

Aspirence Press

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'Kazacos brings resellers together to form SMB powerhouse

ASX-listed Hostech merges with Anittel, Axxis Technology, Aspirence and Accord Technologies' : **Spandas Lui**

'IT services firm, Anittel, is set to merge with four IT services and telecommunications business to create an SMB services and hosting powerhouse.

The company, formerly known as PKBA, was founded by Peter Kazacos with an SMB and regional Australia focus. Under the proposed agreement, ASX-listed telecommunications integrator, Hostech (ASX: HTC), will buy Anittel, Accord Technologies, Axxis Technology and Aspirence. Kazacos will become the executive chairman of the new group while fellow Anittel founder, Mark Stead, will join the existing Hostech board.

Hostech will pay \$6.9 million in cash, along with \$6.75m in shares. It will also take on \$3.4m in convertible note debt.

Kazacos said Anittel had been looking to grow for some time, especially in the telecommunications industry. According to an ASX statement, Anittel, Axxis, Accord and Aspirence will generate \$60 million in combined top-line revenue.

The agreement will not only mean the group can provide a more comprehensive solution but grants access to a larger list of existing clients, he said. Over 270 staff in 15 locations will be affected. Kazacos also signalled plans to boost employee numbers.

"With the new group, we are combining our offerings and broadening our reach with more depth and responsibilities," Kazacos said. "We now have to most significant reach in regional NSW... and companies with multiple regional locations can now work with a single provider.

"And there is a much larger opportunity to leverage new products into new markets."

Once the new structure is in place, Hostech will have an IT services division, which concerns annuity revenue and product sales and a telecommunications division for voice and data services.

"There will be separate business units, like in Anittel, which will be divided by specialisation and expertise in different areas," Kazacos said.



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While the name of the combined group is still up in the air, Kazacos, who will be one of the biggest shareholders in the company, is keen to retain the Anittel brand.

The final outcome of the merger will be determined at a Hostech shareholders' meeting set in mid-March but Kazacos was optimistic the deal would be approved.

Telstra executive director of sales, Steve McAllister has been appointed to the Hostech board as a non-executive member.

The screenshot shows a news article on the ARN website. The article title is "Kazacos brings resellers together to form SMB powerhouse". The author is Spandas Lui (ARN) and it was published on 10 February, 2010 at 14:10. The article text discusses the merger of Hostech with Anittel, Axxis Technology, Aspirence, and Accord Technologies. It mentions that Hostech will pay \$6.9 million in cash and \$6.75m in shares, and that Kazacos will become the executive chairman of the new group. The article also includes a "RELATED COVERAGE" section with links to other articles like "Hostech buyout fast-tracks growth plans for acquired service providers" and "IT resellers play down telco notebook threat".



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