

# MEDIA RELEASE

23 June 2022

## Merger creates significant new player in Australian AI and sensor market

A new major player has emerged in the Australian AI and sensor technologies space, with the merger of two of Australia's leading advanced technology providers, servicing defence, agriculture and mining.

South Australian companies **Consilium Technology** and **elmTEK** have joined forces to form a new group, bringing together more than 20 years' combined experience and innovation in software engineering, systems integration, digital sensors, simulation and AI.

The merger is being backed by leading Australian growth investor **Pemba Capital Partners**, supporting the new group's ambitious growth targets in a market where 9 out of 10 Australian organisations are looking to implement AI solutions, and defence spending is expected to increase by more than 20% over the next five years.

The founders said the synergies between elmTEK and Consilium make a natural alliance that will enable the new group to increase its scale and capabilities in the delivery of large defence and space programs, and other sectors such as agriculture, mining, logistics, energy and infrastructure.

"Over the past 10 years, we've proven ourselves and built a truly fantastic business focused on solving mission critical problems at pace for defence and other customers.

"The two companies have experienced significant growth in the past decade, and this merger with the support of Pemba demonstrates a real maturation of Australia's digital defence sector," said elmTEK co-founder and Managing Director Ganen Ganeswaran.

"Our wish has always been to grow a sustainable and resilient business in South Australia, and this merger will allow us to continue on that trajectory."

CEO of Consilium Technology, Seth Thuraisingham said the new group's capabilities in sensors, simulation and AI are critical to solving defence challenges, improving productivity in agriculture and lowering costs and improving margins in medium to large enterprises.

"With growing global uncertainty in national security, food production and other social elements such as rising inflation and Covid-19 impacts, the strengthened capabilities through this merger will provide industries with tools to improve predictability.

"Technology like AI and sensors are akin to prediction machines that can deliver competitive advantage against emerging threats in the defence environment, improved yields in agriculture and automated knowledge work in enterprise.

"We're excited about the competitive advantage that the combined capabilities of elmTEK and Consilium can provide for Australian industry, and the opportunity to grow the export of our Australian-owned intellectual property and products to international markets," said Seth Thuraisingham.

elmTEK co-founder and head of strategy Bjorn Wharff said after a decade of nurturing and growing a successful sovereign defence technology business, the new partnership was an exciting prospect for elmTEK and will significantly contribute to Australian technology IP.

"We will be leveraging our extensive experience to be able to support the future submarine and adjacent maritime programs and combining this with deep AI expertise to offer specialised capabilities at scale to the new AUKUS and future submarine enterprise (and allied nations). This will be one of the most important strategic capabilities Australia will invest in over the next 20 years, and we're thrilled to be perfectly positioned in this regard" said Bjorn Wharff. The new group, which will announce its new name and brand soon, will remain headquartered in South Australia, bolstering the State's growing defence industry and capability.

"Over 160 people, including scientists, mathematicians, and engineers, will be employed by the new entity, with further investment in developing a highly-skilled Australian workforce expected in the coming months and years. This will create a significant boost to Australia's STEM related innovations," said Ganen Ganeswaran.

Professor Tanya Monro, Chief Defence Scientist, said Defence has an ongoing and successful working relationship with both Consilium and elmTEK.

"Innovation – to grow and sharpen Defence capability – must deliver advantages for Australia quickly, tangibly and enduringly. It is good to see Australian Defence Industry supporting and accelerating the development of disruptive technologies beyond the research and initial demonstration stages.

"Previous Defence Science and Technology Group partnerships with both elmTEK and Consilium are great examples of Defence working alongside Australian Defence Industry to transfer ideas through to commercialisation," said Professor Monro.

## **About elmTEK**

elmTEK is a leading software engineering and systems integration business. Established in 2012, elmTEK has delivered a range of sophisticated digital engineering solutions, simulation and sensor technology solutions for Defence Science and Technology, academia and industry.

## **About Consilium Technology**

Established in 2010, Consilium Technology is a leading provider of artificial intelligence software solutions to defence and other large enterprises, with deep expertise in machine learning, modelling and simulation, data analytics, software engineering and combinations of these skillsets.

## **About Pemba**

Pemba Capital Partners was established in 1998 and is a leading investor in small and mid-sized private businesses in Australia and New Zealand. The investment firm specialises in partnering with the owners and managers of private businesses to help them accelerate growth.

ENDS

**For media enquiries:**

**Rebecca Martin: +61 422 660 182**