ASX Announcement

29 August 2016

FY16 Full Year Results

Superloop Limited (**ASX: SLC**) is pleased to announce its results for the year ended 30 June 2016 (FY16).

Commenting on the FY16 results and operational achievements, Superloop Executive Chairman and CEO, Bevan Slattery said: "Over the past 12 months we have seen significant growth and accelerating development in Superloop. We have expanded through the acquisition of two strategic, profitable and growing businesses, APEXnetworks and CINENET Systems, launched fibre optic networks in Australia and Singapore, commenced the construction of our network in Hong Kong, and achieved a number of sales and product milestones."

Superloop generated revenue and gains from transactions with customers in FY16 of $7.0 million as sales ramped up with services coming on stream.

Reflecting the Company's investment phase, earnings before interest, tax, depreciation and amortisation (EBITDA) was a loss of $5.6 million, compared to a loss of $3.5 million for FY15[1]. Statutory Net Loss after Tax for FY16 was $7.2 million, compared to a loss of $1.2 million for FY15[1].

The results for FY16 reflect:

- Services being activated for customers onto complete live networks in Australia and Singapore from October 2015

- The inclusion of revenues and earnings from the acquisitions of APEXN (October 2015) and CINENET Systems (November 2015)

- Contracted recurring revenue for the Australian and Singapore networks exceeding monthly direct network costs

- The ramp up of sales across Superloop owned networks in conjunction with the increase in channel and wholesale revenue through APEXN and CINENET

- Ongoing development of systems and infrastructure in each country

Australian operations contributed revenue of $5.5 million, including contributions from APEXN ($3.3 million) and CINENET Systems ($1.0 million). The Singapore network contributed revenue and gains from transactions with customers of $1.5 million during the ramp up period from the launch of the network in October 2015 to June 2016.

Since the beginning of FY16, the Company has raised $84.6 million in additional equity capital (before costs), with the retail component of an entitlement offer completed in July 2016 raising $12.8 million.

After investing $30.8 million during the year in the development of fibre infrastructure assets across Australia, Singapore and Hong Kong, as well as funding ongoing operations of the Group, at 30 June 2016, cash and term deposits totalled $45.9 million, sufficient funds for upcoming planned projects.

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[1] Previous corresponding period was 28 April 2014 to 30 June 2015

Key operational milestones

Superloop achieved a number of key operational milestones over FY16, including:

Australia

- All networks live and operational from September 2015

- Completed the acquisitions of APEXN and CINENET Systems, providing an expanded customer base, product set, and network provisioning and management systems

- Completed the integration of people, business systems (ordering, provisioning, billing and network management) and management of acquired customer-facing network services from these acquisitions into the Superloop Group

Singapore

- Completed the initial roll-out of the core fibre network, with 136 kilometres installed at 30 June 2016

- Complete core network live in October 2015 and delivering exceptional optical performance

- 8 data centres and 2 cable landing stations connected to the network

- Project Red Lion: connected 14 strategic commercial enterprise buildings (of an initial target of 25 buildings)

Hong Kong

- Executed agreement to establish a 110 kilometre fibre optic network and operations in Hong Kong

- Core network construction progressed and 38% complete at 30 June 2016 with the TKO Industrial Estate campus network 91% complete. Network construction is on track for completion by December 2016

- TKO Express, the domestic submarine cable harbour crossing project, approved internally and remains on track for completion by January 2017. Major necessary government approvals and consents have been obtained, and now awaiting completion of gazettal notice period

Sales and Product

- Contracted annualised recurring revenue over $10 million by 31 March 2016, 3 months ahead of schedule

- Contracted annualised recurring revenue over $11.9 million at 30 June 2016, with 81.7% being invoiced

- Wavelength and Ethernet Backhaul products launched in June 2016

- Continued development of Ethernet Access and Superloop 360 network management products.

Commenting on the industry's long term growth dynamics, Mr Slattery said: "Having worked in the telecommunications industry for many years and having built several successful telecommunications businesses, I am excited by the opportunities I see for Superloop. The industry within which we operate has strong structural growth drivers."

"Superloop is well positioned to benefit from the growth in transmission and storage of data including increased bandwidth requirements from the rise in cloud computing, video on demand and the increase in internet connected devices. The Asia Pacific region is predicted to overtake North America as the largest generator of cloud traffic in the world and Hong Kong and Singapore have become the established hubs for data centres and international submarine cable capacity in the region," added Mr Slattery.

Superloop is on track to complete the construction of its Hong Kong network, including the TKO Express submarine cable, by January 2017. Throughout the 2017 financial year and beyond, additional sites will be added to networks in Singapore and Hong Kong to meet customer demand.

With the integration of APEXN and CINENET Systems complete, each acquisition will bring further benefits across the Group in terms of revenue growth, product offering and systems capabilities. The management team is focussed on the execution of key strategic sales opportunities and the continued development of products, leveraging our established infrastructure to achieve EBITDA breakeven as quickly as possible.

"With expanding networks in place across Australia, Singapore and Hong Kong, the Group will have established a platform to leverage its core infrastructure assets and drive further growth and customer acquisition. Superloop continues to pursue its vision to become a leading independent owner and provider of connectivity services in the Asia Pacific region," said Mr Slattery.

ADDITIONAL INFORMATION

For further comment or other information please contact:

Investor enquiries:

Telephone: +61 7 3088 7300

Email: investor@superloop.com

About Superloop

Established in 2014, Superloop is quickly becoming one of the leading independent providers of interconnection services in the Asia Pacific region.

The Company owns and operates fibre networks in Australia and Singapore spanning over 300km and connecting over 48 of the region's key data centres. The network is continually expanding with further extensions currently underway to connect the Singapore Exchange, iO and NTT data centres in Singapore.

In Hong Kong, Superloop is establishing a 110 km fibre optic network connecting 30 strategic sites including the Hong Kong Stock Exchange data centre, and is on track to commence operations in December 2016. Additionally, the Company is also constructing TKO Express, the first submarine cable to connect the traditional carrier hotels located in Chai Wan on Hong Kong Island and the data centre campus located at Hong Kong Science and Technology Park's Tseung Kwan O Industrial Estate on the mainland, providing much needed physical diversity and a lowest latency path between Hong Kong's major finance and technology hubs.

The Group also operates acquired businesses, APEXN and CINENET in Australia.

For more information, visit: www.superloop.com