



This is an important document and requires your immediate attention.  
If you are in any doubt about how to deal with this document, you should contact your  
broker, financial adviser or legal adviser immediately.

# BIDDER'S STATEMENT UNCONDITIONAL ON-MARKET CASH OFFER

by Webcentral Group Limited ACN 073 716 793 (**Webcentral**)  
to acquire all of your ordinary shares in  
Cirrus Networks Holdings Limited ACN 103 348 947 (**CNW**)  
for 3.2 Cents cash per share

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## ACCEPT

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To accept this Offer, you must instruct your Broker to accept the Offer  
in the manner described in section 3 of this Bidder's Statement.

The Offer closes at 4.00pm (Melbourne time) on 16 September 2021,  
unless extended or withdrawn.

FinClear Pty Ltd has been appointed as the Broker of Webcentral in relation  
to the Offer, and will stand in the market and accept CNW Shares offered to  
it at the Offer Price from 10.00am (Melbourne time) on 2 August 2021.

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## KEY DATES

Event	Date
Announcement Date	30 July 2021
Bidder's Statement lodged with ASIC	30 July 2021
Date of the Offer	30 July 2021
Date on which the Offer opens	16 August 2021
Offer scheduled to close (unless extended or withdrawn)	16 September 2021

## KEY CONTACTS

Name
Share Registrar for the Offer: Link Market Services Limited GPO Box 3560 Sydney NSW 2001
Offer Information Line: Within Australia: 1800 990 479 Outside Australia: +61 1800 990 479 Calls to these numbers may be recorded.

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# 1. IMPORTANT NOTICES

## 1.1 NATURE OF THIS DOCUMENT

This Bidder's Statement is issued by Webcentral Group Limited ACN 073 716 793 (**Webcentral** or **Bidder**) under Part 6.5 of the Corporations Act.

A copy of this Bidder's Statement was lodged with ASIC on 30 July 2021.

Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement.

## 1.2 DEFINED TERMS

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 16 of this Bidder's Statement along with certain rules of interpretation which apply to this Bidder's Statement.

## 1.3 INVESTMENT ADVICE

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You may wish to seek independent legal, financial, taxation or other professional advice before deciding whether or not to accept the Offer.

You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Bidder's Statement, you should obtain independent professional advice.

## 1.4 FORWARD-LOOKING STATEMENTS

This Bidder's Statement may contain forward-looking statements, which include statements other than statements of historical fact. Such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of the Bidder. Actual results, value, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward-looking statement.

None of the Bidder, any of their directors, officers or advisers, or any other person named in this Bidder's Statement with their consent or involved in preparation of this Bidder's Statement, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Bidder's Statement will actually occur. You are cautioned not to place undue reliance on any forward looking statements.

The forward-looking statements in this Bidder's Statement only reflect views held as at the date of this Bidder's Statement.

## 1.5 INFORMATION REGARDING CNW

Any information in this Bidder's Statement concerning CNW or CNW's assets and securities has been prepared from publicly available information. This information has not been independently verified and, accordingly, the Bidder does not make any representation, and/or warranty, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act. The information on CNW should not be considered comprehensive. Further information relating to CNW may be included in CNW's Target's Statement which will be sent to you by CNW.

## 1.6 FOREIGN JURISDICTIONS

The distribution of this Bidder's Statement and the making of the Offer may be restricted by the laws of jurisdictions outside of Australia, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. The Offer is not being made, directly or indirectly, in or into any jurisdiction, and will not be capable of acceptance from within any jurisdiction, if to do so would not be in compliance with the laws of that jurisdiction.

# 1. IMPORTANT NOTICES

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## 1.7 EFFECT OF ROUNDING

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. The actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from those set out in this Bidder's Statement. Any discrepancies between totals in tables or financial statements or in calculations graphs or charts are due to rounding.

## 1.8 ESTIMATES AND ASSUMPTIONS

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by the Bidder. Management estimates reflect, and are based on, views as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

## 1.9 CURRENCIES AND TIME

In this Bidder's Statement, references to "Australian dollars", "AUD", "\$", "A\$" or "cents" are to the lawful currency of Australia. All references to time in this Bidder's Statement are to Melbourne time.

## 1.10 PRIVACY

The Bidder and its Related Entities have collected your information from the Register for the purposes of making the Offer and, if accepted, administering acceptances over your shareholding in CNW. The Corporations Act requires the name and address of shareholders to be held in a public register. CNW and its share registry may disclose your personal information to their Related Bodies Corporate (and, in the case of the Bidder, its Related Entities) and external service providers and may be required to disclose such information to regulators, such as ASIC. If you would like details of information about you held by the Bidder, please call the Offer Information Line on 1800 990 479 between 9.00 am to 5.00 pm (Melbourne time) on Business Days.

## 1.11 WEBSITES

References in this Bidder's Statement to the Bidder's website (<https://www.webcentral.com.au/>) and to CNW's website (<https://cirrusnetworks.com.au/>) are for your reference only.

Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

## 1.12 HOW TO ACCEPT

To accept the Offer, follow the instructions set out in section 3 of this Bidder's Statement.

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## 2. LETTER FROM THE CHAIRMAN

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Dear CNW shareholder,

### Unconditional Offer of 3.2 cents cash per CNW Share

On behalf of Webcentral Group Limited ACN 073 716 793 (the **Bidder**), I am pleased to present you with this unconditional cash offer to acquire all your CNW Shares together with all Rights attaching to them (the **Offer**) for 3.2 cents per share (the **Offer Price**), which delivers you certain and immediate value for your CNW Shares.

As an on-market bid, the Offer is unconditional and provides you with a simple cash exit from your investment in CNW.

You are expected to be paid cash on a normal T+2 basis (being 2 Trading Days after your acceptance).

The Offer Price of 3.2 cents cash per share:

- represents a premium of 3.22% to the closing price of CNW Shares on 29 July 2021 (being the last Trading Day prior to the announcement of the Offer);
- represents a premium of 10.53% to the 15-day VWAP of CNW Shares to 29 July 2021 (being the last Trading Day prior to the announcement of the Offer) of \$0.02895; and
- represents a premium of 11.77% to the 30-day VWAP of CNW Shares to 29 July 2021 (being the last Trading Day prior to the announcement of the Offer) of \$0.02863.

### HOW TO ACCEPT

The Offer may only be accepted by selling your CNW Shares on-market on ASX. The Bidder has appointed FinClear to act as its Broker and accept CNW Shares offered to it at the Offer Price from the Announcement Date until the end of the Offer Period. Instructions on how to sell your CNW Shares are set out section 3 of this Bidder's Statement.

### NEXT STEPS

I encourage you to carefully read this Bidder's Statement in full for further details about the Offer, its terms and the Bidder. CNW will also send you a Target's Statement containing CNW's formal response to the Offer.

The Offer Period is scheduled to end at the close of trading on ASX on 16 September 2021, unless it is extended or withdrawn in accordance with the Corporations Act.

If you have any questions about the Offer, please call the Offer Information Line on 1800 990 479 between 9.00 am to 5.00 pm (Melbourne time) on Business Days, or contact your legal, financial or other professional adviser.

Yours sincerely,  
Joe Gangi  
Chairman  
Webcentral Group Limited

## 3. HOW TO ACCEPT THE OFFER

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You may sell your CNW Shares to the Bidder on-market by offering to sell some or all of your CNW Shares on ASX at the Offer Price on and from the Announcement Date until the end of the Offer Period.

FinClear will stand in the market to acquire, on behalf of the Bidder, all CNW Shares offered at the Offer Price on and from the Announcement Date.

You are not required to complete any forms to accept the Offer. If you have any questions about the Offer, please call the Offer Information Line on 1800 990 479 between 9.00 am to 5.00 pm (Melbourne time) on Business Days, or contact your legal, financial or other professional advisers.

### **FOR ISSUER SPONSORED HOLDINGS OF CNW SHARES**

If your CNW Shares are held in an Issuer Sponsored Holding (such holdings will have Securityholder Reference Numbers beginning with an "I"), to sell your CNW Shares to the Bidder, you must instruct a Broker to sell your CNW Shares at the Offer Price during the Offer Period.

