

# Webcentral 2023 Annual General Meeting – Chairman’s Address

ASX Announcement, 23 November 2023  Webcentral

The Webcentral Limited 2023 Annual General Meeting (AGM) will be held today at 11:30 am (Melbourne time) at Cornwalls Lawyers, Level 4, 380 Collins Street Melbourne and Online at <https://meetings.linkgroup.com/WCG23>.

The Chairman’s Address is set out below.

Details on how to access the virtual meeting are contained in the Notice of Meeting lodged with ASX on 12 October 2023, which can be found at <https://webcentral.au/corporate/agm/>.

## Chairman’s Address – Mr Joe Gangi

Financial Year 2023 has been another successful year for Webcentral.

The merger with 5G Networks Limited in November 2021 brought together two businesses, creating the largest Australian-owned digital services business and operator of fibre networks, cloud, and data centres. This year, we strengthened our SME segment by launching the .au Top-Level Domain in September 2022, leading to the growth of over 100,000 new .au domains and expanding our SME hosting and email services.

We’ve moved over 20,000 Microsoft email product users to our internal OX mail platform, improving margins and providing users with certainty due to the withdrawal of the previous email product. In December 2022, we acquired the domains business ‘New Domain’ and took control of the Melbourne IT brand, focusing on providing corporate clients with essential service and support for brand protection.

FY23 has seen Webcentral continue the transformation initiated in FY22, with improvements to customer support, successful product launches, and a major refresh of the Company’s digital marketing strategy. We’ve also made platform and system improvements to enhance customer experience and efficiency.

While we faced challenges like a revenue decline in one data centre and pricing pressure from government contracts, there was an improvement in the hardware supply chain, resulting in faster delivery times and project work across the business. FY23’s achievements are reflected in the Company’s strong financial performance, with revenue growth and a 134% improvement in operating cashflows.

In October 2023, Webcentral announced the sale of two-thirds of our Webcentral and Melbourne IT domain name registry, consumer hosting, and email hosting services business for a total value of \$165 million. This transaction unlocks significant value for shareholders, representing over \$100 million in profit on the acquisition of the business in 2020.

We are pleased to advise that completion of the transaction is expected to occur on the 20th of December with long-form debt facility agreements executed earlier this week. Our equity partners have commenced the equity drawdown process which takes approximately 4 weeks after signing the debt facility documents. We are pleased to advise that all other completion requirements are progressing well, including the pre-sale restructure steps required before completion.

Now, let’s address some common questions from shareholders regarding the transaction.

### 1. What will be done with the net cash proceeds from the sale?

We can consider expanding our business on our terms, thanks to this highly advantageous deal. This is enhanced by the fact that potential acquisitions are becoming more affordable in our sector due to various macro-environment factors. A strong cash position enables us to negotiate better pricing for services and provides flexibility in acquiring complementary businesses. In the short term, we’re interested in utilising spare infrastructure capacity for a potential uplift in EBITDA.

Other considerations include capital management options like share buybacks and dividends in the coming months, acknowledging the market’s desire for a clear narrative in what can be a complex space.

### 2. What types of businesses is the Company looking to purchase?

We are interested in hosting and cloud providers, including bare metal providers, as well as AI compute suppliers and managed service providers. We believe the Tech sector in Australia is undervalued and look forward to its growth in the years to come.

In conclusion, on behalf of the Board, I express gratitude for the support of our shareholders, customers, suppliers, and business partners. I also thank our Managing Director, staff, and executives for their outstanding achievements in FY23. That concludes my address.



## Investor Enquiries

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Chief Financial Officer  
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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.

# Webcentral Limited

ASX: WCG

## 2023 Annual General Meeting

23 November 2023





# Welcome

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- Quorum
- Notice of Meeting

# Introductions



**Joe  
Gangi**

Chairman



**Joe  
Demase**

Managing Director



**Glen  
Dymond**

CFO and Company  
Secretary



**Natalie  
Mactier**

Non-Executive  
Director



**Jason  
Ashton**

Non-Executive  
Director



**Michael  
Wilton**

General Counsel and  
Company Secretary

# Agenda

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- Chairman's Address
- Financial Statements
- Formal business of the meeting, including the resolutions of the meeting
- Questions



