

28 August 2020

WEBCENTRAL GROUP LIMITED (ASX: WCG)

## UPDATE ON SCHEME OF ARRANGEMENT – INDEPENDENT EXPERT CONFIRMATION

Webcentral Group Limited (**Webcentral**) refers to the proposed acquisition of Webcentral by a wholly owned subsidiary of Web.com Group, Inc. (**Web.com**) by way of a scheme of arrangement, as announced on 13 July 2020 (**Scheme**), and to the scheme booklet in relation to the Scheme released to the ASX on 24 August 2020 (**Scheme Booklet**).

### Independent Expert's consideration of Webcentral's financial statements for the half year ended 30 June 2020

On 28 August 2020, Webcentral released its reviewed financial statements for the half year ended 30 June 2020 (**H1 2020 Financial Results**).

The Independent Expert, BDO Corporate Finance (WA) Pty Ltd, has considered the H1 2020 Financial Results and has confirmed to Webcentral that the H1 2020 Financial Results do not change the Independent Expert's previously stated:

- conclusion that the Scheme is fair and reasonable and, therefore, in the best interests of Webcentral shareholders, in the absence of a superior proposal; and
- assessment of the full underlying value of Webcentral at between \$0.083 and \$0.126 per Webcentral Share.

The Independent Expert's conclusion should be read in context with the full Independent Expert's report (which is included in the Scheme Booklet) and the Scheme Booklet.

Webcentral shareholders are encouraged also to read the H1 2020 Financial Results before deciding how to vote on the Scheme.

### Webcentral directors' recommendation

The Webcentral directors continue to unanimously recommend that Webcentral shareholders vote in favour of the Scheme in the absence of a Superior Proposal<sup>1</sup> and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Webcentral shareholders.

Subject to those same qualifications, the Webcentral directors, who collectively have a relevant interest in approximately 19% of Webcentral shares, intend to vote or procure the vote of all of those Webcentral shares in favour of the Scheme.

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<sup>1</sup> In this announcement, "Superior Proposal" has the same meaning as given in the scheme implementation deed attached to Webcentral's announcement on 13 July 2020.

Mr Larry Bloch, a former director of Webcentral who has a relevant interest in approximately 4.96% of the Webcentral shares, has confirmed to Webcentral that he intends to vote or procure the vote of all the Webcentral shares in which he has a relevant interest at the time of the Scheme Meeting in favour of the Scheme, in the absence of a superior proposal (as determined by Mr Bloch acting reasonably) and subject to the Independent Expert concluding in its Independent Expert report (and continuing to conclude) that the Scheme is in the best interests of Webcentral shareholders.

### **Further information**

The Scheme Meeting, at which Webcentral shareholders will consider and vote on the Scheme, is scheduled to be held at 9.00am (Sydney time) online and by teleconference on Tuesday, 29 September 2020.

Webcentral encourages Webcentral shareholders to read the Scheme Booklet in its entirety before deciding whether or not to vote in favour of the Scheme at the Scheme Meeting. Webcentral also encourages Webcentral shareholders to note key events and indicative dates as set out in the Scheme Booklet.

Please contact Ms Emma Jewell of Red Agency for any media enquiries or Mr Andrew Reitzer for any investor queries.

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### **ENDS.**

The release of this announcement to the ASX was authorised by the Webcentral Board of Directors.

### **About Webcentral Group Ltd**

Webcentral Group Ltd is Australia's largest full-service digital services partner for small and medium businesses - fuelling the growth of local businesses from inception to acceleration.

Since its founding in 1996, Webcentral Group Ltd (previously Melbourne IT Group and Arq Group) has helped fuel the digital success of more than one million Australian small to medium businesses. With roots in domain name and hosting, Webcentral Group Ltd are the small and medium business digital growth solution experts helping businesses get online, improve their online performance, and protect their online presence.

Webcentral Group Ltd consists of the brands Netregistry, WME, Melbourne IT, and Domainz. The Webcentral Group Ltd Enterprise division was divested March 2020.