### **FOR CHESS HOLDINGS OF CNW SHARES**

If your CNW Shares are held in a CHES Holding (such holdings will have Holder Identification Numbers beginning with an "X"), to sell your CNW Shares to the Bidder, you must instruct your Controlling Participant (for example, your Broker) to sell your CNW Shares at the Offer Price during the Offer Period.

### **BROKERS OR CONTROLLING PARTICIPANTS**

If you are a Broker or Controlling Participant, acceptances of the Offer must be initiated in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.

### **BENEFICIAL OWNER**

If you are a beneficial owner of CNW Shares registered in the name of a Broker, investment dealer, bank, trust company or other nominee, to sell your CNW Shares you should contact that nominee for assistance in accepting the Offer.

## 4. SUMMARY OF THE OFFER

The following is a summary only of the frequently asked questions in relation to the Offer and is qualified by, and should be read in conjunction with, the detailed information contained in the rest of this Bidder's Statement.

You should carefully read this Bidder's Statement in full before making any decision whether to accept the Offer.

The terms of the Offer are contained in section 13 of this Bidder's Statement.

Key Details	Summary
<b>What is the Offer?</b>	The Bidder is making an on-market, unconditional cash offer to acquire all your CNW Shares together with all Rights attaching to them, at 3.2 cents cash per CNW Share, on the terms set out in this Bidder's Statement.
<b>Who is making the Offer?</b>	The Offer is being made by Webcentral Group Limited ACN 073 716 793 . For further information about the Bidder, please refer to section 6 of this Bidder's Statement.
<b>When can I sell my CNW Shares?</b>	You can sell your CNW Shares on-market to the Bidder immediately. FinClear will stand in the market on behalf of the Bidder and purchase all CNW Shares offered to it at the Offer Price from the Announcement Date until 16 September 2021, being the date the Offer is scheduled to close (unless extended or withdrawn in accordance with the Corporations Act).
<b>What is the Closing Date for the Offer?</b>	The Offer closes at the end of trading on ASX (4.00pm, Melbourne time) on 16 September 2021, unless it is extended or withdrawn under the Corporations Act.  The Offer Period will be automatically extended if the Bidder's Voting Power in CNW increases to more than 50% in the last 7 days of the Offer Period. In that case, the Offer Period will then end 14 days after the Bidder's Voting Power increases to more than 50%.  The Bidder may extend the Offer Period in its discretion at any time prior to the last 5 Trading Days of the Offer Period or in certain limited circumstances at any time prior to the end of the Offer Period (subject to compliance with the law), the Bidder does not currently intend to do so.
<b>Can I sell part of my shareholding?</b>	Yes. You may choose to sell some or all of your CNW Shares under the Offer.
<b>If I accept the Offer, when will I receive consideration for my CNW Shares?</b>	The usual rules for settlement of transactions which occur on-market on ASX will apply to the Bidder's purchase of CNW Shares on-market. This means that, if you accept the Offer, you will be paid cash on a normal T+2 basis (being 2 Trading Days after your acceptance).
<b>What are the conditions of the Offer?</b>	The Offer is unconditional.

## 4. SUMMARY OF THE OFFER

Key Details	Summary
<p><b>How I accept the Offer?</b></p>	<p>The Offer can only be accepted by selling some or all of your CNW Shares on ASX through your Broker to FinClear, acting on behalf of the Bidder, before the end of the Offer Period. You are not required to complete any forms to accept the offer.</p> <p>Depending on the nature of your holding, you may accept the Offer in the following ways:</p> <ul style="list-style-type: none"> <li>• Issuer Sponsored Holding: Instruct any Broker to accept the Offer before the end of the Offer Period.</li> <li>• CHESS Holding: Instruct your Controlling Participant (usually your Broker) to accept the Offer on your behalf before the end of the Offer Period.</li> <li>• Broker or Controlling Participant: Acceptance of the Offer must be initiated in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.</li> <li>• Beneficial owner: If you are a beneficial owner of CNW Shares registered in the name of a Broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in accepting the Offer.</li> </ul> <p>For further information, please refer to section 3 of this Bidder's Statement.</p>
<p><b>What will happen if I do not accept the Offer?</b></p>	<p>If you do not accept the Offer, you will retain your CNW Shares and will not receive the Offer Price. However, if the Bidder becomes entitled to compulsorily acquire your CNW Shares, it intends to do so. If your CNW Shares are compulsorily acquired by the Bidder, it will be on the same terms (including the same consideration for each CNW Share acquired) as the Offer. However, you will receive the money later than the CNW Shareholders who choose to accept the Offer.</p> <p>If the Bidder does not become entitled to compulsorily acquire your CNW Shares, you will remain a CNW Shareholder.</p> <p>In certain circumstances, the Bidder may seek to remove CNW from the official list of the ASX.</p> <p>For more information on Bidder's intentions, please see section 10 of this Bidder's Statement.</p>
<p><b>What is the Bidder's Statement?</b></p>	<p>This Bidder's Statement has been prepared by the Bidder for distribution to CNW Shareholders. It contains information about the Offer and other information relevant to your decision whether to accept the Offer. You should read this Bidder's Statement in its entirety.</p>
<p><b>What are the Australian income tax and stamp duty implications of accepting the Offer?</b></p>	<p>A general summary of the Australian income tax and stamp duty consequences of accepting the Offer for certain CNW Shareholders is set out at section 11 of this Bidder's Statement.</p> <p>You should not rely on that summary as advice for your own affairs. You should consult your taxation adviser for detailed taxation advice applicable to your circumstances before making a decision as to whether or not to accept the Offer for your CNW Shares.</p>

## 4. SUMMARY OF THE OFFER

Key Details	Summary
<b>Will I need to pay brokerage if I accept the Offer?</b>	You should check with your Broker or nominee holder who would accept the Offer on your behalf whether any brokerage or other fee will be payable by you in accepting the Offer. Any brokerage fees charged by your broker or nominee will be the sole responsibility of the accepting CNW Shareholder.
<b>Can the Bidder withdraw the Offer?</b>	<p>The Bidder may withdraw the Offer in respect of any Offers that are unaccepted at any time:</p> <ul style="list-style-type: none"> <li>• with the written consent of ASIC and subject to the conditions (if any) specified in such consent;</li> <li>• where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence the Bidder's Voting Power in CNW is at or below 50%; or</li> <li>• upon the occurrence of an Insolvency Event in relation to CNW (regardless of the Bidder's Voting Power in CNW).</li> </ul> <p>Notice of withdrawal of the Offer will be given by the Bidder to ASX.</p>
<b>Can I withdraw my acceptance?</b>	Once you accept the Offer, you will be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you and you will be unable to withdraw your acceptance, or otherwise dispose of your CNW Shares to which the acceptance relates, unless a withdrawal right arises under the Corporations Act or the ASX Settlement Operating Rules.
<b>How does the Offer apply to CNW Options?</b>	<p>The Offer will not extend to the acquisition of any CNW Options currently on issue (or any other securities convertible into, or otherwise confer rights to be issued, CNW Shares that may become on issue during the Offer Period).</p> <p>However, the Offer will extend to all CNW Shares that are issued at any time prior to the close of the Offer Period as a result of conversion of CNW Options or other convertible securities that were on issue prior to the Announcement Date.</p>
<b>Where to go if I require further information or have questions?</b>	If you have any questions about the Offer, please call the Offer Information Line on 1800 990 479 between 9.00am to 5.00pm (Melbourne time) on Business Days, or contact your legal, financial or other professional adviser.

## 5. REASONS WHY YOU SHOULD ACCEPT THE OFFER

The Bidder is offering to acquire 100% of CNW for 3.2 cents cash per CNW Share. Reasons for accepting the Offer are set out below:

### 5.1 ACCEPTING THE OFFER ALLOWS YOU TO REALISE IMMEDIATE VALUE FOR YOUR CNW SHARES

The Offer is unconditional and provides an opportunity for an immediate exit from your investment in CNW Shares. This means that you can sell any or all of your CNW Shares for 3.2 cents cash per CNW Share on the market immediately and be paid cash for those CNW Shares 2 Trading Days after your acceptance of the Offer.

