



Results Presentation  
1H17

Superloop is a leading independent provider of  
**digital services** across the Asia Pacific region

# AGENDA

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1H17 Results & Business Performance

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Appendices - BigAir Group

# 01 1H17 Results and Business Performance



AU

## AUSTRALIA

Completed acquisition of BigAir Group on 21 December 2016 and commenced integration and realisation of synergies  
Expanded coverage with 15 year access agreement for metro fibre, regional and intercapital ethernet capacity (February 2017)

HK

## HONG KONG

Completed construction of initial Hong Kong backbone fibre cable network (110 km x 2,000 cores)  
Commissioned first customer services to book initial revenue  
Commenced construction of TKO Express domestic submarine cable (Cable installation completed February 2017)

SG

## SINGAPORE

Completed expansion of Singapore network to IO, NTT and Singapore Exchange data centres with diverse paths  
Connected 16 new enterprise buildings to the network with 30 on-net at 31 December 2016  
Achieved EBITDA break-even in Singapore, before corporate allocations

# 1H17 PROFIT & LOSS SUMMARY

Revenue generated from active customers on live networks



(\$m)	1H17 <sup>1</sup>	1H16
Customer revenue	8.2	1.9
Direct costs	(5.1)	(1.5)
Gross profit	3.1	0.4
Gross margin	37.8%	21.1%
Reported EBITDA <sup>2</sup>	(6.5)	(3.5)
Underlying EBITDA <sup>3</sup>	(2.2)	(3.5)
Reported net loss before tax <sup>4</sup>	(8.1)	(4.0)

Customer revenue **up 337%**

Gross margin **up 16.7%**

1. Includes BigAir Group from 21 December 2016
2. Earnings before interest expense, tax, depreciation, amortisation and foreign exchange gains/losses
3. Adjusted for transaction costs of \$4.3 million
4. Includes transaction costs of \$4.3 million

# STRONG BALANCE SHEET

(\$m)	31 December 2016	30 June 2016
Cash & cash equivalents	14.8	45.9
Property, plant & equipment	127.4	66.9
Total assets	374.0	127.1
Borrowings	11.7	-
<b>Net assets</b>	<b>337.6</b>	<b>119.7</b>
Cash invested in property, plant & equipment during the half-year (comparative is full year FY16)	24.1	30.7

**\$14.8m**

Cash and cash equivalents  
at 31 December 2016



**\$65.0m**

Facility headroom available  
at 31 December 2016

## Well funded for investment in infrastructure

Completed retail component of entitlement offer in July 2016 (\$12.8m)

Raised \$65.0m in September 2016 to partly fund acquisition of BigAir Group

Increased 3 year debt facility to \$80.0m to partly fund acquisition of BigAir Group

Approximately 65% of BigAir Group shareholders elected to receive 100% Superloop shares as consideration for acquisition

## 02 **Business Update**



# THE NEW SUPERLOOP GROUP

Platform for the delivery of scalable services across the Asia Pacific region



**\$90m+**

**Annualised revenue<sup>1</sup>** - being invoiced across Hong Kong, Singapore and Australia

**2,300+**

**Customers** - Wholesale, technology, financial services, education, health, resources & construction

**591 kms**

**Fibre installed** - Singapore, Hong Kong, Australia

**250+**

**Strategic sites** - 50+ data centres and 200+ enterprise buildings

**300+**

**Staff** - across 8 locations

**35+**

**Sales team** - Experienced team led by industry veteran

1. Annualised revenue based on BigAir 1H17 revenue plus Superloop December 2016 recurring invoiced revenue

# THE NEW SUPERLOOP GROUP

Operating Segments



1

The acquisition fundamentally enhances the opportunity for Superloop's fibre business

Superloop will remain focused on its core fibre-based service and product offering across APAC, interconnecting major enterprise buildings and data centres.

The acquisition provides the critical mass to scale Superloop's Australian footprint into enterprise buildings, at low cost due to BigAir's presence in high quality towers in close proximity to Superloop fibre.

