

19 October 2020

WEBCENTRAL GROUP LIMITED (ASX: WCG)

## 5GN TAKEOVER – DISPATCH OF DOCUMENT

Webcentral Group Limited (ASX:WCG) (**Webcentral**) refers to the off-market takeover bid for all the shares in Webcentral by 5G Networks Limited (**5GN**) (the **Offer**).

The attached document is being sent to Webcentral Shareholders in connection with the Offer.

As set out in Webcentral's first supplementary target's statement released to the ASX on 15 October 2020, Webcentral's independent board committee (**IBC**) strongly encourages and unanimously recommends that Webcentral Shareholders **ACCEPT** the Offer **NOW** and without delay. The IBC considers it to be very unlikely that a Superior Proposal will now emerge.

To be valid, acceptances must be received and processed **before 7.00pm (Sydney time) on Tuesday, 27 October 2020**.

Webcentral Shareholders should not assume that 5GN will extend the closing date of the Offer beyond this time and date. Webcentral Shareholders should assume that the Offer will close at 7.00pm (Sydney time) on Tuesday, 27 October 2020. Accordingly, it is essential that Webcentral Shareholders who wish to **ACCEPT** the Offer should act without delay.

For details on how to **ACCEPT** the Offer, see Webcentral's first supplementary target's statement released to the ASX on 15 October 2020.

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

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



Webcentral  
GROUP

# Important information

**Important notice:** Before deciding whether or not to accept the Offer, you should read Webcentral's target's statement dated 1 October 2020 (**Target's Statement**) and Webcentral's supplementary target's statement dated 15 October 2020, in full. Capitalised terms used in this card have the same meaning given in the Target's Statement.

- Webcentral's Independent Board Committee strongly encourages and unanimously recommends Webcentral Shareholders to **ACCEPT** 5GN's Offer **NOW**, and without delay.<sup>1</sup>
- If you do not **ACCEPT** the Offer, there are various implications for you. These include:
  - the market price of Webcentral Shares may fall following the close of the Offer;
  - 5GN is proposing to provide a secured loan to Webcentral of approximately \$47.7 million. Webcentral will use that loan to repay its existing lenders in full. Webcentral will then owe \$47.7 million to 5GN;
  - as a result of the loan from 5GN, Webcentral will remain highly geared. The interest rate under the 5GN loan is higher than under Webcentral's existing debt facilities by approximately 2 times and the loan must be repaid within 12 months;
  - Webcentral may need to undertake an equity raising to repay some or all of the 5GN loan. It is reasonable to expect that any such equity raising will be at a material discount to the then prevailing share price and Webcentral Shareholders who do not participate are likely to be materially diluted; and
  - if the equity raising is conducted as a rights issue, it is possible that 5GN could underwrite the equity raising and, if there was a material shortfall in the level of take up under the rights issue, this could result in 5GN significantly increasing its shareholding in Webcentral if it acquires some or all of the shortfall shares.<sup>2</sup>
- If these risks conflict with your individual risk profile, you should strongly consider these implications in making your decision as to whether to **ACCEPT** the Offer.

<sup>1</sup> The Independent Board Committee considers it to be very unlikely that a Superior Proposal will now emerge.

<sup>2</sup> For further details of risks associated with not accepting the Offer, see section 7.3 of the Target's Statement.

Dear Webcentral Shareholder

19 October 2020

## Update on takeover bid by 5G Networks Limited

To be valid, acceptances of the 5GN takeover offer must be received and processed **before the scheduled close of the Offer Period of 7.00pm (Sydney time) on Tuesday, 27 October 2020**. It is essential that Webcentral Shareholders who wish to **ACCEPT** the Offer should act without delay. Webcentral Shareholders should assume that the Offer will close at 7.00pm (Sydney time) on Tuesday, 27 October 2020.

Summary of how to **ACCEPT** the Offer:<sup>3</sup>

### Issuer sponsored holder (your SRN starts with an 'I'):

- complete, sign and return the Acceptance Form; and
- ensure that the Acceptance Form is received before the end of the Offer Period at the address shown on the Acceptance Form.

### CHESS Holding (your HIN starts with an 'X'):

- instruct your Controlling Participant (normally your broker) to initiate acceptance of the Offer on your behalf; or
- if you are a Participant, initiate acceptance of the Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules.

The method described above is the quickest way to **ACCEPT** the Offer.

- Alternatively, complete, sign and return the Acceptance Form and ensure that it is received in sufficient time to enable 5GN or its share registry to request your Controlling Participant to accept the Offer on your behalf before the end of the Offer Period.

If you have questions about the Offer, please call the Webcentral shareholder information line on 1300 853 816 (for callers in Australia) or +61 1300 853 816 (for callers outside Australia).

<sup>3</sup> For full details on how to accept the Offer, see section 15.3 of the Bidder's Statement and the Acceptance Form (sent to you with the Bidder's Statement).



### Returning Acceptance Forms via email

As an alternative to post or hand delivery, Webcentral Shareholders can submit scanned Acceptance Forms by email to **capitalmarkets@linkmarketservices.com.au**, using the email subject line: "WCGZ – Takeover Acceptance Processing".