



ASX RELEASE

16 January 2017

TELARUS – Acquisition Complete

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce that it has completed the acquisition of Telarus Pty Ltd (**Telarus**) for a total consideration of \$7.615m, effective 16 January 2017. The acquisition was funded via partial drawdown of a \$10m debt facility established with NAB and existing cash reserves.

The acquisition of Telarus has delivered more than 300 business customers to Over the Wire and will accelerate Over the Wire's geographic expansion into Victoria. With annualised revenue of approximately \$12m and annualised EBITDA of approximately \$1.5m, Telarus is expected to make a significant contribution to Over the Wire's future results.

Strategic Rationale

- The acquisition of Telarus accelerates Over the Wire's expansion into the Victorian market;
- Telarus provides a respected, high quality platform for growth;
- Telarus' customer base is high quality and offers cross sell and interstate expansion opportunities;
- Significant synergies are expected to be realised on integration;
- Telarus has a high quality team that will integrate well with the Over the Wire culture;
- Telarus introduces new products in the areas of Managed Security and Mobile data that will be well received by the existing Over the Wire client base; and
- The acquisition is expected to offer attractive EBITDA and EPS accretion to Over the Wire on a full year basis.

Commenting on the acquisition, Managing Director Michael Omeros said, *"The acquisition of Telarus is very exciting for the Over the Wire group. It expedites our existing geographic expansion progress into Victoria and allows us to introduce some complimentary new offerings. We look forward to a positive 2017 as we continue to execute our strategy for growth."*

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About Over the Wire Holdings Limited

Over the Wire Holdings (ASX: OTW) is an ASX listed telecommunications, cloud and IT solutions provider that has a national network with points of presence in all major Australian capital cities and Auckland, NZ. The company offers an integrated suite of products and services to business customers including Data Networks and Internet, Voice, Data Centre co-location, Cloud and Managed Services.

Over the Wire Holdings companies include Over the Wire, Netsip, Faktortel, Sanity Technology and Telarus.

About Telarus

Telarus delivers business grade solutions to the Australian and New Zealand SME and Enterprise markets. Employing 25 staff in Melbourne and servicing over 300 business customers, Telarus delivers managed network, managed security and private cloud solutions. Telarus has a strong customer service focus with clients such as Cue Clothing Group, Zagame Automotive Group, Foodworks, and Swatch Group. For more information www.telarus.com.au.