*Superloop remains a leading provider of the "big pipes".*



2

Benefits to the existing BigAir business from the acquisition by Superloop

BigAir will focus on the wholesale "last mile" wireless access market.

Leveraging Superloop's fibre assets and BigAir's existing wireless network and capabilities, we will deliver wholesale providers a high-speed alternative in outer metro and regional Australia.

MANAGED SERVICES

3

BigAir's cloud & managed services business

The BigAir cloud and managed services business unit will provide a fully integrated and focused managed service offering with a clear statement on market position and products.

There is a significant opportunity for growth in the medium to large enterprise market.

This business will leverage Superloop's and BigAir's infrastructure advantage as a wholesale provider.

# THE NEW SUPERLOOP GROUP



Superloop has appointed the Board and senior executive team to guide the Company through its next phase of growth

## BOARD



Bevan Slattery  
Executive Chairman



Jason Ashton  
Executive Director



Matt Hollis  
Executive Director



Greg Baynton  
Non-executive Director



Michael Malone  
Non-executive Director



Vivian Stewart  
Non-executive Director



Tony Clark  
Non-executive Director



Louise Bolger  
Non-executive Director

## MANAGEMENT



Bevan Slattery  
Chief Executive Officer



Jason Ashton  
Executive Director



Paul Jobbins  
Group Chief Financial Officer



Matt Hollis  
Group GM Sales & Marketing

Jason Ashton, Vivian Stewart & Matt Hollis join Board

Jason Ashton & Matt Hollis join executive team

# BIGAIR GROUP ACQUISITION

Synergies and Integration



Realised over \$1.5 million in annualised corporate overhead savings since December 2016 with further cost savings expected

Opportunity to realise additional network savings with expanded Australian capacity



## Network capabilities

**\$2-3m**

Expected to be realised over first 24 mths  
Further savings now available with IRU agreement announced on 22 Feb



## Corporate overhead

**\$1-2m**

Expected to be realised over first 12 mths  
(realised over \$1.5 million to date)

## Sales Team Integration

Integrated wholesale offering will include Pan-Asian fibre networks and fixed wireless

Enterprise sales team will have unique combination of disruptive infrastructure offerings combined with market leading cloud and managed service capabilities  
Combined pipeline growth already accelerating



## Total annual cost synergies

**\$4.0m+**

## Immediate cost rationalisation

\$4.0m+ cost synergies expected to be fully realised over 2 years

## Further Opportunities

Significant cross-selling opportunities across combined customer base in Singapore, Hong Kong and Australia