Over the last three months, CNW Shares have generally been thinly traded.

Under the Offer, you may sell your CNW Shares to the Bidder immediately. FinClear will stand in the market on behalf of the Bidder to acquire CNW Shares offered to it on ASX at the Offer Price on and from the Announcement Date until Offer closing date.

If you do not accept the Offer, there is no certainty that you would be able to liquidate your entire CNW shareholding following the close of the Offer.

### 5.2 THE ALL-CASH OFFER PROVIDES CERTAINTY OF VALUE FOR YOUR CNW SHARES

Accepting the Offer will enable you to realise a certain value for your CNW Shares. If you accept the Offer (which is unconditional), you will:

- be paid 3.2 cents cash for each of your CNW Shares; and
- be paid 2 Trading Days after your acceptance.

If you accept the Offer, you will eliminate your exposure to the risks and uncertainties inherent in owning CNW Shares. By contrast, if you do not accept the Offer, the amount which you will be able to realise for your CNW Shares is uncertain.

### 5.3 IF YOU DO NOT ACCEPT, YOU MAY BE EXPOSED TO A VARIETY OF RISKS

If you do not accept the Offer, there are potential risks associated with continuing to hold CNW Shares, including as follows.

#### Risks of being a minority shareholder

As the Offer is unconditional, all offers accepted by CNW Shareholders will be settled immediately on a normal T+2 basis.

If you do not accept the Offer and the Bidder acquires more than 50% of the CNW Shares (on a fully diluted basis) but does not achieve the threshold for compulsory acquisition:

- you may be left with a small shareholding;
- the CNW Shareholder spread after the Offer is completed may be less than required under the ASX Listing Rules; and
- the ASX may choose to suspend or de-list CNW in which case, the liquidity in CNW Shares may be severely impacted.

#### Liquidity Risk

Depending on the level of acceptances the Bidder receives under the Offer, the market for CNW Shares may become even less liquid than at present. This could make it more difficult for you to sell your CNW Shares at an attractive price in the future.

## 5. REASONS WHY YOU SHOULD ACCEPT THE OFFER

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### **If the Bidder becomes entitled to compulsorily acquire your securities**

If the Bidder becomes entitled to compulsorily acquire your CNW Shares, it intends to exercise those rights. If your CNW Shares are compulsorily acquired, you will still receive the consideration offered under the Offer, but at a later time than you would have received it if you had accepted the Offer (which would have been settled immediately following the acceptance on a normal T+2 basis).

### **5.4 THE OFFER IS THE ONLY TAKEOVER OFFER PRESENTLY AVAILABLE FOR YOUR CNW SHARES**

As at the date of this Bidder's Statement, the Bidder is not aware of any other party intending to make a takeover offer for CNW Shares. The Offer is the only takeover offer presently available for all CNW Shares as at the date of this Bidder's Statement. The Offer represents a liquidity opportunity for CNW Shareholders to sell all their CNW Shares for the Offer Price. If no other offers are made for the CNW Shares, the price of CNW Shares may fall below the Offer Price after the Offer closes.

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## 6. PROFILE OF WEBCENTRAL AND THE WEBCENTRAL GROUP

### 6.1 OVERVIEW AND BUSINESS

Webcentral is an Australian owned, full-service supplier of digital services to small and medium businesses who are in the various stages of their online journey. Since being established in 1996, Webcentral (previously called Melbourne IT Limited and Arq Group Limited) has enabled small businesses to implement online services to secure their share of Australia's growing digital economy. Since launching, the business has driven digital success for more than one million Australian and New Zealand businesses.

Webcentral was initially focussed on domain name registration and management in addition to website hosting, and has evolved to become a leading digital service provider offering a full suite of online services. In 2021, the business services have extended to include digital growth solutions to improve online performance, managed protection of online identity and brand for customers in addition to digital marketing and website development. Through these products and services, Webcentral now supports over 330,000 customers.

Webcentral also supplies services under the brands Melbourne IT and in New Zealand Domainz.

In 2020, pursuant to an off-market takeover bid by 5G Networks Limited (**5GN**), 5GN became the controlling shareholder of Webcentral.

### 6.2 5GN

5GN is a licenced telecommunications carrier operating across Australia. Its mission is to be Australia's partner of choice for unifying a seamless digital experience for ITS customers across data connectivity, cloud and data centre services, underpinned by expert managed services in the business-to-business market. 5GN currently owns and operates its own nationwide highspeed fibre network with over 70km of fibre installed, with points of presence in all major Australian capital cities. In addition, 5GN offers managed cloud solutions, 900 Tb capacity as well as 90 managed services personnel across 12 offices to optimise customers' IT and network environments. Supporting this is 5GN's combined rack capacity of over 1,000 racks through its owned and operated data centres in Melbourne, Sydney, Brisbane and Adelaide.

The operational functions at 5GN support a range of telecommunication services which serve both Australian and international customers across mid-market corporate, enterprise and government markets. The business offers products and services comprising private data networking and broadband solutions, IP voice applications, data centre services, private cloud platforms in 5 capital cities and managed IT solutions. In addition, 5GN sells a range of hardware and software solutions from market leading technology vendors.

To deliver continued organic growth, 5GN recently launched a significant strategy to invest in Australia's wholesale market for supporting smaller telecommunication companies and managed service providers. In addition to improving the infrastructure utilisation at 5GN, this plan has also opened both national and international opportunities for profitable revenue growth. One of the key capital investment programs at 5GN has been the ongoing deployment of high-speed fibre, which will connect and integrate more than 80 data centres in Brisbane, Sydney, Melbourne, Adelaide and Perth. Once complete, it will create one of the largest private networks for data centre and cloud inter-connectivity in Australia.

### 6.3 PROPOSED MERGER WITH 5GN

On 16 July 2021 Webcentral and 5GN announced a proposed merger (**Merger**) by way of a scheme of arrangement (**Scheme**). Under the Scheme 5GN shareholders will receive 2 Webcentral shares for each 5GN share held on the record date. Following the Merger the business and operations of Webcentral will include the business and operations of 5GN.

As a result of the Merger between Webcentral and 5GN, several operational functions will be integrated. This outcome will include the retirement and integration of several service delivery and customer support platforms, and CRM systems can be rationalised and supporting technology consolidated. In addition, the sales and marketing functions will be consolidated and managed to scale the effective optimisation of all brands and the streamlining of business

## 6. PROFILE OF WEBCENTRAL AND THE WEBCENTRAL GROUP

processes and systems to support over 300,000 customers will continue to be activated. Whilst the Merger will clearly deliver cost synergies through this transformation activity, 5GN will also experience improved utilisation of existing infrastructure assets such as 5GN private cloud solutions for hosting services and cross selling of many products into the 330,000 Webcentral customers.

Webcentral expects that the first Court hearing for the Scheme will be in September 2021, the Scheme meeting and second Court hearing in October and implementation of the Merger in early November 2021.

### 6.4 WEBCENTRAL BOARD

The Webcentral Board as at the date of this Bidder's Statement consists of:

#### (a) Joe Gangi (Non-Executive Chairman)

Mr Joe Gangi has over 30 years of experience in corporate management and governance and has been an independent director of 5GN since the company's inception and initial IPO. He is a member of the RMIT University, Engineering Faculty, Industry Advisory Committee and is an active advisor to several private sector boards. He also provides strategic planning and consulting services to the Local Government sector. His expertise lies in business management and leadership with a focus on business sustainability, growth and development, strategic and client relationship management and risk management.

#### (b) Joseph Demase (Managing Director)

Mr Joe Demase comes from a background in building a host of successful businesses including being the founder of 2 ASX listed telecommunications companies. With over 9 years of experience as a public company director, he has proven his ability a number of times to improve the performance of and turn around underperforming companies. Further to this, Joe has experience in the telecommunications sector in both Australia and UK, along with over 25 years of business experience, allowing Joe to skilfully identify market opportunities. Joe displays an abundance of experience, having succeeded in a broad range of executive positions.

