



konekt

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Konekt Limited (ASX: KKT)

**ASX Limited
Company Announcements Office
Exchange Office
20 Bridge Street
Sydney NSW 2000**

Konekt expands ACT presence with agreement to acquire SRC Solutions

Konekt Limited (KKT), Australia's largest provider of organisational health and risk management return to work solutions, today announced that it had entered a contract to acquire SRC Solutions, located in the ACT.

Konekt Limited Chief Executive Officer, Mr Damian Banks, said "We are delighted to welcome the SRC Solutions team to merge with our organisation. The integration of SRC Solutions will strengthen Konekt's overall ability to deliver services and meet the needs of our growing ACT customer base. Konekt's strength in federal government work will be enhanced with the expertise and relationships of the SRC Solutions business, the combined team, and the joint reputation in the local market".

"SRC Solutions operates from their Canberra based office and are well respected in the ACT market. They have a number of long standing relationships with a number of local customers and many Federal Government departments and the ACT Government." said Damian.

The acquisition will see all consulting and leadership staff continuing in their roles combining into the new organisation. SRC Solutions provide injury management, injury prevention, training and ergonomic solutions, adding some new capability to Konekt across these products.

The acquisition will be funded from Konekt's existing cash, and there will be a small EPS dilution in the year to 30 June 2016, with transaction costs outweighing earnings for the final four months of the year (March-June). The transaction is expected to be EPS accretive in the 2016-17 full year.



Konekt

The transaction is expected to close within four weeks and based on the expected completion dates, the acquisition is anticipated to contribute revenue to Konekt of approximately \$0.7m in the remainder of FY16.

Konekt continues to focus on organic growth as well as assess acquisitions consistent with its criteria and as opportunities present themselves.

For further information contact Konekt Limited:

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About Konekt:

Konekt is Australia's largest provider of organisational health and risk management return to work solutions. Konekt's focus is on helping organisations minimise the impact of workplace injury and related workplace costs, resulting in reduced workers compensation premiums. With over 350 staff and 41 offices around Australia, Konekt has both the reach and expertise to service local, multi-state and national business across all sectors.

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