Notable savings from avoided future costs

## 03 **Network Update**

# BIGAIR AUSTRALIAN NETWORK

BigAir has over 300 points of presence across 12 cities and 120 other locations

## LEGEND

Point of Presence



Campus/WiFi





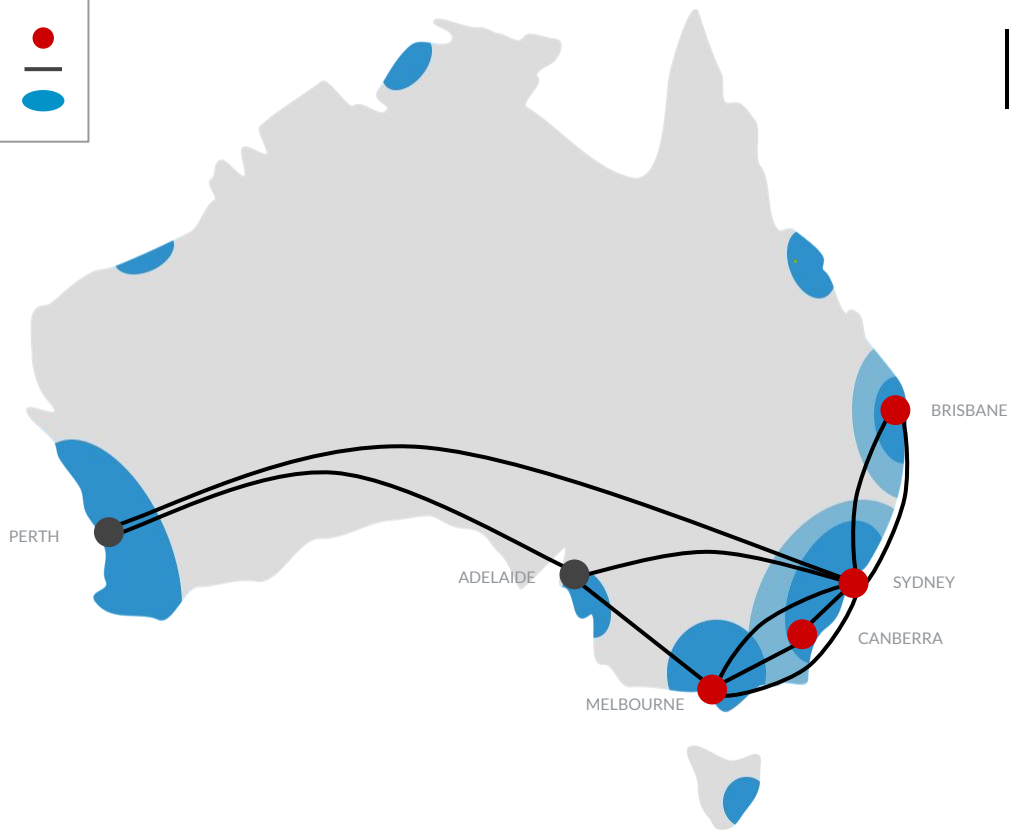
## AUSTRALIAN NETWORK

- Points of Presence: 300
- Cities: 12
- Other Locations: 120

# SUPERLOOP & BIGAIR AUSTRALIAN NETWORK

**LEGEND**

- Metro fibre 
- 10G Leased capacity 
- BigAir Group 



## AUSTRALIAN NETWORK (Incl. BigAir Group)

### At 31 December 2016:

- Fibre kilometres: 214
- Backbone cores: 288
- Data centres: 50+
- Cable landing stations: 1
- Enterprise buildings: 160+