#### (c) Natalie Mactier (Non-Executive Director)

Natalie spent the first decade of her professional life in sales before taking on the role of SEEK.com.au's inaugural Marketing Manager in 2003. After 6 years building the SEEK brand, she left to join SEEK's original CMO at her new start-up; Kidspot.

Natalie helped scale Kidspot into the leading parenting website in Australia and was part of the executive team who took the business to market to be acquired by News Corporation. Natalie became Kidspot's CEO following the acquisition. In 2014 Natalie was approached by Square Peg Capital to build an innovative online platform for private school vacancies, which led to the launch of School Places.

As CEO of School Places, Natalie oversaw two funding rounds and offshore expansion. In 2018, Natalie became the CEO of Vivi International, a global B2B SaaS organisation.

The Webcentral Board may be restructured if the Merger proceeds to include some of the current 5GN directors. Webcentral expects that each of the current Webcentral directors will remain a director.

## 7. PROFILE OF CNW AND THE CNW GROUP

### 7.1 DISCLAIMER

The information in this section concerning the CNW Group has been prepared based on a review of publicly available information (which has not been independently verified).

Neither the Bidder nor any of its directors makes any representation or warranty, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

The information on CNW in this Bidder's Statement should not be considered comprehensive.

Further information relating to CNW may be included in its Target Statement in relation to the Offer, which will be sent to you directly by CNW.

### 7.2 OVERVIEW OF THE CNW GROUP AND ITS PRINCIPAL ACTIVITIES, ASSETS AND OPERATIONS

CNW is an Australia-based company that is engaged in providing information technology services with a focus on technology consulting, solution integration and managed services using hybrid infrastructure. CNW is a solutions integrator, which provides bespoke technology solutions to small and medium enterprises (SME) and government organisations.

CNW's solutions include data centre and cloud solutions; convergence; storage, big data and data management; network design and optimization; business continuity; end user computing; unified communications and Internet Protocol (IP) telephony; lifecycle management; IT consulting and management, and project management. CNW's services include Nimbus level, which supports to sign up for a single offering, and Stratus, which is a bespoke mix and match of managed services and support agreements tailored for the business needs.

### 7.3 CNW DIRECTORS AND MANAGEMENT

The CNW Board and key management personnel as at the date of this Bidder's Statement consists of:

#### (a) Andrew Milner – Non-Executive Director and Chairman

Andrew Milner is a veteran of the Australian information communications technology industry and has more than 20 years' experience in managing successful high-growth technology businesses.

Founding Wantree Internet (Wantree) in 1995 (which became one of Australia's first commercial Internet Service Providers), he was appointed to the iiNet board when Wantree was vended into the iiNet Limited IPO in 1999. Mr Milner spent 9 years with that company in a variety of executive and non-executive director roles. iiNet grew to a \$1.4 billion market capitalization with over 2,000 staff and \$1 billion in annual revenue, prior to being acquired by TPG Telecom Limited in 2015.

From 2004, Mr Milner was co-founder and non-executive Chairman of L7 Solutions, one of WA's fastest growing systems integrators, with a turnover of \$55m at the time of its acquisition by Amcom Telecommunications in 2011.

During the previous 3 years, Mr Milner has not held any other directorships in listed entities.

#### (b) Matthew Sullivan – Chief Executive Officer

Matthew Sullivan has more than 20 years' experience in the information technology (IT) industry and has held various executive roles within strong performing and high growth IT organisations in Australia. He was CEO and co-founder (with Mr Milner) of L7 Solutions in 2004 until its 2011 acquisition by Amcom.

During this time, CNW was awarded numerous industry accolades including:

- 5th fastest growing WA company in 2007 (WA Business News)
- 18th fastest growing Australian company in 2008 (BRW Fast 100)
- 2005 Cisco A/NZ Partner of the Year; and
- 2010 EMC WA partner of the Year.

## 7. PROFILE OF CNW AND THE CNW GROUP

Mr Sullivan was also a 2005 and 2008 winner of the WA Business News "40 under 40" and Western Region finalist in the 2010 Ernst & Young Entrepreneur of the Year.

Most recently Mr Sullivan has been Chief Solutions Officer of Amcom and Chief Operations Officer at Comcentre. During the previous 3 years, Mr Sullivan has not held any other directorships in listed entities.

**(c) Daniel Rohr – Non-Executive Director**

Daniel Rohr is a Chartered Accountant with a Bachelor of Commerce degree and has over 25 years management, corporate advisory, finance and accounting experience across a range of listed and unlisted companies in Australia and overseas.

He is currently the CFO of HealthEngine Pty Limited and has acted as a corporate advisor for a number of listed and non-listed businesses in the IT and mining sectors. Mr Rohr has extensive experience in managing the development of high growth companies in the digital, mining, real estate and financial services industries.

During the previous 3 years, Mr Rohr has held the role of non-executive director of Velpic Limited.

**(d) Paul Everingham – Non-Executive Director**

Mr Everingham is Chief Executive Officer of the Chamber of Minerals & Energy of Western Australia.

Prior to joining the Chamber of Minerals & Energy, Paul held numerous senior executive roles in business and government including; Chief Executive of Marketforce Australia, a leading Australian advertising agency; Founder and Managing Director of GRA Everingham Advisory, Western Australia's premier government relations advisory business; Executive Director of the Liberal Party of Australia (WA); and as a Senior Adviser in the Commonwealth Treasury.

Paul has a Bachelor of Commerce from the University of Queensland; a Post Graduate Diploma in Applied Finance & Investment from the University of NSW; and a Graduate Certificate in Financial Mathematics from Queensland University of Technology.

During the previous 3 years, Mr Everingham has not held any other directorships in listed entities.

**(e) Chris McLaughlin – Chief Operating Officer**

20 years of industry experience in business management, engineering, IT and professional services with a history of growth and career progression.

**(f) Matt Green – Chief Financial Officer**

Chartered accountant with over 20 years of combined commercial and finance experience holding senior roles across multiple sectors.

### 7.4 SUBSTANTIAL SHAREHOLDERS

As at the date of this Bidder's Statement substantial shareholders in CNW were as follows:

Substantial holder	Number held	Voting Power
Webcentral Group Limited	82,323,375	8.86%

### 7.5 OTHER MATERIAL INFORMATION ABOUT THE CNW GROUP

CNW will have the opportunity to disclose in its Target's Statement any information about the CNW Group it considers CNW Shareholders would reasonably require to make an informed assessment as to whether to accept the Offer.

## 7. PROFILE OF CNW AND THE CNW GROUP

### 7.6 PUBLICLY AVAILABLE INFORMATION ABOUT THE CNW GROUP

CNW is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, CNW is subject to the listing rules of ASX which require continuous disclosure of any information CNW has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX maintains files containing publicly disclosed information about all listed companies. CNW file is available for inspection at ASX during normal business hours or online at <https://www.asx.com.au/>. CNW's Annual Report for the year ended 30 June 2020 was given to the ASX on 25 August 2020. On 17 February 2021, CNW issued its half year results for the six months ending 31 December 2020. Copies of announcements made by CNW to ASX are available on the ASX website <https://www.asx.com.au/>.

