

Monday 30th December 2019

## Salmat enters into agreement to sell MicroSourcing business

**Salmat Limited (ASX:SLM)** today announces that it has entered into an agreement to sell the MicroSourcing (Managed Services) business for \$100 million to Probe BPO Holdings Pty Ltd (subject to customary working capital and net debt adjustments on completion).

This transaction will take place by way of a share sale. The sale is subject to, among other things, shareholder approval and Philippines regulatory approval.

A Notice of Meeting and Explanatory Memorandum regarding the proposed sale will be distributed to Salmat shareholders in mid-January.

Under the terms of the agreement and subject to all required approvals and other conditions precedent, sale completion is expected to take place by the end of February 2020.

Following successful completion of the sale of the Marketing Solutions and MicroSourcing businesses, Salmat Limited will review all options available to the Company to return value to shareholders.

“We have fielded a number of enquiries and had significant interest in the MicroSourcing operation for some time now,” said Salmat CEO, Rebecca Lowde.

“MicroSourcing has been a strong performer for Salmat since we acquired the first 50% of the business in December 2013, achieving revenue and earnings growth year on year.

“We believe that this proposal represents the best option for all stakeholders. New capital partners should enable MicroSourcing to invest in additional growth and the completion of this transaction will return funds to Salmat” said Ms Lowde.

Probe BPO Holdings is part of the Probe Group, which provides outsourced sales, service and help desk contact centres. Further information can be found at [www.probegroup.com.au](http://www.probegroup.com.au)

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## ABOUT SALMAT

Founded in 1979, Salmat evolved from a small letterbox distribution business to an ASX-listed company. We work with some of Australia's most recognised and trusted brands.

Salmat's Marketing Solutions business incorporates Australia's leading catalogue distribution network, reaching up to 17 million Australians in 7 million homes each week. The Lasoo online catalogue site extends the reach of the printed catalogue and takes shoppers right to the checkout. Sophisticated data and analytics helps to inform highly targeted marketing. Salmat has entered into an agreement to sell Marketing Solutions to IVE Group. This sale is due to complete on 1 January 2020.

Salmat also provides a wide range of back office solutions, through our Philippines-based Managed Services business, MicroSourcing. We make it easy and affordable for businesses to build their own professional teams handling anything from animation or accounting through to technical support and web development.

## ABOUT PROBE

Probe Group provides outsourced solutions across the entire customer lifecycle: from sales, to customer service and help desks, as well as credit and collections management. Leveraging best-in-class technology, Probe delivers bespoke solutions to Australia's leading corporates and government departments from delivery centres in Australia, New Zealand and the Philippines across utilities, government, retail, telecommunications, and fast-growing technology. Probe is the largest Australian owned customer experience outsourcer with over 7,000 agents. For more information on Probe please visit [probegroup.com.au](http://probegroup.com.au).