

ASG GROUP COMPLETES ACQUISITION OF SMS, POISED FOR STRONG GROWTH

ASG Group Limited is positioned to become a genuine alternative to Australia's Tier 1 IT service providers following completion of the acquisition of SMS Management & Technology Limited.

The SMS acquisition was completed earlier today following implementation of the Scheme of Arrangement.

It creates a combined business with 2,000 people and approximately \$500 million in annual revenue, elevating the ability of ASG to deliver the most complex, large-scale projects and services.

ASG and SMS will integrate into a single operating business over the next three months and will trade under a refreshed ASG brand.

The M&T Resources recruitment business, a subsidiary of SMS, will continue to trade under its existing brand.

The combined business now holds the capacity to deliver a complete digital transformation service, from infrastructure and managed services, through to business and IT advice and solutions implementation.

ASG Chief Executive Officer Geoff Lewis said, "The excitement in our Company is palpable. We are very ambitious to do great work for clients – new and old – and we think our enhanced capabilities will prove very effective."

"We will assertively pursue opportunities with our valued customers, bring to bear insight and commitment, and display throughout our trademark entrepreneurial flair."

"We believe we can raise the bar for our clients and, indeed, for the industry. It's going to be quite an adventure."

“More than anything at ASG, success is personal. It’s in our DNA, always has been and always will.”

The acquisition of SMS also underlines the commitment of ASG’s parent company Nomura Research Institute Inc (NRI) to the Australian market.

NRI President and Chief Executive Officer Shingo Konomoto said the addition of the SMS business would allow ASG to now tackle the biggest opportunities available in IT services in the Australian market.

“It is a company with a rich history and long track record of successfully servicing major customers, especially in the corporate sector,” said Mr Konomoto.

“Combined with the ASG’s strong position in the government sector, SMS gives us a great capacity to deliver the full set of IT services that even the most complex and demanding of customers would require.”

“To this outstanding local capability and customer engagement, NRI adds its financial strength and global reach. We believe it’s a compelling mix.”

Mr Lewis said that pending the full integration, it was very much business as usual for ASG and SMS.

“Our priority right now is ensuring our esteemed customers get the very best service and quickly see real, tangible benefits from the merger of the two businesses,” he said.

“Initially, that will see ASG and SMS make their core services available to each other’s customers and, very soon, we will unveil to those customers the power and the reach of the new, combined service offering.”

Mr Lewis said the Company was also actively pursuing a highly prospective pipeline of contract opportunities.

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