# SUPERLOOP EXPANDS AUSTRALIAN AND INTERNATIONAL NETWORK



Platform for the delivery of scalable services across the Asia Pacific region

214 kms

**Metropolitan Fibre Network** - in Brisbane, Sydney, Melbourne, Sunshine Coast, Gold Coast

10 Gbps

**Intercapital Ethernet** - Between Brisbane, Sydney, Melbourne, Adelaide and Perth

100 Gbps

**Intercapital Capacity IRU** - Between Brisbane, Sydney, Melbourne, Adelaide and Perth

100 Gbps

**Regional Capacity IRU** - 1 Gbps tranches to regional centres

10 Gbps

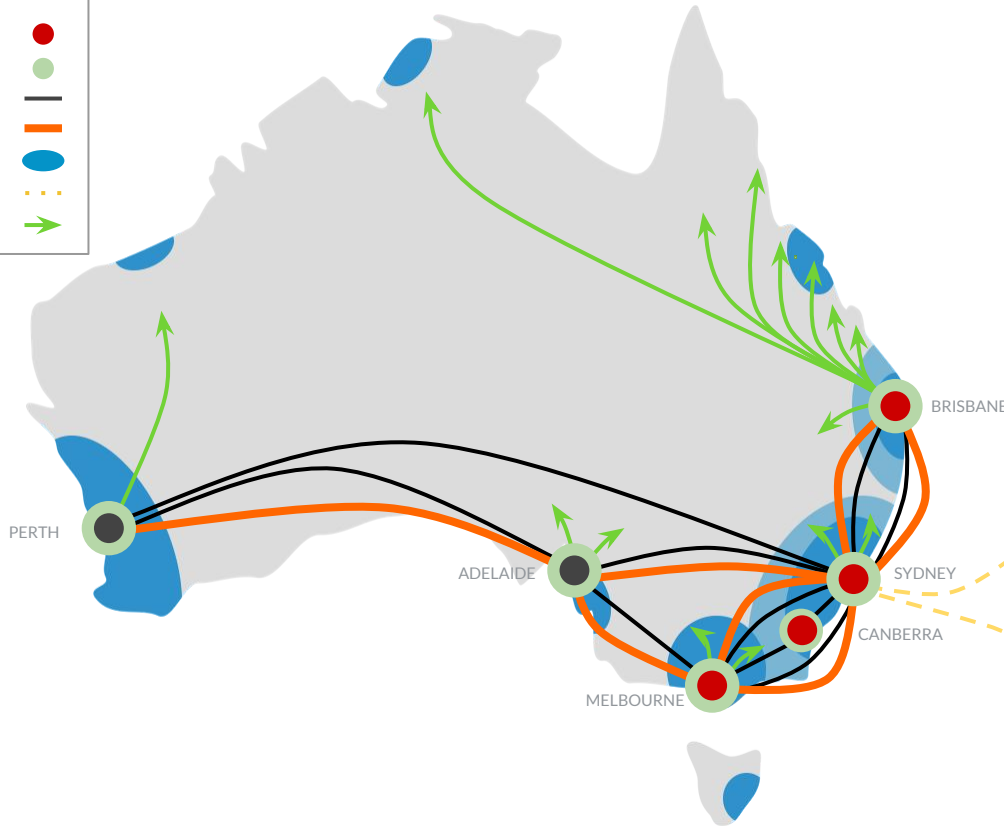
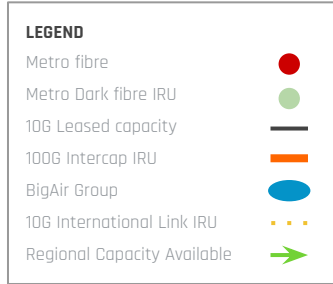
**International Capacity IRU** - 3 Drop service on Southern Cross cable system

+

Additional Fibre cores from major data centres to enterprise buildings in metropolitan areas

# COMBINED NEW AUSTRALIAN NETWORK

Truly national footprint with extensive regional capacity (available July 2017)



- 10x increase in capacity on existing intercapital and international bandwidth
- 100 Gbps of regional capacity able to be deployed to most regional centres including NBN PoP's and existing or future BigAir wireless PoP's
- Additional dark fibre capacity being made available to rapidly service BigAir PoP's sites as well as enterprise building opportunities
- Investment completed with very low ongoing cost structure already covered by identified synergies
- 80%+ capacity available for future sales opportunities with very little/no material increase to operating cost
- Minimises additional capital investment and time to market requirements for the Australian market



## Network Overview

### At 31 December 2016:

Cable kilometres:	155
Backbone cores:	624
Data centres:	17
Cable landing stations:	2
Enterprise buildings:	30