The ASX announcements made by CNW between 17 February 2021 (being the date of release of CNW's Half Year Report for the six months ended 31 December 2020) and the date of this Bidder's Statement are listed below:

26/07/2021 1:06 PM	Notification of cessation of securities - CNW
22/07/2021 7:16 PM	Ceasing to be a substantial holder
14/07/2021 6:11 PM	Ceasing to be a substantial holder from WMI
05/07/2021 6:58 PM	FY21 Trading Update
01/07/2021 11:18 AM	Notification of cessation of securities - CNW
01/07/2021 11:13 AM	Application for quotation of securities - CNW
08/06/2021 1:10 PM	Notification regarding unquoted securities - CNW
04/06/2021 5:09 PM	Change in substantial holding from WMI
04/06/2021 11:17 AM	App 2A - Application for Quotation on Exercise of Options
04/06/2021 11:05 AM	DESOP option cancellation
28/05/2021 12:51 PM	App 2A - Application for Quotation on Exercise of Options
25/05/2021 1:47 PM	Cancellation of DESOP Options
21/05/2021 1:37 PM	App 3G - Issue of staff DESOP options
12/05/2021 12:49 PM	App 2A - Application for Quotation on Exercise of Options
05/05/2021 3:48 PM	App 2A - Application for Quotation on Exercise of Options
19/04/2021 12:51 PM	App 2A - Application for Quotation on Issue of Options

## 7. PROFILE OF CNW AND THE CNW GROUP

06/04/2021 8:16 AM	Cancellation of Unlisted Options
31/03/2021 8:52 AM	Leading Organisations Extend Managed Services Contracts
30/03/2021 4:21 PM	App 2A - Application for Quotation on Exercise of Options
12/03/2021 8:32 AM	Significant Managed Services Contract - Geoscience Aust
08/03/2021 12:02 PM	Cancellation of Unlisted Options
04/03/2021 1:16 PM	App 2A - Application for Quotation on Exercise of Options
24/02/2021 11:15 AM	App 3G Issue of Staff DESOP Options
22/02/2021 11:34 AM	Cancellation of Unlisted Options
17/02/2021 8:16 AM	Investor Presentation
17/02/2021 8:15 AM	Continued Growth Drives Record H1
12/02/2021 2:38 PM	App 2A - Application for Quotation on Exercise of Options
09/02/2021 12:47 PM	Cancellation of Unlisted Options
05/02/2021 4:37 PM	App 2A - Application for Quotation on Exercise of Options
29/01/2021 1:27 PM	App 2A - Application for Quotation on Exercise of Options
15/01/2021 1:06 PM	App 2A - Application for Quotation on exercise of options
04/01/2021 5:03 PM	App 2A - Application for Quotation on Exercise of Options

In addition, CNW is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by CNW may be obtained from, or inspected at, an ASIC office or through the ASIC Connect website at <https://asicconnect.asic.gov.au/>.

Further information about CNW (including copies of its financial statements) is available at <https://cirrusnetworks.com.au/>

## 8. INFORMATION ABOUT CNW'S SECURITIES

### 8.1 DISCLAIMER

The information in this section concerning the CNW Group has been prepared based on a review of publicly available information (which has not been independently verified). Neither the Bidder nor any of its directors make any representation or warranty, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

The information on CNW in this Bidder's Statement should not be considered comprehensive.

Further information relating to CNW may be included in its Target Statement in relation to the Offer, which will be sent to you directly by CNW.

### 8.2 CAPITAL STRUCTURE

According to documents lodged by CNW with ASX, as at the date of this Bidder's Statement, CNW has the following securities on issue:

- 928,715,314 CNW Shares; and
- 90,600,000 CNW Options.

The Target's Statement may provide further detail on the CNW Options.

### 8.3 CNW OPTIONS

According to documents lodged by CNW with ASX, as at the date of this Bidder's Statement, CNW has the following unlisted CNW Options on issue:

Options	Number held
CNWAG : OPTION EXPIRING 22-NOV-2021 EX \$0.035	4,250,000
CNWAH : OPTION EXPIRING 22-NOV-2021 EX \$0.045	4,250,000
CNWAQ : OPTION EXPIRING 30-JUN-2022 EX \$0.035	3,825,000
CNWAR : OPTION EXPIRING 30-JUN-2022 EX \$0.045	3,825,000
CNWAS : OPTION EXPIRING 31-DEC-2022 EX \$0.06	4,600,000
CNWAU : OPTION EXPIRING 31-DEC-2022 EX \$0.08	4,600,000
CNWAU : OPTION EXPIRING 18-APR-2023 EX \$0.045	5,000,000
CNWAV : OPTION EXPIRING 18-OCT-2024 EX \$0.06	5,000,000
CNWAU : OPTION EXPIRING 30-JUN-2023 EX \$0.035	1,500,000
CNWAU : OPTION EXPIRING 30-JUN-2023 EX \$0.045	1,500,000
CNWAY : OPTION EXPIRING 11-OCT-2023 EX \$0.045	7,500,000
CNWAZ : OPTION EXPIRING 11-OCT-2023 EX \$0.06	7,500,000
CNWAU : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	10,000,000
CNWAJ : OPTION EXPIRING 11-NOV-2023 EX 7C	1,250,000
CNWAU : OPTION EXPIRING 11-NOV-2023 EX 9C	1,250,000

## 8. INFORMATION ABOUT CNW'S SECURITIES

Options	Number held
CNWAL : OPTION EXPIRING 31-DEC-2023 EX 3.5C	2,200,000
CNWAM : OPTION EXPIRING 31-DEC-2023 EX 4.5C	2,200,000
CNWA0 : OPTION EXPIRING 30-JUN-2023 EX 5C	1,500,000
CNWAP : OPTION EXPIRING 30-JUN-2023 EX 7C	1,500,000
CNWAAE : OPTION EXPIRING 30-JUN-2022 EX \$0.035	5,425,000
CNWAAF : OPTION EXPIRING 30-JUN-2022 EX \$0.045	5,425,000
CNWAAB : OPTION EXPIRING 30-JUN-2024 EX \$0.045	3,250,000
CNWAAC : OPTION EXPIRING 30-JUN-2024 EX \$0.06	3,250,000
	<b>90,600,000</b>

### 8.4 RECENT SHARE PRICE PERFORMANCE

The last recorded sale price of CNW Shares on ASX on 29 July 2021 (being the Trading Day prior to the Announcement Date) was \$0.031.

On ASX, during the 12 months ended 29 July 2021:

- the highest recorded sale price for CNW Shares was \$0.038 on 19 August 2020; and
- the lowest recorded sale price for CNW Shares was \$0.025 on 9 July 2021.

### 8.5 DEALINGS IN CNW SHARES

Neither the Bidder nor any associate of Bidder has provided, or agreed to provide, consideration for CNW Shares under any purchase or agreement during the 4 months before the date of this Bidder's Statement, except as set out below:

Date of Dealing	Price (A\$)	Number of CNW Shares acquired	Nature of dealing
9 July 2021	\$1,320,234.18	44,007,806 fully paid ordinary shares	These shares were acquired through a nominee on behalf of the Bidder and have subsequently been transferred to the Bidder as beneficial owner
26 July 2021	\$48,585.50	1,518,297 fully paid ordinary shares	On market acquisition in ordinary course of trading on ASX
27 July 2021	\$28,800.00	900,000 fully paid ordinary shares	On market acquisition in ordinary course of trading on ASX
28 July 2021	\$25,588.97	860,077 fully paid ordinary shares	On market acquisition in ordinary course of trading on ASX
30 July 2021	\$28,128.12	937,604 fully paid ordinary shares	On market acquisition in ordinary course of trading on ASX

The highest paid or agreed to be paid in that 4 months period by the Bidder for CNW Shares was \$0.032 cash per CNW Share.

## 9. SOURCES OF CONSIDERATION

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### 9.1 TOTAL CASH CONSIDERATION

The consideration for the acquisition of the CNW Shares to which the Offer relates will be wholly satisfied by the payment of cash (in Australian dollars).

At the Announcement Date, CNW has 928,715,314 shares on issue. If acceptances are received for all CNW Shares on issue or if the Bidder becomes entitled to and exercises the right of compulsory acquisition under the Corporations Act, the amount of cash consideration that the Bidder would be required to pay would be \$29,718,890.

For the purposes of this Bidders Statement Webcentral has taken the view that given the current trading price of CNW shares it is not likely that any CNW Options are likely to be exercised. The lowest exercise price of any CNW Option on issue is \$0.035.

Accordingly, the maximum amount that the Bidder could be required to pay under the Offer is \$29,718,890 (**Maximum Cash Consideration**). The Bidder has already paid cash in the amount of \$2,604,345 in respect of CNW Shares acquired prior to the date of this Bidder's Statement.

### 9.2 BIDDER FUNDING ARRANGEMENTS

The maximum amount that the Bidder could be required to pay under the Offer in respect of CNW Shares not yet acquired is \$27,114,545.

