

5 September 2018

Companies Announcement Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

FURTHER INFORMATION ON THE ACQUISITION OF TURN LEFT DISTRIBUTION

Cellnet Group Limited (ASX – CLT) today announced it has completed an agreement to purchase Turn Left Distribution Pty Ltd (**Turn Left**) with completion expected to occur Monday 10 September 2018.

For the 2018 financial year Turn Left had revenue of approximately \$30 million and earnings before interest and tax of approximately \$2 million. At 31 August 2018, Turn Left had a balance sheet consisting of net tangible assets of approximately \$2.6 million.

In addition to the \$4 million cash and \$2 million in CLT shares that the shareholders of Turn Left will receive at completion, the shareholders of Turn Left are also entitled to receive earn-out payments, overperformance payments and incentive payments. The earn out payments, of up to \$1 million per annum, are calculated on a sliding scale and are dependent on Turn Left achieving set gross profit targets per year in the 2019 and 2020 financial years. The overperformance payment will be calculated as 25% of the total gross profit of Turn Left in excess of the set targets for the 2019 and 2020 financial years combined. The incentive payment will be calculated as 25% of the amount by which the total net profit before tax of Turn Left exceeds a set target for the 2019 and 2020 financial years combined.

Chris Barnes
Company Secretary