**1,000+**  
Enterprises in On-Net  
Buildings



## Network Overview

### At 31 December 2016:

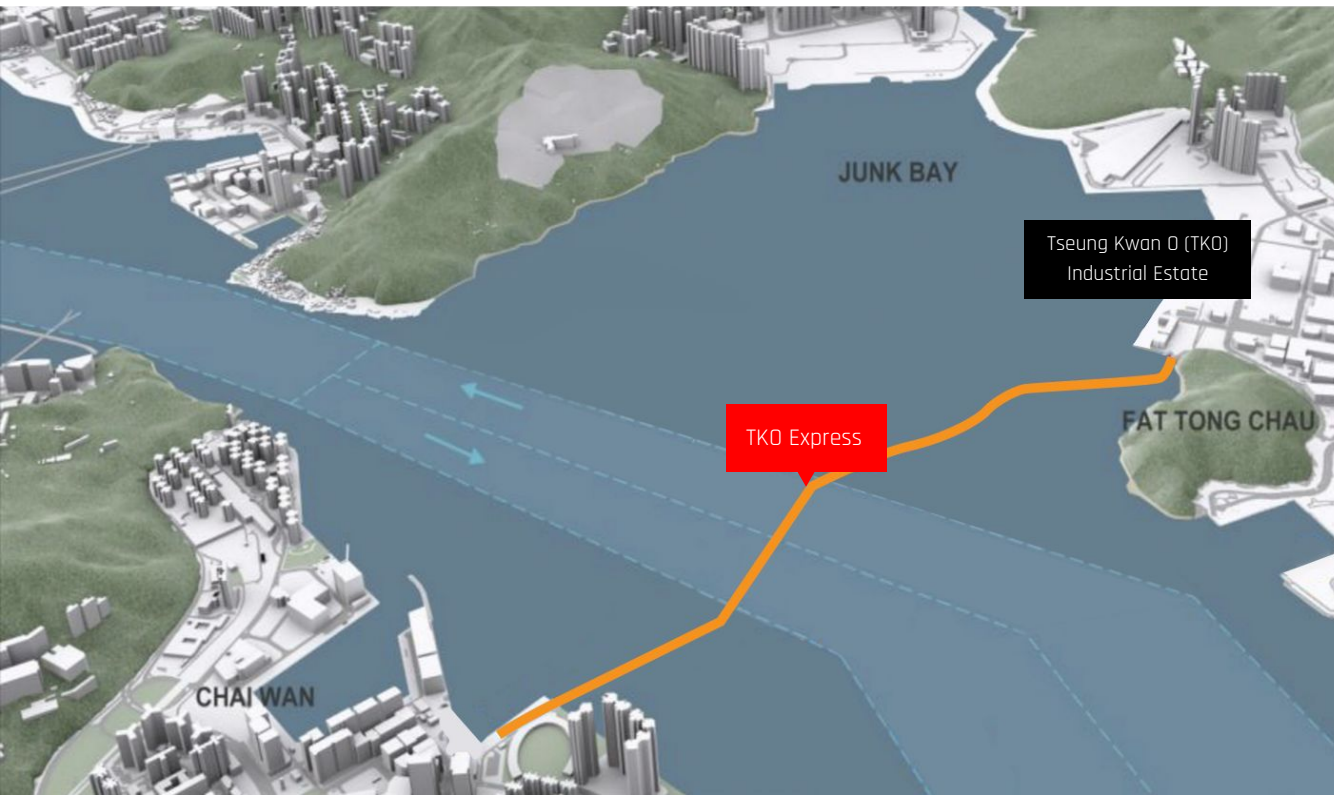
Cable kilometres:	221
Backbone cores:	2x1,000
Data centres:	8
Cable landing stations:	-
Enterprise buildings:	2

# TKO EXPRESS

Installation and testing complete - on track for customer access in March 2017



TKO Express path: ~3.0 km / Alternate path 1: ~25.0 km / Alternate path 2: ~69.0 km



## CONNECTING CHAI WAN TO TKO, TECH HUB

**On track for customer access March 2017**

TKO Express is the new domestic submarine cable providing the most direct path between Superloop's core network in the data centre campuses of Chai Wan and Tseung Kwan O (TKO) Industrial Estate tech hub.

The world's largest fibre core count subsea cable system creates much needed physical diversity and a new low latency path between HK's major finance and technology hubs, important for high frequency traders based on Hong Kong Island.



