



ASX Announcement

2 August 2021

Superloop announces completion of Exetel acquisition

Superloop Limited (ASX:SLC) (Superloop) today announces that it has completed the acquisition of Exetel Pty Ltd (Exetel), Australia's largest independent internet services provider.

The acquisition of Exetel's 110,000+ consumer and business customers is part of Superloop's strategy to build scale as a major provider in the Australian market.

The acquisition accelerates the monetisation of Superloop's infrastructure assets, is expected to deliver cost synergies of at least A\$5 million per annum within the first 12 months following completion, and to significantly enhance EBITDA and balance sheet capacity.

Superloop's Managing Director and CEO, Paul Tyler said, "I am excited to welcome all of our new colleagues and customers to Superloop. This acquisition has so far exceeded our expectations, and for that I would like to thank both teams.

The acquisition scales profitable market share across our three customer segments of consumer, enterprise and wholesale.

Over the past two years, the market has moved further towards high speed plans. Exetel had not been able to take advantage of this with their previous wholesale partners. Exetel customers will soon be able to leverage Superloop's high-speed network and nbn connectivity to access much improved plans and speeds. We see terrific opportunities from the uplifted scale and customer base that flows from the acquisition. In particular, we expect the benefits from network, systems and product cross sell to flow faster into our operations than previously anticipated, which further underscores our belief this is a transformational deal."

A presentation summarising the synergies and benefits identified in the Investor Presentation released to the market on 8 June 2021 has been updated with progress made since early June. See appendix to this document.

Under the Sale Purchase Agreement, Superloop agreed to pay A\$110 million (excluding estimated completion adjustments), comprising A\$100 million in cash consideration and A\$10 million in Superloop shares. The acquisition was funded by a capital raise comprising a fully- underwritten institutional placement, and a pro-rata accelerated non-renounceable entitlement offer.

UBS AG, Australia Branch and Canaccord Genuity (Australia) Limited acted as joint lead managers and underwriters to the capital raise. Baker McKenzie acted as Superloop's legal adviser. Gilbert and Tobin advised on the debt refinancing and Bonitz Advisory acted as Superloop's corporate M&A adviser.

Authorised for release by Paul Tyler, Managing Director and CEO, Superloop Limited

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About Superloop

Superloop is a leading Asia Pacific independent provider of connectivity services. The company owns and operates its carrier-grade metropolitan fibre networks in Australia, Singapore and Hong Kong, connecting the region's key data centres and bandwidth-intensive buildings. In addition to its own fibre network, Superloop is connected to all NBN Points Of Interconnect across Australia and operates its own nationwide fixed wireless network that collectively deliver high performance, connectivity solutions to businesses and homes underpinning the region's digital economy.

Visit www.superloop.com to learn more.

Superloop Limited (ASX:SLC)

Exetel Acquisition Completion

Monday, 2nd August 2021



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Seek your own advice

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Currency

All references to "\$" are to Australian currency (AUD) unless otherwise noted.

Superloop completes transformational Exetel acquisition

Superloop completes the acquisition of Exetel Australia's largest independent internet service provider.

Fully aligned with Superloop's growth strategy, providing super fast, easy & reliable connectivity to 3x more homes & businesses.

Accelerates utilisation of infrastructure assets, scaling its consumer & business customer segments, delivering increased financial scale and market relevance.

Network integration planning largely completed, on track to fully deliver the identified cost synergies of at least \$5 million per annum within the next 12 months.

Scales profitable market share across our three customer segments of consumer, enterprise and wholesale. With ~110k incremental business & consumer customers, enhanced EBITDA, balance sheet capacity and richer product set.

