

9 April 2025

AUSTCO HEALTHCARE ENTERS INTO A BINDING TERM SHEET FOR THE STRATEGIC ACQUISITION OF HEALTHCARE & SECURITY COMMUNICATIONS BUSINESS, G&S TECHNOLOGIES

Highlights

- Conditional binding term sheet executed with the majority shareholders to acquire 100% of New Zealand based G&S Technologies, a communications solutions provider and certified Austco Nurse Call reseller (“**Proposed Acquisition**”).
- The Proposed Acquisition supports Austco’s strategy to increase direct sales capability across strategic regions, replicating the proven model Austco uses in the United States, Canada and Singapore.
- The Proposed Acquisition is priced at 3.5 EBITDA, consistent with prior acquisitions.
- G&S Technologies achieved NZ\$22.9 million in revenue and NZ\$2.9 million in EBITDA in the 12 months to March 2025.
- The transaction is expected to be immediately earnings per share accretive, excluding any potential revenue synergies.
- The Proposed Acquisition is expected to be completed on 1 June 2025.

Austco Healthcare Limited (“**Austco**” or “**the Company**”) (ASX:AHC) is pleased to announce that it has entered into a conditional binding term sheet to purchase New Zealand based Guild & Spence Technologies Limited (“**G&S Technologies**”), a leading provider of integrated communication and security systems for healthcare facilities. This proposed acquisition continues Austco Healthcare’s mission to enhance patient care, safety, and operational efficiency through advanced technology solutions.

G&S Technologies is a Systems Integrator specialising in the Installation, Service and Maintenance of Nurse Call, Customised Workflow, Real-Time Locating (RTLS) Security, CCTV and Access Control Systems. G&S Technologies designs and installs integrated solutions that help enhance patient care, improve efficiency and minimise risk. Its loyal customer base consists of enterprises in public and private sectors, predominantly operating in healthcare and aged-care sectors across New Zealand.

The proposed acquisition of G&S Technologies aligns with Austco’s strategic objectives of expanding its direct sales capability, driving accelerated growth, and enhancing its portfolio of solutions to better serve healthcare markets.

G&S Technologies Overview

Founded in 2000, G&S Technologies specialises in the installation, service, and maintenance of Nurse Call, Real-Time Location Systems (RTLS), CCTV, Access Control, and other integrated security and communication systems. With over 100 employees, more than 200 customers, and over 5,000 completed projects, G&S Technologies has built a strong reputation across New Zealand’s North Island, particularly in the healthcare and aged care sectors.

Acquisition Rationale

The Proposed Acquisition supports Austco's strategy of strengthening its direct sales capability, accelerating growth and enhancing its range of solutions to better meet the needs of healthcare markets in which it operates. Following the two previous acquisitions, the Proposed Acquisition confirms Austco's commitment to grow its market share and positions the remaining Austco reseller network to benefit considerably from increased market penetration.

The G&S Technologies Proposed Acquisition enables us to:

- (a) engage common corporate clients who operate both in New Zealand and Australia with a unified offering;
- (b) compete for larger opportunities that may be beyond the financial capacity of resellers;
- (c) present a manufacturer led solution directly to customers;
- (d) deliver fully integrated end-to-end low-voltage technology solutions; and
- (e) better position the value of our software and software maintenance agreements.

In line with Austco's acquisition model, G&S Technologies will be integrated into existing operations and key personnel will be retained to ensure a smooth transition for customers and employees, while also positioning the Company for growth and increased profitability. The Proposed Acquisition is expected to provide significant revenue synergies, including the ability to cross-sell products and services and streamline operations.

Commenting on the Proposed Acquisition of G&S Technologies, Austco CEO Clayton Astles noted:

"We are excited to announce our intention to acquire G&S Technologies, a pivotal move in consolidating Austco's growth and expansion strategy within New Zealand. With G&S Technologies' expertise and reputation in the healthcare and security communications industry, coupled with its strong customer relationships, the acquisition will boost our competitive standing and growth opportunities for Austco Healthcare. We look forward to finalising the acquisition and collaborating closely with G&S Technologies' team to deliver optimal outcomes for our valued customers, dedicated employees, and supportive shareholders."

Michael Pope, CEO and Director of G&S Technologies was also pleased with the Proposed Acquisition:

"We are excited to join forces with Austco Healthcare through this acquisition, which represents a significant opportunity for our team and our clients. This strategic move allows us to combine our expertise in delivering innovative solutions to our customers. We are grateful for the trust our clients have placed in us over the years and want to assure them that this acquisition will only enhance the value we provide. I want to express my appreciation to our team, whose hard work and dedication have made this acquisition possible."

Proposed Acquisition Details

G&S Technologies will be acquired on a cash-free, debt-free basis as follows:

- An upfront cash payment of NZ\$7,966,035 (subject to normal settlement adjustments including working capital and net debt). Austco plans to use existing cash reserves to fund this upfront payment; and
- An earnout payment based on the performance of the business for the period between completion and 31 December 2026 (**earnout period**);
- The earnout payment will be based on 3.5 times the annualised EBITDA achieved through the earnout period, **less** the upfront cash payment;
- The earnout payment will be settled with up to 75% as scrip in Austco Healthcare Limited (ASX:AHC), at Austco's election, with the balance paid as cash.

The Proposed Acquisition is also subject to the following key terms:

- (a) minority shareholders agreeing to be bound to the transaction;
- (b) retention of key employees;
- (c) any regulatory consents and approvals;
- (d) Austco finalising its financial and legal due diligence; and
- (e) agreeing on final form transaction documents.

Subject to satisfaction of the relevant conditions, completion is expected to occur on or before 1 June 2025.

This announcement was approved by the Board of AHC.

~ENDS~

Further Information

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About Austco Healthcare Limited (ASXCode – AHC)

Austco Healthcare Limited is an international provider of healthcare communication and clinical workflow management solutions. Headquartered in Australia, the company has subsidiaries in six countries and supports healthcare facilities through its global reseller network which includes growing markets in health, aged care and acute care. Austco Healthcare services markets including Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For further information, please refer to the Company's website www.austcohealthcare.com