# TKO INDUSTRIAL ESTATE

Major hub for Financial, Media, Technology and Data Centre companies



## DATA CENTRES

Global Switch  
Digital Realty/Sawvis/CenturyLink  
NTT TKO  
Pacnet HKCS1  
Pacnet HKCS2  
HK Colo TKO  
Mega-Plus iAdvantage  
China Mobile  
Town Gas Telecom HKDC2  
China Unicom  
China Telecom International

## FINANCE AND MEDIA

HK Stock Exchange DC  
HSBC Data Centre  
Next Media  
TVB Media  
Shaw Movie City

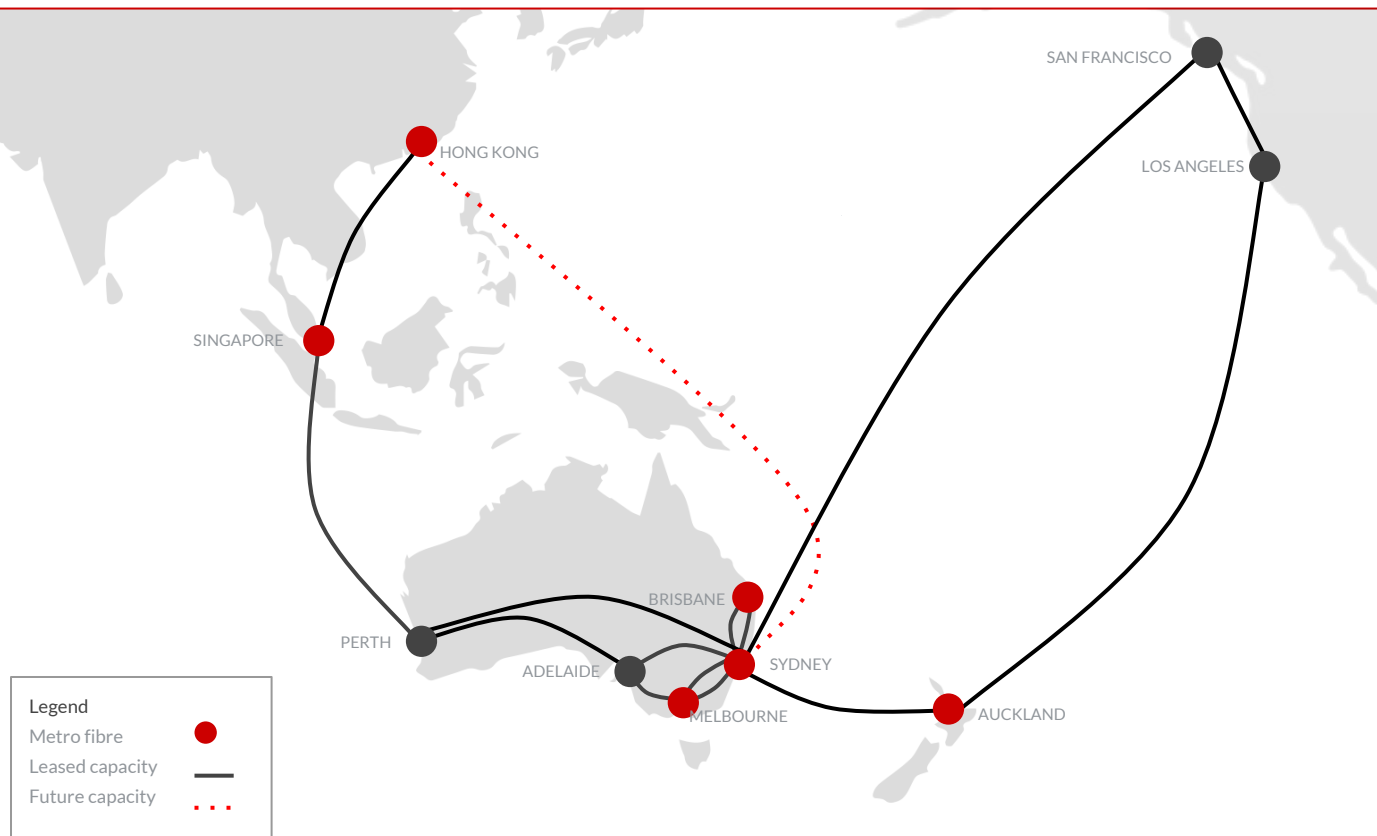
- ★ Existing Data Centres (11)
- ★ Data Centres Under Construction (2)
- ★ Media (7)
- ★ Cable Landing Stations (4 for 5 cables)
- ★ Future Cable Landing Station (1)
- Site not yet leased - will be later



