

ASX Announcement



Field Solutions Holdings Limited (ASX: FSG)
ASX Limited
Company Announcements Office

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FSG acquires TasmaNet Pty Ltd – Expands into Tasmanian market

- Annualised revenues more than \$19M
- Forecast transaction EBITDA of \$1.25M (\$2.5M+ including synergies)
- Initial consideration circa \$13M on a debt free cash free basis (\$12M Net)
- Additional earn out consideration of up to \$2M
- Delivers Tasmania's largest fixed wireless network
- Delivers software automated cloud computing and managed services capability
- Delivers substantial revenue from Government and Enterprise clients across Tasmania and Southern Queensland

Field Solutions Holdings Limited (ASX: FSG), Australia's leading rural and regional telecommunications carrier, is pleased to announce it has entered into a binding share sale agreement to purchase TasmaNet Pty Ltd (TasmaNet). A transformational acquisition for FSG, TasmaNet is EBITDA accretive, and will deliver strong complementary revenues and operational synergies aligned with FSG's business strategy.

"TasmaNet represents a hand-in-glove acquisition for FSG," said Andrew Roberts, CEO FSG. "Both organisations operate business-grade fixed wireless networks in their respective territories. TasmaNet capabilities augment and accelerate the delivery of FSG's Regional Australia Network (RAN) as it constructs sixteen new networks over the next two years. This acquisition provides additional scale, reach and depth to deliver and operate our networks," he continued.

FSG's RAN is Australia's 4th Mobile Network dedicated to rural, regional, and remote Australia. "FSG will leverage TasmaNet's Hobart team and telco operations experience to expand our national network," Mr Roberts said. "We are working closely with the Tasmanian Government to establish University and TAFE pathways that enable graduates to kick start their careers in Tasmania, building and operating Australia's 4th mobile network", Mr Roberts said.

TasmaNet operate a software automated private cloud and managed services capability heavily utilised by the Tasmania Government and enterprise business. FSG will be leveraging this capability across Australia. "FSG's managed services has seen tremendous growth in the past 12 months. With the addition of TasmaNet's products and services, our enlarged organisation is well positioned to grow this capability," Mr Roberts said.

The deal will add over \$19M in annualised revenues, and over \$1.25M in EBITDA annualised before synergies. "We are expecting to increase transaction EBITDA to over \$2.5M with network and operational synergies in the first 12 months", says Roberts. FSG's full year guidance will deliver EBITDA of between \$4.5M and \$5.5M, with revenues in excess of \$45M. FSG will be retaining management and staff from TasmaNet and expanding services delivered in Tasmania.

"TasmaNet now has the ability to deliver its products and services across FSG's nationwide footprint," said Rob Vernon, CEO of TasmaNet. "TasmaNet's extensive cloud and managed services offerings will be integrated into FSG's network automation and orchestration platform. "We share the same digital first approach to services delivery," added Vernon.

The deal is expected to complete after shareholder approval from FSG's FY21 AGM.

This announcement is authorised for release to the market by the Board of Directors of Field Solutions Holdings Limited.

About FSG

FSG provides, builds, and operates "true broadband networks" specifically for rural, regional, and remote Australia. FSG is a licensed Australian telecommunications carrier and a retail service provider (trading under the brands 'JustISP,' TasmaNet and Ant Communications), and a NBN Co Retail and Business Service Provider.

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