

TO: CITY OF FORT LAUDERDALE GENERAL EMPLOYEES' RETIREMENT SYSTEM
FROM: ROBBINS GELLER RUDMAN & DOWD LLP
DATE: September 9, 2024
SUBJECT: *Endava plc Securities Litigation*

INTRODUCTION¹

Robbins Geller has been investigating alleged securities fraud by technology services company Endava plc (“Endava” or the “Company”), its founder and Chief Executive Officer (“CEO”), John Cotterell, and its Chief Financial Officer (“CFO”), Mark Thurston. Recently, a securities class action complaint was filed in the United States District Court for the Southern District of New York alleging that these defendants defrauded investors between May 23, 2023 and February 28, 2024 (the “Class Period”). The complaint (filed by a different law firm) fails to allege critical facts establishing defendants’ culpability, such as the significant insider selling by defendants detailed herein. The Portfolio Monitoring Program[®] indicates that the City of Fort Lauderdale General Employees’ Retirement System (the “Fund”) suffered a loss of approximately \$372,000 on its investments in Endava ADSs during the Class Period. The manager that purchased the ADSs for the Fund is Kayne.

Beginning in the fall of 2023, defendants told investors that, after disruptions from the COVID-19 epidemic, Endava would experience a revenue rebound during the second half of its fiscal year ended June 30, 2024. For example, defendant Cotterell represented that “significant new opportunities” would drive Endava’s revenue growth, which he claimed Endava was already “ramping” and “scaling.” Defendant Thurston similarly stated that Endava enjoyed a rapidly progressing pipeline of projects in development, as well as “contracted and committed” projects, which gave the Company a clear line of sight into its purported revenue and profit trajectory.

As a result of these and similar representations, the price of Endava American Depository Shares (“ADSs”) rose to recent highs of more than \$78 per ADS. Endava insiders, including most notably defendant Cotterell, took advantage of this inflated price to unload tens of millions of dollars’ worth of Endava securities. On December 27, 2023 alone, defendant Cotterell sold 160,000 Endava shares at \$78.67 per share for ***over \$12.5 million*** in insider selling gross proceeds.

Shortly thereafter, on February 29, 2024, Endava issued a press release announcing deeply disappointing second quarter 2024 financial results. The Company reported an 11% revenue decline and slashed its projected annual revenues by 9% and its projected annual earnings by 29%. The

release blamed the miss and guidance cut on the unwillingness of Endava's clients to "commit to [the] sizeable spend needed to build production-ready systems." During a related call, defendant Cotterell admitted that, despite defendants' Class Period statements to the contrary, Endava's clients were in fact reluctant to commit capital to the Company's products and services, materially impairing the Company's ability to ramp products, progress deals through its pipeline, or grow its revenue.

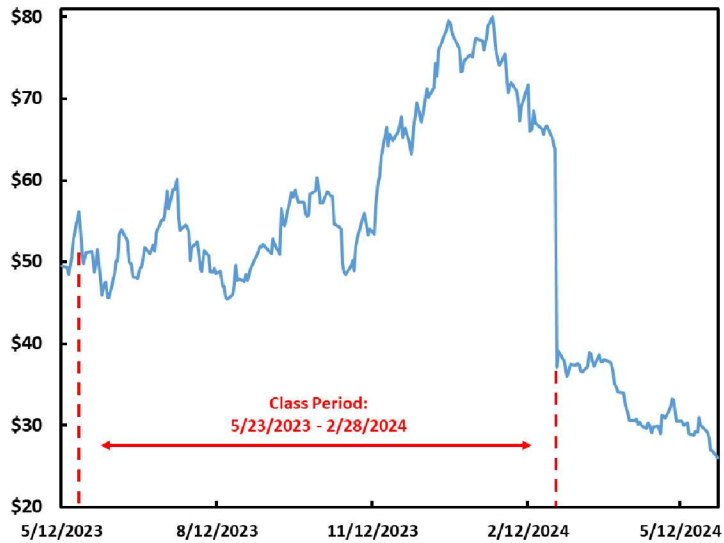
In response to this news, the price of Endava ADSs plummeted nearly **42%**, from \$63.82 per ADS on February 28, 2024 to \$37.17 per ADS on February 29, 2024. This price was ***less than half*** the price at which defendant Cotterell had sold more than \$12.5 million worth of Endava shares just two months previously.

As previously mentioned, The Portfolio Monitoring Program[®] indicates that the City of Fort Lauderdale General Employees' Retirement System (the "Fund") suffered a loss of approximately \$372,000 on its investments in Endava ADSs during the Class Period. The manager that purchased the ADSs for the Fund is Kayne. Considering the nature of the wrongdoing, the significant insider selling shortly before the revelation of adverse news, and the significant losses incurred by the Fund, the Fund may consider seeking appointment as lead plaintiff by the ***October 25, 2024*** deadline.

Robbins Geller is widely recognized as the most successful law firm in the world devoted primarily to monitoring institutional investor portfolios for fraud and representing plaintiffs in complex class action litigation involving violations of securities, antitrust, and consumer protection laws. Robbins Geller has been actively engaged in investment monitoring and securities litigation since its formation in 2004 and provides the most comprehensive monitoring program of any securities litigation firm at no cost to its clients. Many of our attorneys have more than two decades of experience prosecuting securities actions on behalf of public pension funds. Robbins Geller has nearly 200 attorneys and 220 highly skilled professionals, including forensic accountants, economists, damages experts, paralegals, and e-discovery specialists, working in 10 offices around the United States, including in San Diego, San Francisco, Boca Raton, Manhattan, Melville (N.Y.), Chicago, Philadelphia, Washington, D.C., Nashville, and Wilmington, Delaware.

We believe that Robbins Geller's track record in the Southern District of New York would inure to the benefit of the Fund and the class. In the Second Circuit, Robbins Geller is responsible for multiple, record-setting securities class action settlements, including \$1.025 billion on behalf of American Realty Capital Properties, Inc.'s shareholders and \$5.5 billion from Visa and Mastercard. Robbins Geller has been trusted to represent more institutional investors in securities and corporate litigation than any other law firm in the United States, and has a long history of achieving record-breaking recoveries and precedent-setting decisions for defrauded shareholders, institutional investors, and consumers.

LITIGATION SNAPSHOT



Defendants:

Endava plc, John Cotterell (founder and CEO), and Mark Thurston (CFO)

Class Period:

May 23, 2023 to February 28, 2024

Claims Alleged:

§10(b) and §20(a) of the Securities Exchange Act of 1934

Lead Plaintiff Motion Deadline:

October 25, 2024

Court:

Southern District of New York, Judge Rearden