# EXPANDED NETWORK

## INTERNATIONAL NETWORK

International network able to deliver end to end connectivity solutions for carrier/wholesale and enterprise customers in Australia, Singapore, Hong Kong and the United States





## 04 **2H17 PRIORITIES & OUTLOOK**

# 2H17 PRIORITIES & OUTLOOK

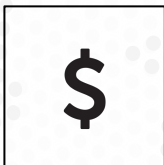
Superloop has established a platform to leverage core infrastructure assets to drive customer acquisition and revenue growth



## **CORPORATE**

Integrate BigAir and realise cost and revenue synergies

Implement appropriate governance and remuneration framework for expanded organisation

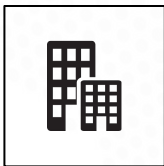


## **SALES / PRODUCTS**

Execute key strategic sales opportunities in each market to leverage strategic network assets

Increase product development that leverages existing infrastructure and relationships for greater share of wallet

Expand BigAir product suite to Singapore and Hong Kong including CyberHound



## **SCALABLE INFRASTRUCTURE**

Expand access networks to major commercial buildings in Singapore, Hong Kong and Australia

Upgrade and hyperscale the microwave network offering in Australia

Leverage expanded Australian capacity through 15-year IRU to drive network savings and coverage



## **GROWING RETURNS**

Continue to evaluate new markets and potential acquisitions that the Company believes are of strategic value

# THANK YOU

## ADDITIONAL INFORMATION

For further comment or other information please contact:

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### Disclaimer

Superloop Limited's (Superloop) consolidated financial results (Results) are prepared in accordance with the Australian Accounting Standards, the Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth). While much of the financial information in this presentation is based on the Results, it should be read together with the Results.

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Superloop is a **leading independent provider** of digital services in the Asia Pacific region

# A APPENDICES - BIGAIR GROUP

**BigAir owns and operates one of Australia's largest B2B fixed wireless broadband networks and also provides a leading cloud and managed services solution to mid-sized corporates**

- Co-founded in 2002 by Jason Ashton (Superloop Executive Director and Group Chief Operating Officer)
- Employs 240+ staff, including 26 sales staff, across 7 locations
- 300+ Points-of-Presence (POP's) across 12 cities and 120 other locations throughout Australia
- 2,200+ clients
- HQ and 24/7 Network Operations Centre in Sydney



## FIXED WIRELESS

One of Australia's largest B2B fixed wireless broadband networks

Delivering Point to Point Wireless Ethernet services at speeds up to 5 Gbps today



## CLOUD & MANAGED SERVICES

Innovative, fully integrated Cloud, Managed Services and Unified Communications solutions

Complemented by CyberHound which provides industry leading CyberSafety and managed security services



## CAMPUS SOLUTIONS

End-to-end solutions and network infrastructure at more than 160 sites nationally

Largest provider of managed WiFi to Tertiary Student Accommodation market in Australia

## Complimentary products, aligned cultures and compelling synergies

Enhances Superloop's coverage at strategic sites and locations nationally in particular in regional markets, greatly expands the product set and adds depth in technical and sales resources

Provides the critical mass to scale Superloop's Australian dark fibre footprint into enterprise buildings, at low cost due to BigAir's presence in high quality towers in close proximity to Superloop fibre

Greatly improves return on investment for ongoing network expansion and adds the capability to deliver redundancy (via technology diversity) to enterprise customers

Allows Superloop to expand its wholesale offering with Microwave

The BigAir base station backhaul network can be "swapped out" with Superloop fibre in high-value CBD and inner metro buildings - improving margin by reducing incremental operating costs for additional capacity

BigAir is now on a level playing field with its infrastructure competitors (as an end to end network owner)

Ability to leverage BigAir's existing relationships in a number of new verticals, including education, health, retirement living, resources and construction along with cross-selling BigAir's Cloud and Managed Services offerings including CyberHound into Superloop's customer base in Australia as well as Hong Kong and Singapore

