



Hostech Limited
ACN: 009 805 298
71 Thistlethwaite St
South Melbourne 3205
VIC Australia
Tel: 03 9 698 7800
Fax: 03 9 698 7878
www.hostech.com.au

April 15th, 2010

ASX Announcement
Company Overview

Hostech Limited ("Hostech", "HTC" or the "Company") is pleased to release the accompanying Company Overview. The document provides shareholders and the broader market with information regarding the forecasted revenue and profit performance of the business resulting from the acquisition of Anittel, Accord, Aspirence and AXXIS.

In order to complete the acquisitions, the Company will be drawing approximately \$8,000,000 of the convertible facility approved by shareholders at the recent EGM. The notes will be subscribed to and converted to shares by Flaxton Hunter Pty Ltd ("FH") and its nominees. The residual note facility will then be cancelled by agreement. FH were advised by LINWAR Securities Pty Ltd in the course of this transaction.

HTC will be working closely with its board and legal team, Marque Lawyers, over the coming weeks to complete the acquisitions, with the first, Anittel, scheduled to be finalised by Friday April 16. The remaining three will complete soon after and the Company will release final information subsequently.

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Hostech Limited



Company Presentation

April 15th, 2010

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Executive Summary



Company overview	<ul style="list-style-type: none">• Hostech (ASX:HTC) is a listed IT & Telecommunications services company focused on becoming a leading full service national regional provider of IT and telecommunications to small and medium enterprises.
Recapitalisation and experience board	<ul style="list-style-type: none">• Hostech was recapitalised in June 2009 to allow the company to continue to look at acquisition growth.• Furthermore the company's restructured board and management provide a wealth of experience in the sector.
Growth through acquisition	<ul style="list-style-type: none">• Hostech announced to the market in February 2010, an agreement for the purchase of Anittel, Accord, Axxis and Aspirence (the Anittel Group) adding \$60m in annualised revenue to the group for a total purchase price of \$11.25m which shareholders approved at an EGM on 30 March 2010.• On completion of the above acquisitions, Hostech provides FY2011 guidance of \$80m to \$95m in Revenue and \$7m to \$9m in EBITDA*.

** Based on preliminary forecast which may be subject to change.*

Corporate Snapshot - post EGM



ASX Code: HTC

Last share price:	\$0.038
12 month high:	\$0.050
12 month low:	\$0.014
Shares on issue ¹ :	1,214m
Fully Diluted ¹ :	1,419m

Register:¹

Top 20:	84.68%
Top 50:	91.23%
Total shareholders:	1,230

Major shareholders:¹

Peter and Vicki Kazacos	229.8m	18.9%
Flaxton Hunter Pty Ltd	175.0m	14.2%
Franlos Pty Ltd	45.0m	3.7%
Tameion Pty Ltd	32.5m	2.6%
Stephen James Wyndham	30.3m	2.4%
Algebraic Pty Ltd	25.8m	2.1%

Current Board of Directors:²

Mr Ilkka Tales – Managing Director
 Mr Campbell Corfe – Chairman
 Mr Alan Chalmers – Non-Executive Director
 Mr Matthew Costello – Executive Director
 Mr Carloz Perez – Executive Director

¹ Post completion

² Board will be restructured post transaction

Positioning

National leader in full service IT and Telecommunications services and partner of choice for small and medium regional businesses seeking to consolidate their delivery partners and unify their branded experience.

Key Strategies

- Focus on growing revenues from recurring services – managed, voice and data
- Optimize organization and margins to self-sustain the company
- Forge strong relationships with top national regional businesses
- Differentiate our service offering through unified national brand presence
- Continue acquisitions and organic growth to build to \$200m revenue target and EBITDA margins in line with industry benchmarks

Hostech's businesses



Anittel*

- Founded in 2007 - National, full-service, IT and telecommunications company focusing on small, medium and regional enterprises with over \$40 million in annualised revenue.
- Strong infrastructure and management due to significant investment and acquisitions in the past 2 years.
- www.anittel.com.au

Axxis*

- Formed in 1989 - Axxis is the local IT partner for businesses in regional NSW.
- Winner of the worldwide Partner of The Year 2006 (Small Business Specialist) at the Microsoft partner Conference.
- Named as the Best IT Business in Australia at the national Small Business Champions Awards in 2008.
- www.axxis.com

Accord*

- Established in 1994 - Accord has a reputation for excellence and quality in supporting mission critical systems throughout Australia.
- Client base ranges from blue-chip companies, large educational institutions, commercial business and small to medium enterprises.
- www.accord.com.au

Aspirence*

- Regional leaders in computer network integration
- Provides I.T. solutions to businesses and offers a 'one stop shop' with access to solutions for every business technology need.
- Service delivery model is based on managing I.T investments proactively and efficiently with the aim of providing reliable and efficient information systems.
- www.aspirence.com.au