The Bidder has funding available to pay this amount from internal cash resources and loan facilities available from its parent company 5GN and the Commonwealth Bank of Australia.

### 9.3 PROVISION OF CONSIDERATION

On the basis of the arrangements described in this section 9, the Bidder believes that it has reasonable grounds for holding the view, and does hold the view, that it will be able to provide the consideration offered under the Offer, as well as meet associated transaction costs.

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## 10. BIDDER'S INTENTIONS IN RELATION TO CNW

### 10.1 INTRODUCTION

This section 10 sets out the Bidder's intentions in relation to:

- (a) the continuation of the business of CNW;
- (b) any major changes to be made to the business of CNW, including any redeployment of CNW property; and
- (c) the future employment of the present employees of CNW.

These intentions are based on the information concerning CNW, its business and the general business environment which is known to the Bidder at the time of preparation of this Bidder's Statement.

Given that the Bidder has not had the benefit of a due diligence investigation into CNW, the Bidder does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions. Final decisions regarding these matters will only be made by the Bidder in light of material information and circumstances at the relevant time.

Accordingly, the statements set out in this section 10 are statements of current intent only (based on publicly available information) which may change as new information becomes available to the Bidder or as circumstances change.

### 10.2 SPECIFIC INTENTIONS - CNW OPTIONS

The Offer does not extend to any CNW Options. However, the Offer will extend to CNW Shares that are issued and listed for quotation on the ASX at any time during the Offer Period as a result of the exercise of any CNW Options.

### 10.3 POST OFFER REVIEW

After the Offer Period, the Bidder intends to undertake a general review of CNW operations covering current strategy, financials and operating matters.

Consequently, the statements set out in this section 10 are statements of the Bidder's current intentions only and may vary as circumstances and further information arise. The statements and intentions set out in this section should be read in that context.

### 10.4 INTENTIONS UPON THE BIDDER ACQUIRING 90% OR MORE OF THE CNW SHARES

This section 10.4 describes the intentions of the Bidder if at the end of the Offer Period, the Bidder acquires a Relevant Interest in at least 90% of the CNW Shares on issue. In those circumstances, the current intentions of the Bidder are as follows.

#### (a) Corporate matters

- (i) The Bidder will proceed with compulsory acquisition of the outstanding CNW Shares in accordance with the provisions of Chapter 6A.1 of the Corporations Act;
- (ii) If a compulsory acquisition process is completed, the Bidder would procure the removal of CNW from the official list of ASX;
- (iii) The Bidder will review, and possibly replace, all or some of the current CNW directors, noting that the Bidder has not yet determined the precise size or composition of the CNW Board in such circumstances;
- (iv) The Bidder will review the holding structure of CNW Group and CNW's assets with a view to determining the optimal structure for the CNW Group under the 100% ownership of the Bidder.

## 10. BIDDER'S INTENTIONS IN RELATION TO CNW

### (b) General strategic and operational review

The Bidder intends to conduct a general review of CNW's operations on both a strategic and operational level to evaluate CNW's performance, prospects and profitability in relation to the business. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

### (c) Management and employees

The Bidder recognises CNW management and employees to be an integral part of the CNW business and its success. The Bidder looks forward to working constructively with all employees in an open and transparent manner. As noted in section 10.3 of this Bidder's Statement, following the conclusion of the Offer, the Bidder will undertake a general review of CNW operations. Part of that review will include an assessment of whether existing management and employee staffing arrangements are appropriate taking into account the future needs of CNW and any outcomes of the general strategic and operational review, which may result in changes to the existing workforce.

## 10.5 INTENTIONS UPON THE BIDDER ACQUIRING LESS THAN 90% OF THE CNW SHARES

This section 10.5 sets out the Bidder's intentions if the Bidder were to acquire a Relevant Interest in more than 50% but less than 90% of CNW Shares on issue. In those circumstances, the current intentions of the Bidder are as follows.

### (a) Corporate matters

- (i) The Bidder will review CNW's listing on ASX and consider whether the benefits of a listing on the ASX justify the additional corporate and compliance costs of maintaining this listing. If CNW maintains its listing on the ASX, CNW Shareholders should be aware that the liquidity of CNW Shares on the ASX may be materially diminished.
- (ii) Subject to the Corporations Act and CNW's constitution and all other relevant matters, the Bidder intends to seek board representation so that the Bidder nominees are commensurate with the Bidder's shareholding in CNW. The identity of the proposed nominees to the CNW Board will be the subject of discussion with the CNW Board at the relevant time.

### (b) General strategic and operational review and review of management and employees

If the Bidder controls CNW following the close of the Offer, the Bidder currently intends to endeavour to procure that the CNW Board acts consistently with the intentions of the Bidder set out in sections 10.4(b) and 10.4(c) of this Bidder's Statement.

### (c) Further acquisition of CNW Shares

The Bidder may, at some later time, acquire further CNW Shares in a manner consistent with the Corporations Act.

## 10.6 INTENTIONS IF THE BIDDER DOES NOT ACQUIRE MORE THAN 50% THE CNW SHARES

If the Offer closes and the Bidder has not acquired a Relevant Interest in more than 50% of CNW Shares:

- (a) the Bidder does not expect to be in a position to give effect to the intentions set out in sections 10.4(b) and 10.4(c) of this Bidder's Statement, but aims to work with the CNW Board to implement those intentions to the extent possible and to the extent they remain appropriate;
- (b) the Bidder will seek to obtain representation on the CNW Board which is at least consistent with its proportionate shareholding; and
- (c) the Bidder would have regard to the circumstances at the time and consider the appropriate courses of action that are in the best interests of the Bidder.

## 10. BIDDER'S INTENTIONS IN RELATION TO CNW

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### 10.7 LIMITATIONS ON INTENTIONS

The intentions and statements of future conduct set out in this section 10 must be read as being subject to:

- (a) the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and 'related party' transactions, given that if the Bidder obtains control of CNW but does not acquire all of the CNW Shares, it will be treated as a related party of CNW for these purposes;
- (b) the legal obligation of the directors of CNW at the time, including any nominees of the Bidder, to act in good faith and in the best interests of the Bidder for proper purposes and to have regard to the interests of all CNW Shareholders; and
- (c) the outcome of the reviews referred to in this section 10.

## 11. TAX CONSIDERATIONS

### 11.1 INTRODUCTION

The Information in this section is intended to provide a general overview of the Australian income and capital gains tax implications for Australian residents who accept the Offer.

This summary is not intended to be comprehensive and is based upon the Bidder's interpretation of Australian income tax legislation currently in force at the date of this Bidder's Statement. CNW Shareholders should not rely on the information in this section as advice in relation to their own affairs.

The taxation laws are complex and there could be implications in additions to those described in this section. Shareholders should seek independent professional advice in relation to their own particular circumstances.

The information in this section does not apply to non-resident CNW Shareholders and CNW Shareholders who have received their CNW Shares in their capacity as employees of CNW. Non-resident and employee CNW Shareholders should also obtain their own independent advice.

### 11.2 CNW SHARES HELD AS A CAPITAL INVESTMENT

CNW Shareholders who accept the Offer will dispose of their CNW Shares by way of transfer to Webcentral. This disposal will constitute a capital gains tax event for Australian capital gains tax purposes.

CNW Shareholders whose cost base for the acquisition of their CNW Shares is less than the Offer Price, will make a capital gain on the disposal of their CNW Shares to Webcentral. The cost base will generally be the cost of acquisition of the CNW Shares.

If an individual makes a capital gain from the disposal of their CNW Shares which have been held for at least 12 months before disposal, the individual will be taxed on only 50% of the gain. If the CNW Shares have been held for less than 12 months, the individual will be taxed on 100% of the gain. If a trustee of a superannuation fund makes a capital gain from the disposal of CNW Shares which have been held for at least 12 months before disposal, the trustee will be taxed on only  $\frac{2}{3}$  of the gain.

