

Webcentral acquires domain hosting business 'New Domain Services'

ASX Announcement, 1 December 2022



Webcentral Limited (ASX:WCG) announces that it has acquired New Domain Services, a premium domain email and webhosting services business with 25,000 customers.

Acquisition highlights:

- **Normalised Revenue of \$2M and EBITDA of \$1.2M p.a.**
- **Acquisition price of \$5M payable \$3.5M on completion and up to \$1.5M payable within 12 months after completion**
- **Purchase funded from operating cash and existing debt facilities**
- **New Domain will be integrated with Webcentral's Melbourne IT business and New Domain vendor Jonathan Horne will be appointed CEO of the Melbourne IT division to drive growth in corporate domains services**
- **Completion of the acquisition is expected by mid-December 2022**

Melbourne IT

In 2013 Melbourne IT sold its Digital Brand Services (DBS) business to Corporation Service Company (CSC) for \$152.5 million, effectively exiting the corporate domain services sector.

Melbourne IT is a highly regarded corporate domains services provider with a customer base consisting of large and medium sized corporate entities. The acquisition of New Domain and the appointment of Jonathan Horne of CEO of the Melbourne IT division enables Webcentral to relaunch the Melbourne IT brand and business and pursue growth opportunities in the corporate domains services sector.

The acquisition will also benefit the broader Webcentral business as customer service changes, process improvements and product innovation are rolled out to Webcentral's business.

New Domain and Jonathan Horne

Jonathan Horne has established many successful businesses across domain, hosting and security market sectors including New Domain, Domain IP and Cyber Aware and was a co-founder of Hosting Australia in 2016.

Jonathan has provided consulting services to Webcentral since shortly after its acquisition by 5G Networks in 2020 and has assisted the company with several new products including Webcentral's successful .au domain launch in 2022.

Webcentral Managing Director Joe Demase said:

"The corporate domains services market is underserved in Australia and the relaunch of Melbourne IT will allow Webcentral to target these important large corporate customers with innovative products and services here in Australia and Internationally. The acquisition of New Domain and Jonathan Horne's appointment as CEO of Melbourne IT is the next step in the business transformation and growth journey at Webcentral commenced in 2020 with the acquisition by 5G Networks."

Jonathan Horne said:

"I am excited to join Webcentral to relaunch and drive the expansion of Melbourne IT into the corporate domains services market and look forward to growing the business. I have admired the brand power of Melbourne IT for many years with its rich history as the originator of domains in Australia. Corporate domain services is a large sector and Australia has been under serviced for a number of years."



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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.