

Sale of Cirrus Networks investment – \$5.5m cash proceeds

ASX Announcement, 22 August 2022



The board of Webcentral Ltd have agreed to sell the block stake in Cirrus Networks Holdings Limited (ASX: CNW) in an on-market trade today.

The sale of Webcentral's holding of 172 million shares (18.5% of CNW) will provide a cash inflow of \$5.5m. These proceeds will be used to fund potential acquisitions, on-market share buybacks as announced on 3 August 2022 and to reduce debt.

Webcentral is reviewing a number of acquisition targets and will pursue these more synergistic high EBITDA-accretive investments.

"At this stage we have decided to not pursue the acquisition of CNW, we agitated for change, more accountability and improved performance and we can see that slowly taking place. The Enterprise hardware space is challenging with tight margins, that coupled with hardware constraints makes the turnaround road a bit tougher for CNW."

– Joe Demase Managing Director

Investor Enquiries

Joe Demase
Managing Director
jd@webcentral.com.au
1300 10 11 12

Glen Dymond
Chief Financial Officer
gd@webcentral.com.au
0408 199 712

About Webcentral

Webcentral is an Australian owned digital services company who empower more than 330,000 customers to grow and thrive in the online world. Our portfolio of digital services is extensive, with market leading offers across domain management, website development and hosting, office and productivity applications and online marketing.

Webcentral currently owns and operates its own Nationwide highspeed Data Network with points of presence in all major Australian capital cities. In addition, the Company offers managed cloud solutions through its Cloud and Data Centre capabilities as well as managed services to optimise customers' IT and network environments. Supporting this is the Company's combined rack capacity of over 1,000 racks through its owned and operated Data Centres across Melbourne, Sydney, Brisbane and Adelaide.

Our customer focussed heritage has been built on expertise, innovation and personalised service; critical attributes delivered through our culture and embraced by our people. This is demonstrated through more than 25 years of online industry leadership across Australia's digital foundation brands such as Melbourne IT, Netregistry and WME.

The Webcentral mission is dedicated to leading online success for our customers. We achieve this by building trusted and valued client relationships which convert successful business outcomes at each milestone across the customers' digital journey.