CNW Shareholders whose cost base of acquiring their CNW Shares is greater than the Offer Price will make a capital loss if they accept the Offer. In calculating the capital loss, the reduced cost base is not indexed for inflation irrespective of how long the CNW Shares have been held. Capital losses may be offset against capital gains arising in the same year of income to determine the net capital gain. Any net capital gain is included in the CNW Shareholder's assessable income and is subject to income tax. Capital losses may not be offset against other income for income tax purposes, but may be carried forward to offset against future capital gains.

### 11.3 CNW SHARES HELD AS REVENUE ASSETS

Australian resident CNW Shareholders may be subject to the general income tax provisions (rather than the capital gains tax provisions) in respect of the profit or loss made from the disposal of their CNW Shares to Webcentral in some circumstances. For example, this will occur if a CNW Shareholder is in the business of trading in securities or their CNW Shares were acquired with a dominant purpose of making a profit from a subsequent sale.

In these circumstances, a taxable gain will arise if the Offer Price exceeds a CNW Shareholder's cost of acquiring its CNW Shares. A loss will arise if the Offer Price is less than the price paid for the CNW Shares by the CNW Shareholder. This loss may be offset against profits or capital gains made by the CNW Shareholder.

## 12. ADDITIONAL INFORMATION

### 12.1 RELEVANT INTERESTS AND VOTING POWER

As at the date of this Bidder's Statement:

- (a) the Bidder holds a Relevant Interest of approximately [insert]% in the CNW Shares; and
- (b) the Bidder does not hold Relevant Interest in any CNW Options.

Neither the Bidder nor any of its Associates has provided, or agreed to provide, consideration for a CNW Share under a purchase or agreement to purchase during the 4 months before the date of this Bidder's Statement except as set out in this Bidder's Statement and in this section 12.1.

On 28 July 2021 Webcentral and WAM Microcap Limited (WAM) entered into an agreement for the sale and purchase of 34,099,591 CNW Shares (WAM Shares) for a price of \$1,091,186.91 (calculated on the basis of a price of 3.2 cents per CNW Share) (WAM Agreement). Under the WAM Agreement Webcentral and WAM agreed that completion of the sale of the WAM Shares would occur 60 days after the date of the WAM Agreement and that WAM would be entitled to sell into any takeover bid made by Webcentral or an associate and at that time the WAM Agreement would be terminated. Webcentral acquired a relevant interest in the WAM Shares on 28 July 2021 by reason of executing the WAM Agreement.

### 12.2 NO COLLATERAL BENEFITS

Except as set out in this Bidder's Statement, during the period commencing 4 months before the date of this Bidder's Statement, and during the period from the date of this Bidder's Statement to the date before the date of the Offer, neither the Bidder nor any of their Associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (a) accept the Offer; or
- (b) dispose of CNW Shares,

and which is not offered to all holders of CNW Shares under the Offer.

### 12.3 NO ESCALATION AGREEMENTS

Neither the Bidder nor any of their Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

### 12.4 NO PRE-OFFER BENEFITS

ASIC has published various legislative instruments (including class orders) providing for modifications and exemptions that apply generally to all persons, including the Bidder, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, the Bidder has relied on:

- (a) the modification to section 636(3) of the Corporations Act as set out in paragraph 5(d) of ASIC Class Order 13/521 to include references to certain statements by CNW in this Bidder's Statement without obtaining the consent of those persons. The relevant statements were respectively taken from announcements released to the ASX by CNW and from the CNW Group's website: <https://cirrusnetworks.com.au/>. As required by Class Order 13/521, the Bidder will make available a copy of these documents (or relevant extracts of these documents), free of charge, to CNW Shareholders who request them during the Offer Period. To obtain a copy of these documents (or the relevant extracts), CNW Shareholders may contact the Offer Information Line on 1800 990 479 between 9.00am to 5.00pm (Melbourne time) on Business Days; and
- (b) ASIC Corporations (Consents to Statements) Instrument 2016/72, which permits Bidder's Statements to include, or be accompanied by, statements that fairly represent what purports to be a statement by an official person, from a public official document or a published book, journal or comparable publication.

## 12. ADDITIONAL INFORMATION

The Bidder reserves the right to request ASIC to modify Chapter 6 in the Corporations Act to allow a reduction in the Offer Price equal to the value of any Rights paid to CNW Shareholders in respect of their CNW Shares from the Announcement Date until the end of the Offer Period or arising as a result of any reorganisation of the capital of CNW prior to the end of the Offer Period.

### 12.5 CONSENTS

This Bidder's Statement contains statements made by, or statements based on statements made by the Bidder. The Bidder has consented to being named in this Bidder's Statement and has consented to the inclusion of:

- (a) each statement it has made; and
- (b) each statement which is said in this Bidder's Statement to be based on a statement it has made,

in the form and context in which the statements have been included, and has not withdrawn that consent.

The following firms and companies have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement:

Name of person	Named as
Cornwalls	Legal Adviser in respect of the Offer
BW Equities Pty Ltd	Financial Adviser in respect of the Offer
FinClear Services Pty Ltd	Broker for the Offer

None of these firms and companies has caused or authorised the issue of this Bidder's Statement or has in any way been involved in the making of the Offer. The Offer is made by the Bidder. Each of the above firms and companies does not make, or purports to make, any statement in this Bidder's Statement, or any statement on which a statement in this Bidder's Statement is based, other than a reference to its name.

### 12.6 OTHER MATERIAL INFORMATION

Except as disclosed in this Bidder's Statement, there is no other information that:

- (a) is material to the making of the decision by a CNW Shareholder whether or not to accept the Offer; and
- (b) is known to the Bidder, which has not previously been disclosed to CNW Shareholders.

## 13. OFFER TERMS

### 13.1 OFFER

The Bidder offers to buy all your CNW Shares on issue and listed for quotation on the official list of the ASX or to be issued and listed for quotation on the official list of the ASX from the Announcement Date and during the Offer Period on the terms and subject to the conditions set out in this section 13.

While the Offer is for all CNW Shares, if a CNW Shareholder wishes to sell some, but not all, of their CNW Shares, the CNW Shareholder is permitted to do so.

If the Bidder acquires some or all of your CNW Shares under this Offer, it will also be entitled to all Rights in respect of those CNW Shares.

The Bidder has appointed FinClear to act as Broker and accept CNW Shares offered to it at the Offer Price until the end of the Offer Period. FinClear has been or will be appointed as the Participant Bidder for the purposes of the ASX Settlement Operating Rules and the acceptance of CNW Shares offered to it will be made in accordance with those Rules.

### 13.2 OFFER PRICE

The Offer Price is 3.2 cents cash for each CNW Share.

### 13.3 NO CONDITIONS

The Offer is not subject to any conditions.

### 13.4 HOW TO ACCEPT THIS OFFER

Information on how to accept the Offer depends on the nature of your holding. You are not required to complete any forms to accept the Offer. For instructions on how to accept the Offer, please refer to section 3 of this Bidder's Statement.

### 13.5 CNW OPTIONS

This Offer will not extend to the acquisition of any CNW Options (or any other securities that confer rights to be issued CNW Shares).

However, the Offer will extend to all CNW Shares that are issued and listed for quotation on the ASX at any time during the Offer Period as a result of the exercise of any CNW Options (or any other securities that confer rights to be issued CNW Shares).

### 13.6 HOW THE OFFER WILL BE MADE

FinClear, on behalf of the Bidder, will stand in the market and purchase all CNW Shares offered to it for sale on ASX at the Offer Price from the Announcement Date, on the same terms of the Offer.

### 13.7 OFFER PERIOD

The Offer will officially commence on 16 August 2021 and will end at the close of trading on ASX on 16 September 2021 (unless extended or withdrawn in accordance with the Corporations Act).

From the Announcement Date, FinClear will stand and will continue to stand in the market to acquire on behalf of the Bidder all CNW Shares offered to it at the Offer Price, prior to the commencement of the Offer Period.

## 13. OFFER TERMS

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### 13.8 EXTENSION OF OFFER PERIOD

The Offer Period will be automatically extended by law if the Bidder's Voting Power in CNW increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after the Bidder's Voting Power in CNW increases to more than 50%.