## Chairman's Address

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# Formal Business

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# Voting Procedure

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- Voting on the resolution will be way of a poll
- Shareholders attending the meeting in person and online will be able to cast their vote using the physical voting card or electronic voting card received when online registration was validated
- Questions will be taken on each resolution – use 'Ask a Question' function in the virtual meeting online portal
- Online users - for assistance, please refer to the virtual meeting online portal guide or use the help line specified

# Financial Statements

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- Financial Statements
- Directors' Report
- Auditor's Report

# Resolution 1

## Adoption of Remuneration Report

This resolution is a non-binding ordinary resolution to approve the adoption of the Remuneration Report contained in the Annual Report.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

***‘That the Remuneration Report contained in the Annual Report for the year ended 30 June 2023 be adopted.’***

This item is subject to voting exclusions – see the “Voting Exclusion Statement” in the Notice of Meeting.

Proxy Votes Received	Number	%
For:	26,452,019	75.3%
Open:	475,400	1.4%
Against:	8,180,532	23.3%
Abstain	313,670	

# Resolution 2

## Approval of Re-Election of Director – Mr Jason Ashton

This resolution is an ordinary resolution to approve the re-election of Mr Jason Ashton as a director of the Company.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

***‘That, for the purpose of rules 9.3 and 9.9 of the Constitution of the Company, ASX Listing Rules 14.4 and 14.5 and for all other purposes, Mr Jason Ashton who retires, and being eligible, is elected as a Director’***

Proxy Votes Received	Number	%
For:	104,930,678	97.5%
Open:	420,428	0.4%
Against:	2,295,823	2.1%
Abstain	322,208	

# Resolution 3

## Approval of Additional 10% Placement Capacity

This resolution is a special resolution to approve the increase in the placement capacity of the Company by a further 10%, in addition to the Company's existing 15% placement capacity under ASX Listing Rule 7.1.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies "for" the item of business.**

To consider and, if thought fit, to pass the following resolution as a special resolution:

***'That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Shares equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.'***

This item is subject to voting exclusions – see the "Voting Exclusion Statement" in the Notice of Meeting.

Proxy Votes Received	Number	%
For:	101,229,391	93.1%
Open:	414,541	0.4%
Against:	7,139,815	6.5%
Abstain	152,537	

# Resolution 4

## Approval of the Issue of Director Options to Joe Gangi

This resolution is an ordinary resolution to approve the issue of director options to Mr Joe Gangi.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*‘That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Director Options to Mr Joe Gangi or his nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement.’*

Proxy Votes Received	Number	%
For:	93,529,087	92.1%
Open:	406,479	0.4%
Against:	7,617,637	7.5%
Abstain	133,145	

# Resolution 5

## Approval of the Issue of Director Options to Natalie Mactier

This resolution is an ordinary resolution to approve the issue of director options to Ms Natalie Mactier.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

***‘That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Director Options to Ms Natalie Mactier or her nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement.’***

Proxy Votes Received	Number	%
For:	100,764,259	92.6%
Open:	406,479	0.4%
Against:	7,632,401	7.0%
Abstain	133,145	

# Resolution 6

## Approval of the Issue of Director Options to Jason Ashton

This resolution is an ordinary resolution to approve the issue of director options to Mr Jason Ashton.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

***‘That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Director Options to Mr Jason Ashton or his nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement.’***

Proxy Votes Received	Number	%
For:	97,916,224	90.8%
Open:	426,479	0.4%
Against:	9,493,289	8.8%
Abstain	133,145	

# Resolution 7

## Approval of the Issue of Performance Rights to J D Management Group Pty Ltd

This resolution is an ordinary resolution to approve the issue of performance rights to J D Management Group Pty Ltd.

**Voting on the resolution will be way of a poll.**

**Your Directors support the resolution being put to Shareholders.**

**Where permitted to do so, the Chairman will vote all available proxies “for” the item of business.**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*‘That, for the purposes of ASX Listing Rules 7.1 and 10.11 and for all other purposes, approval is given for the Company to issue 15,000,000 Performance Rights to J D Management Group Pty Ltd (an entity controlled by Mr Joe Demase, a director of the Company) on the terms and conditions set out in the Explanatory Statement.’*

Proxy Votes Received	Number	%
For:	42,033,722	83.8%
Open:	438,440	0.9%
Against:	7,668,182	15.3%
Abstain	127,221	



## General Questions

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Thank you