

9 August 2019

ASX Limited
Company Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Regional QLD Disability Employment Services Acquisition

Konekt Limited (ASX code KKT), has exchanged contracts to acquire the Disability Employment Services (DES) business of Artius Pty Ltd (Artius), headquartered in Ipswich, Queensland.

Konekt Chief Executive Officer, Damian Banks, said “we are delighted to welcome the DES business of Artius to our organisation, expanding our position in regional Queensland servicing local customers from five locations in Ipswich (2), Goodna, Warwick and Stanthorpe. The acquisition will increase Konekt’s Disability Employment Services (DES) Regional footprint from 16 to 18 regions, and expand our services to include both Disability Management Services (DMS) and Employment Support Services (ESS) for the first time.”

The acquired services will be delivered across 5 locations with contract tenure to 30 June 2023. Established in 2004, Artius has a strong presence in regional Queensland.

The proposed acquisition will be funded from cash reserves with a small earn-out based on future performance. It is expected that the acquisition will contribute revenues of \$1.1 million to Konekt in FY20 (c.10 months) and be EPSA accretive in the first year.

The acquisition is subject to consent by the Commonwealth Department of Social Services and other standard conditions precedent. Completion is expected during the current quarter.

Konekt continues to focus on organic growth and acquisition opportunities that will strengthen its position and value for customers, staff and shareholders.

Reena Minhas
Company Secretary

About Konekt Group

With 700 staff and over 107 branches across Australia, Konekt is one of the largest integrated employment placements, workplace injury management and workplace health solutions providers in Australia. Konekt’s focus is on helping organisations, individuals and government to maximize workforce participation and productivity, and minimize the impact of workplace injury. We help organisations minimise workplace costs, resulting in increased participation, reduced workers’ compensation premiums and safer workplaces. Konekt Employment is a leading jobactive, NEIS and DES provider, with Konekt Workcare assisting injured workers returning to the workforce.