviser resources. In particular, AI Auxesis will support the Board in developing and executing the Group’s growth, financing and portfolio strategy, originating and progressing strategic opportunities, and managing key commercial and stakeholder relationships which would otherwise need to be replicated through additional executive resource or external advisers. The fee structure is intended to align the Adviser’s remuneration with the scale and value of the Group, while the separate mandate requirement ensures that any transaction-specific work remains subject to prior Independent Directors’ approval and appropriate governance oversight.

**Related party transaction**

Due to Andrew Ian Smith, a substantial shareholder in Tialis, having an interest in the share capital of AI Auxesis, the Agreement is being treated as a related party transaction under the AIM Rules. Accordingly, the Independent Directors (consisting of Peter Hallett and Rachel Horsefield), having consulted with the Company's nominated adviser, Zeus Capital Limited, consider that the terms of the Agreement are fair and reasonable insofar as Shareholders are concerned.

**For more information, contact:**


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| **Zeus (Nominated Adviser and Joint Broker)**<br>Dan Bate / James Edis | +44 (0) 20 3829 5000 |