The combined Group will provide an offering which scales and allows customers low-latency, low-cost access to managed service offerings including hosted PBX, managed firewall, corporate VPN and hosted private and public cloud offerings

The acquisition creates a significant infrastructure player with a number of unique capabilities and a highly focused execution strategy in the wholesale and enterprise markets



## Cloud and managed services business a key pillar

The BigAir cloud and managed services business unit will provide a fully integrated and focused managed service offering with a clear statement on market position and products

There is a significant opportunity for growth in the medium to large enterprise market

This business unit will leverage Superloop and BigAir network capabilities to underpin the connectivity piece of the managed service offerings

Leveraging Superloop's and BigAir's infrastructure advantage as a true network builder and owner allows control over pricing, quality and margin - providing a significant competitive edge versus other resellers and MSPs

Managed services offerings allow infrastructure owners such as Superloop to build deeper and longer term relationships with their enterprise customer base, reducing churn and securing a greater share of wallet

Many organisations are quickly moving towards total outsourcing of IT&T services with public or hybrid cloud infrastructure. AWS/Azure represent a small piece of the overall solution, particularly in the mid-market space

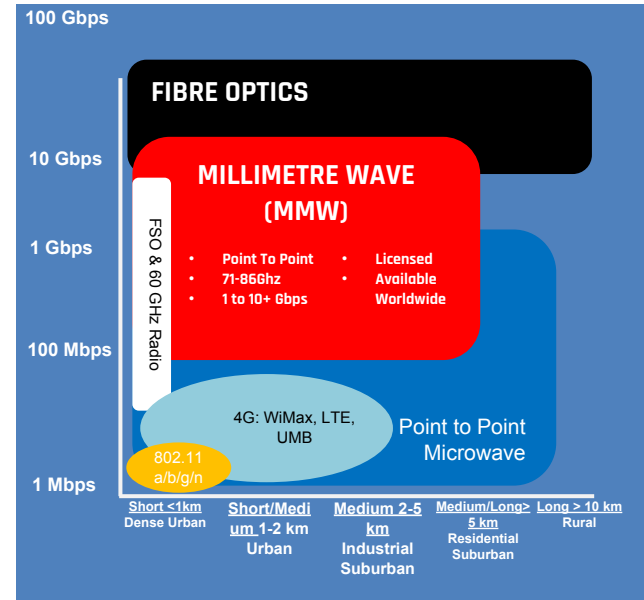




- BigAir “fibre extender” millimetre wave (MMW) wireless solutions for 1km-4km services to be combined with Superloop fibre backbone to deliver low cost Gigabit+ access alternative
- Disruptive MMW technology is being pioneered by companies like Facebook, Google and AT&T
- BigAir has well over 300 POPs including key strategic rooftop locations suitable for deploying transmission equipment
- Provides significantly increased leverage for Superloop as a primary or redundant service and a compelling alternative for business and wholesale partners

*“In 2016 Google Fiber acquired Webpass<sup>1</sup>, a company that focuses on providing high speed internet connections using point-to-point wireless technology.”*

*“In 2016 Facebook<sup>2</sup> demonstrated a record data rate of nearly 20 Gbps over 13 km with MMW technology”*



Superloop will hyper-scale BigAir's wireless and “fibre extender” capability, and by leveraging Superloop fibre will build a low-cost access alternative for true Gigabit+ speeds

<sup>1</sup><http://www.cnbc.com/2016/06/23/google-fiber-buys-webpass-to-boost-its-high-speed-internet-business.htm>  
<sup>2</sup><http://www.forbes.com/sites/greatspeculations/2016/06/27/why-the-acquisition-of-webpass-could-be-significant-for-google-fiber/#20b858eb1470>  
<sup>2</sup><https://code.facebook.com/posts/1197678800270377/facebook-demonstrates-record-breaking-data-rate-using-millimeter-wave-technology/>