

# AWN HOLDINGS LIMITED

ACN 103 472 751

10 October 2022

## **Subject: EdventureCo acquisition of Nexacu**

The Directors of AWN Holdings Limited (“Group”, “AWN”) are pleased to announce that its education platform, EdventureCo, has today completed the acquisition of all the issued share capital of Nexacu Holdings Pty Ltd (“Nexacu”) from its founders.

## **Nexacu – Australia’s leading provider of Microsoft Application end-user training**

Nexacu, Australia’s leading provider of instructor-led Microsoft Application training for end-users, is a Microsoft Gold Partner with a reputation for delivering quality Microsoft end-user app training with campuses in all major Australian cities. It has a highly diversified customer base across government, education and commercial sectors and has generated over 42,000 positive participant reviews. The company currently trains approximately 13,000 students per annum.

## **DDLS and Nexacu – market adjacency and expansion**

The acquisition will allow EdventureCo’s DDLS Group, Australia’s largest provider of corporate ICT and digital skills training, to bolt-on Nexacu’s portfolio of end-user courses to its enterprise sales infrastructure. As a result, it is expected that the combination will grow DDLS’s training pool to more than 30,000 students each year.

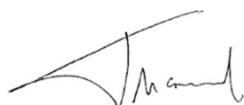
Nexacu’s acquisition will combine the training prowess of two successful organisations, both committed to innovative technology, up-skilling the technical workforce and advancing end-user capabilities. Nexacu will further expand DDLS’s growing portfolio of business units, which now includes DDLS Australia, DDLS Philippines, the Australian Institute of ICT, Auldhouse and DDLS People. The deal follows last year’s A\$16.6m acquisition of Auldhouse and will further help DDLS in cementing its position as the leading provider of digital skills training across APAC, and in continuing its significant contribution towards reducing the critical digital skills gaps seen across the region.

The acquisition of Nexacu is highly complementary to EdventureCo’s existing businesses and consistent with AWN’s strategy of building a premium provider of digital, soft and future skills training that prepares the workforce of today for success tomorrow.

## **Acquisition metrics and funding**

Total consideration is estimated to be A\$19.1m, equivalent to 5.6x LTM EBITDA (based on enterprise value) on a normalised basis, before expected synergies. A retention equal to 10% of the purchase price will be held in escrow for 12 months. The purchase will be funded using a three year term debt facility of A\$25.0m, arranged by EdventureCo’s existing lender Epsilon Direct Lending and financed by HSBC Bank, with surplus cash from loan proceeds to be applied towards general working capital requirements. The loan is being provided on commercial terms broadly in line with the existing debt facility and which are standard for a transaction of this nature.

On behalf of the Board of AWN,



Tom McDonald  
Joint Company Secretary