While the Bidder may extend the Offer Period in its discretion at any time prior to the last 5 Trading Days of the Offer Period or in certain limited circumstances at any time prior to the end of the Offer Period (subject to compliance with the law).

### 13.9 PAYMENT DATE

The usual rules for settlement of transactions which occur on-market on ASX will apply in respect of the Bidder's purchase of CNW Shares on market. This means that if you accept the Offer, you will be paid on a normal T+2 basis (being 2 Trading Days after your acceptance).

### 13.10 BROKERAGE AND OTHER COSTS

As the Offer by the Bidder is pursuant to an on-market takeover bid, the Offer will be made on the ASX. Accepting CNW Shareholders may only accept the Offer through Brokers who are members of ASX. Any brokerage or other fees charged by such Brokers will be the sole responsibility of the accepting CNW Shareholder.

The Bidder will bear its own brokerage and other fees on transfers of CNW Shares acquired through acceptances of the Offer.

No stamp duty or GST will be payable by you on the transfer of CNW Shares pursuant to the Offer (other than GST payable to your Broker in respect of brokerage fees charged to you).

### 13.11 WITHDRAWAL OF OFFER

The Bidder may withdraw the Offer in respect of any Offers that are unaccepted at any time:

- (a) with the written consent of ASIC and subject to the conditions (if any) specified in such consent;
- (b) where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence the Bidder's Voting Power in CNW is at or below 50%; or
- (c) upon the occurrence of an Insolvency Event in relation to CNW (regardless of the Bidder's Voting Power in CNW).

Notice of withdrawal of the Offer will be given by the Bidder to ASX.

### 13.12 VARIATION OF OFFER

The Bidder may vary the Offer in accordance with the Corporations Act. The Offer may also be varied at law by the operation of the Corporations Act. If a CNW Shareholder has sold its CNW Shares prior to any such variation, that CNW Shareholder will not receive any benefit from the variation.

### 13.13 GOVERNING LAW AND JURISDICTION

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws of Victoria. In relation to them and related non-contractual matters each party irrevocably submits to the nonexclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

## 14. COMPANY DIRECTORY

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### 14.1 WEBCENTRAL

Webcentral Group Limited  
Level 7, 505 Little Collins Street, Melbourne VIC 3000

### 14.2 BROKER

FinClear Services Pty Ltd  
Level 3, 533 Little Lonsdale St Melbourne VIC 3000

### 14.3 FINANCIAL ADVISOR

BW Equities Pty Ltd  
Level 30, 360 Collins Street, Melbourne VIC 3000

### 14.4 SHARE REGISTRY

Link Market Services  
Tower 4, 727 Collins St, Melbourne VIC 3000

### 14.5 LEGAL ADVISORS

Cornwalls  
Level 10, 114 William Street, Melbourne, VIC 3000

### 14.6 OFFER INFORMATION LINE

1800 990 479

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## 15. APPROVAL OF BIDDER'S STATEMENT

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This Bidder's Statement has been approved under section 637(1)(a)(i) of the Corporations Act by a resolution passed by the directors of Webcentral.

Dated: 30 July 2021

Signed for and on behalf of Webcentral Group Limited



Joe Demase, Managing Director

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## 16. GLOSSARY

In this Bidder's Statement and in the Acceptance Form unless the context otherwise requires, the following terms have the meanings shown below.

- (a) **Announcement Date** means 30 July 2021, being the date on which the Offer was announced.
- (b) **ASIC** means the Australian Securities and Investments Commission.
- (c) **Associate** has the meaning given in sections 12(2) and 16 of the Corporations Act on the basis that each reference to "designated body" is read as a reference to "CNW".
- (d) **ASX** means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.
- (e) **ASX Listing Rules** means the Listing Rules of ASX.
- (f) **ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532).
- (g) **ASX Settlement Operating Rules** means the operating rules of the settlement facility provided by ASX Settlement.
- (h) **Bidder** or **Webcentral** means Webcentral Group Limited.
- (i) **Bidder's Statement** means this document, being the statement of the Bidder under Part 6.5 Division 2 of the Corporations Act (as modified by ASIC Class Order [CO 13/528]) relating to the Offer.
- (j) **Broker** means a person who is a share broker and a participant in CHESS.
- (k) **Business Day** means any day that is each of the following:
  - (i) a 'Trading Day' within the meaning given in the ASX Listing Rules; and
  - (ii) a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.
- (l) **CGT** means Australian capital gains tax.
- (m) **CHESS** means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.
- (n) **CHESS Holding** means a holding of shares on the CHESS Subregister of CNW.
- (o) **CHESS Subregister** has the meaning given in the ASX Settlement Operating Rules.
- (p) **CNW** means Cirrus Networks Holdings Limited.
- (q) **CNW Board** means the board of directors of CNW.
- (r) **CNW Option** means an option on issue in CNW.
- (s) **CNW Share** means a fully paid ordinary share in the capital of CNW.
- (t) **CNW Shareholder** means a person registered in the Register as a holder of CNW Shares.
- (u) **Controlling Participant** has the meaning given in the ASX Settlement Operating Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).
- (v) **Corporations Act** means the Corporations Act 2001 (Cth), as modified from time to time by any applicable class order or regulatory instrument.
- (w) **GST** means the goods and services tax imposed under the A New Tax System (Goods and Services Tax) Act 1999 (Cth) and the related imposition acts of the Commonwealth of Australia.
- (x) **Holder Identification Number** means the number used to identify a CNW Shareholder on the CHESS Subregister of CNW.
- (y) **Insolvency Event** means an event described in section 652C(2) of the Corporations Act.

## 16. GLOSSARY

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- (z) **Issuer Sponsored Holding** means a holding of CNW Shares on the Issuer Sponsored Subregister of CNW.
- (aa) **Issuer Sponsored Subregister** has the meaning given in the ASX Settlement Operating Rules.
- (bb) **FinClear** means FinClear Services Pty Ltd, the Broker for the Offer.
- (cc) **Maximum Cash Consideration** has the meaning given in section 9.1 of this Bidder's Statement.
- (dd) **Offer** means, as the context requires, the offer for CNW Shares contained in this Bidder's Statement, or the on-market takeover bid constituted by that offer and each other offer by the Bidder for CNW Shares in the form of that offer, including in each case as varied in accordance with the Corporations Act.
- (ee) **Offer Information Line** means 1800 990 479, which can be reached between 9.00 am to 5.00 pm (Melbourne time) on Business Days.
- (ff) **Offer Period** means the period during which the Offer will remain open for acceptance in accordance with this Bidder's Statement.
- (gg) **Participant Bidder** has the meaning given to the term in the ASX Settlement Operating Rules.
- (hh) **Prescribed Occurrence** means an event described in section 652C(1) of the Corporations Act.
- (ii) **Register** means the register of CNW Shareholders maintained by CNW in accordance with the Corporations Act.
- (jj) **Related Bodies Corporate** has the meaning given in the Corporations Act.
- (kk) **Related Entity** means, in relation to a person, any entity that is related to that person within the meaning of section 50 of the Corporations Act or that is in an economic entity (as defined in any approved Australian accounting standard) that is controlled by that person.
- (ll) **Relevant Interest** has the meaning given to that term in sections 608 and 609 of the Corporations Act.
- (mm) **Rights** means all accretions, rights and benefits of whatever kind attaching to or arising from the CNW Shares directly or indirectly at or after the date of this Bidder's Statement (including all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by CNW or any Subsidiary of CNW).
- (nn) **Securityholder Reference Number** means the number allocated by CNW used to identify a CNW Shareholder on the Issuer Sponsored Subregister of CNW.
- (oo) **Subsidiary** has the meaning given to that term in the Corporations Act.
- (pp) **Target's Statement** means the target's statement to be issued by CNW in response to this Bidder's Statement in accordance with the Corporations Act.
- (qq) **Trading Day** has the meaning given to that term in the ASX Listing Rules.
- (rr) **Voting Power** has the meaning given in section 610 of the Corporations Act.
- (ss) **VWAP** means volume weighted average trading price on ASX.

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