Combined benefits⁽¹⁾

↑ 135%

Forecast
Revenue

\$261m

Combined
Revenue

↑ 89%

Forecast
EBITDA

\$34m

Combined
EBITDA
(post-synergies)

↑ 240%

Increase in
customers

230k+

Combined
services

1.4x

Leverage
ratio

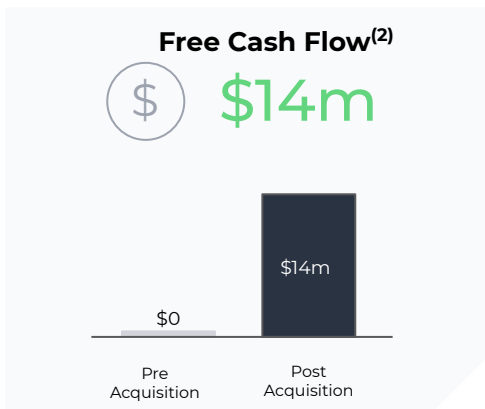
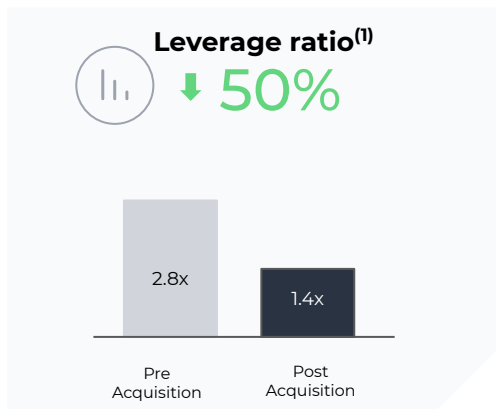
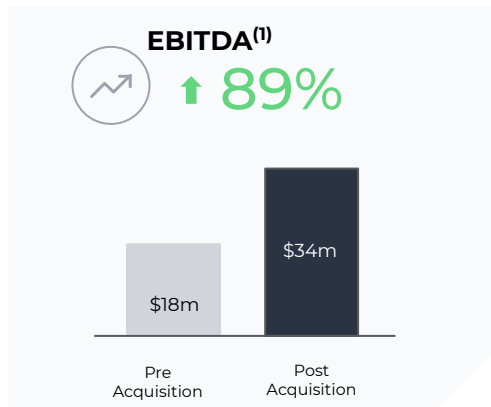
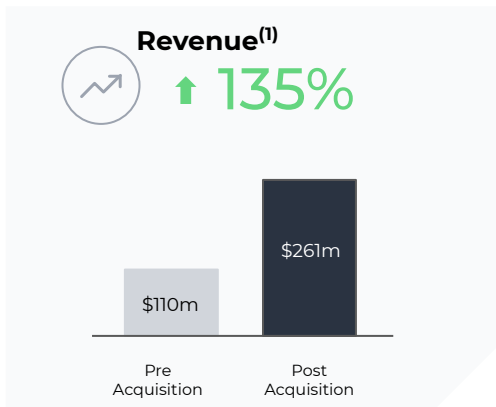
\$5m

Synergies
(annualised)

(1)

Forecast and Combined Revenue and EBITDA comprises Exetel FY21 Forecast Revenue and EBITDA which includes 9 months unaudited actuals to March 2021 & 3 months forecast from April 2021 to June 2021. Leverage ratio = 12 month rolling Adjusted EBITDA / Net Financial Indebtedness (short-term & long-term interest-bearing borrowings (excluding Operating leases) less cash & cash equivalents).

Acquisition materially accretive to key financial metrics



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(2) Free Cash Flow defined as operating cash flows less investing cash flows (does not include lease payments).

At least \$5m of annualised synergies confirmed with execution plan now in place

On track to deliver at least \$5m of annualised synergies. Network integration planning is already largely completed, with management focused on the execution and delivery.



Network progress

- ✓ 190 Services set up in SL360
- ✓ 22x NBN NNI Upgrades in Prov
- ✓ 10x eNNI POPs: 10 in Prov
- ✓ 13x Intercap: 3 active, 10 in prov
- ✓ 8x Dark Fibre: 2 Active, 6 in progress
- ✓ 9x DKF: 9 in Prov

(1) One-time integration & migration costs to achieve synergies estimated at up to ~\$3.3m.

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Paul Tyler
Chief Executive Officer



Thank You

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