

**Major cost restructure commenced****11 December 2024**

SDL confirms that following its announcement on 27 November around the result of the Request for Proposal (RFP) outcome for its major customer, it has now commenced a significant restructure process to right size the business.

The restructure proposal is broad-based, affecting both New Zealand and international operations, and aims to remove a material amount of costs. The Company will incur an impairment provision in its first half results, although the final quantum will depend on the consultation results of the restructuring proposal now underway. From 1 January 2025, the Directors will reduce Board fees back to the level prior to the last fee increase in 2022 and the Chair will reduce fees entirely.

With the Company's largest customer having moved to a multi-vendor model, it will take some time until the range of decline in revenue and margin becomes clear.

The inclusion of restructuring costs, and additional clarity required around end of first half timing around contracts makes providing guidance more uncertain than usual, however, the first half earnings result now seems more likely to be in the range of \$1.9 million to \$2.5 million.

For further information please contact:

John McMahon  
Chair  
+64-(0)21-0914 0236

Patrick Brand  
CEO  
+1-203-550 0865

**Physical Address**

18-24 Canaveral Drive, Rosedale  
Auckland 0632, New Zealand

**Postal Address**

PO Box 301248, Albany  
Auckland 0752, New Zealand

**Contact**

Phone: +64 9 970 7700  
Email: [info@solutiondynamics.com](mailto:info@solutiondynamics.com)

[New Zealand](#) ▪ [United Kingdom](#) ▪ [United States of America](#)

[www.solutiondynamics.com](http://www.solutiondynamics.com)