Hostech's businesses



Sholl	<ul style="list-style-type: none">• 17 years of experience supplying new telephone systems, pre owned telephone systems, data and electrical cabling and accessories like headsets.• Authorised dealer for Avaya and Samsung. Consistently ranked on the top 3 AVAYA business dealers in the country.
OneNetwork	<ul style="list-style-type: none">• Provides hosted PBX functionality combining a secure IP voice and data network.• Offers businesses the opportunity to integrate all their offices under one network.
OfficeLink+	<ul style="list-style-type: none">• Fully managed IP network that allows businesses to integrate voice and data services.• Provides the benefit of your own business-grade private network at a fraction of the cost of traditional private network solutions.• Its IP Telephony product delivers Quality of Service throughout the call.
5star telecom	<ul style="list-style-type: none">• Consists of a team of professionals committed to simplifying and delivering excellent telecommunications services to the small and medium business in Australia.• The Team has over 40 years experience in the telecommunications industry in Australia and overseas.• 5Star has a 3 ring policy, the rewards program, the quarterly bill audit and more importantly taking ownership of their clients telecommunication needs.

Acquisition Details



Company (\$,000)	FY10 EBITDA	FY11 EBITDA	FY11 EBITDA-X	Total Paid	Cash	Scrip	# Of Shares
Annitel	(1,096)	\$3,200	0.8	2,650	700	1,950	97,500,000
Accord	1,518	\$1,800	3.3	6,000	3,600	2,400	96,000,000
Axxis	816	\$1,000	2	2,000	1,500	500	17,857,143
Aspirence	258	\$500	1.2	600	500	100	3,571,429
Total	1,495	\$6,500	1.73	11,250	6,300	4,950	214,928,571
Debt				5,611			
Total				16,861			

Holder	Shares On Issue
Other Shareholders	349,591,942
FH	150,000,000
Anittel Shareholders* (post-completion)	100,000,000
Total Shares On Issue	599,591,942
Drawdown on FH convertible note	400,000,000
Annitel	97,500,000
Accord	96,000,000
Axxis	17,857,143
Aspirence	3,571,429
Total Shares On Issue	1,214,520,513
Options outstanding	204,833,367
Fully Diluted	1,419,353,880

*100m HTC shares & 50m options transferred to Anittel shareholders and 50m options cancelled by Flaxton Hunter

Financial Overview



Pro Forma as at Completion – April 30, 2010	Balance Sheet
Assets	\$,000
Current Assets	
Cash and cash equivalents	2,108.9
Trade and other receivables	8,308.8
Other assets	1,642.8
Total Current Assets	12,060.5
Non-Current Assets	
Trade and other receivables	349.9
Property, Plant & Equipment	2,201.2
Intangible assets and goodwill	25,074.2
Total Non-Current Assets	27,625.3
TOTAL ASSETS	39,685.8
LIABILITIES	
Current Liabilities	
Trade and other payables	11,418.9
Interest-bearing loans and borrowings	2,016.0
Provisions	2,212.6
Convertible Note	104.0
Total Current Liabilities	15,751.5
Non-Current Liabilities	
Provisions - long service leave	9.1
Interest-bearing loans and borrowings	3,825.7
Total Non Current Liabilities	3,834.8
TOTAL LIABILITIES	19,586.3
NET ASSETS	20,099.5
EQUITY	
Ordinary Shares	45,712.2
Converted Notes	516.4
Opening Accumulated Losses	(25,020.9)
NET PROFIT / (LOSS)	(1,108.2)
TOTAL EQUITY	20,099.5

Issued Capital

- On completion there will be c.1.2billion ordinary shares on issue & 204m options
- Assumes \$8m draw down of FH convertible note facility and cancellation of the balance of the facility
- Pro-forma basis and subject to change based on consultation with auditors and advisors

Statutory Forecast Results include;

- 12 months of Hostech to 30 June 2010
- 6 months of 5Star and Office Link Plus (from 1 January 2010) and
- Anittel Group results from 1 April, 2010. (subject to final completion date)

Pro-Forma Forecast Results include;

- Removal of transaction, integration costs and owners costs
- Full 12 months operational results for Hostech and all acquisitions

\$,000	Statutory Forecast FY10	Pro-forma Forecast FY10
Revenue	23,585	69,908
COGS	14,764	44,768
GP	8,820	25,140
Expenses	9,161	24,159
EBITDA	(341)	981

FY11 Forecast*;

- Focus on growth of recurring services sales with higher gross margin
- Continued improvement in costs management
- Target Gross Margin: +38%
- Target Services to Hardware revenue split: 60:40
- **EBITDA guidance \$7m - \$9m**

*current estimates and may be subject to change