

COSOL completes acquisition of Work Management Solutions, enters into new banking facility with Westpac

Highlights

- Completion of acquisition of Enterprise Asset Management advisory business with a blue-chip client base
- Total consideration of up to \$8.6m, blend of cash and scrip
- Acquisition is immediately EPS accretive
- Increased funding capacity with new banking facilities with Westpac Banking Corporation

Brisbane, 3 August 2022 – COSOL Limited (COSOL, ASX: COS) (“COSOL”) is pleased to announce that it has completed the acquisition of Work Management Solutions (“WMS”), a Perth-based business that delivers business advisory and technical consulting services to the resources and utilities sectors.

The consideration for the acquisition comprises upfront consideration of \$3.67 million in cash and 5,660,378 fully paid ordinary shares at an issue price of \$0.53 per share, with up to a further \$2 million payable in cash and/or COSOL shares by way of earn-out consideration based on WMS’s audited EBIT for FY23.

COSOL’s ASX announcement dated 23 June 2022 details full terms and conditions of the acquisition.

Managing Director Ben Buckley said the acquisition of WMS would strengthen COSOL’s position as a global leader in digital transformation and data exploitation for large-scale organisations in heavy asset industries, as well as providing COSOL with an end-to-end Enterprise Asset Management capability.

COSOL is also pleased to announce that it has agreed new finance facilities totaling \$19.5 million (“Facilities”) with Westpac Banking Corporation. These Facilities will be partly used to pay down in full existing facilities with Bankwest and to fund the acquisition of WMS.

The Facilities provide COSOL with an enhanced financial capacity to grow the business, organically and through acquisition. The Facilities are a combination of Commercial Bills, bank guarantees and overdrafts.

About COSOL

COSOL provides advice, operational expertise and optimisation to deliver clients a complete end-to-end Enterprise Asset Management.

COSOL utilises proprietary software and digital solutions to serve asset intensive industries and drive quantifiable business improvements through the enhanced use of data and data analytics. It uses leading global Enterprise Asset Management platforms, including SAP, IBM – Maximo, Hitachi-Ellipse, IFS and Microsoft Dynamics, augmented with industry leading GIS solutions.

COSOL Limited was listed on the Australian Stock Exchange (ASX) in January 2020 and COSOL's clients include major corporations in the heavy asset sector including Australian Department of Defence, Urban Utilities, Glencore, Anglo American, De Beers, Cleveland Cliffs, Accelor Mittal and OK Tedi.

Founded in 2000 and with operations in Australia and North America, COSOL has demonstrated an ability to grow organically and through acquisition while maintaining growth in revenue, profit and eps.

About WMS

Established in 2007, Work Management Solutions is a globally recognised asset management specialist with a strong track record in driving enhanced performance for asset intensive businesses.

It has extensive experience and expertise across numerous organisations and industries utilising an innovative integrated approach to reduce risk, increase productivity and optimise efficiency for clients.

The WMS end-to-end methodology is designed to maximise clients' return on investment, both financial and in terms of long-term sustainability.

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This announcement was authorised for release by the Board of COSOL Limited