

ASX Announcement

3 November 2017

Superloop acquires GX2 Technology and announces three new partnership agreements

Superloop Limited (**ASX: SLC**) is pleased to announce that it has entered into an agreement to acquire GX2 Holdings Pty Ltd and its subsidiaries (“GX2”).

GX2 is a leading provider of managed connectivity services for major hotels, student accommodation sites and schools in 5 countries, designing, installing and supporting high performance WiFi network solutions for its customers. Today, GX2 is able to service over 50,000 guests for over 200 customers in 350 sites around the world.

Bevan Slattery, CEO of the Superloop Group, said "Over the past 10 years GX2 has developed one of the most comprehensive software platforms for managing large scale guest WiFi networks with an emphasis on providing granular control and visibility to operators of hotels, student accommodation, parks almost anywhere where there is guest WiFi access. This acquisition provides three main opportunities. First to support and accelerate the GX2 platform further internationally, secondly for Superloop to leverage this platform at our existing community broadband locations and finally to develop new leading edge offerings in combination with the Superloop network across Asia."

Anthony van der Byl, Chief Executive Officer and Co-Founder of GX2, said "We are excited to be joining the Superloop Group to continue the expansion of our offering. Combining Superloop's existing systems and infrastructure will help us accelerate into more markets across Australia and overseas."

GX2 generated revenue from installation, ongoing management fees and hardware sales of over \$9.2 million for the 2017 financial year.

Strategic rationale

The acquisition of GX2 has significant strategic benefits for the Superloop Group and addresses each of the previously stated objectives for investment or acquisition. In particular, the acquisition:

- is strategically aligned to our vision to be the most trusted enabler of connectivity and managed services in Asia Pacific;
- accelerates our ability to significantly expand our community broadband campus solutions to our broader customer base in Australia and overseas;
- has a team that is focused, dedicated and culturally aligned with Superloop's existing team;
- is earnings accretive; and
- has technology, software and systems that will add significant value to the combined group and assist in further strengthening our offerings to the market.

GX2 operates a compelling software platform providing a managed service for over 200 customers at over 350 sites with 75% in the Asia Pacific region and the balance across the United States and United Kingdom. It is able to service more than 50,000 guests daily and offers strong customer technical support with a customer service centre that operates 24 hours a day, from Australia, United Kingdom and the United States, following the sun.

Consideration

Upfront consideration for the strategic acquisition includes \$6.0 million in cash plus \$4.0 million in Superloop shares at an issue price of \$2.38, being the volume weighted average price for the 30 trading days to 13 October 2017. The cash component will be funded from Superloop's cash reserves and available debt facility.

The vendors of GX2 will receive further deferred consideration of \$2.0 million payable in cash in instalments in the 2 year period from completion.

All shares issued as consideration to the vendors of GX2 will rank equally with existing Superloop shares and be subject to voluntary escrow for 12 months from the date of completion.

Total consideration is expected to represent under 5 times adjusted EBITDA for FY19.

Key management employees of GX2 will enter into employment agreements with Superloop and have agreed to restraints which preclude the operation of a similar business in Australia, the United Kingdom, the United States, Fiji or New Zealand.

Conditions precedent to completion

Completion of the acquisition is subject to certain conditions precedent including satisfactory completion of due diligence. The transaction is expected to complete during November 2017.

BigAir Campus Solutions division signs new site management agreements

Superloop is also pleased to announce that it has signed partnership agreements with 3 emerging student accommodation providers to manage the provision of internet services at 12 new sites with over 8,100 residents. BigAir's Campus Solutions business currently manages broadband WiFi connectivity services for more than 150 sites with over 33,000 residents.

The new contracts each have a term of 5 years, will commence during calendar 2018, and are expected to generate incremental revenue growing to over \$2.5 million per annum by FY20 as the new facilities are constructed, before considering expansion opportunities.

"I am delighted with these recent signings and to see the continual momentum for our community broadband platform. With our existing customers combined with the Superloop network and now the GX2 platform I firmly believe our offering is without parallel in the Australian market," said Jason Ashton, Superloop Director and co-founder of BigAir Group.

ADDITIONAL INFORMATION

For further comment or other information please contact:

Investor enquiries:

Telephone: +61 7 3088 7300

Email: investor@superloop.com

About Superloop

Superloop's vision is to be the most trusted enabler of connectivity and managed services in Asia Pacific.

The Group owns and operates over 600 km of carrier-grade metro fibre networks in Australia, Singapore and Hong Kong, connecting more than 250 of the region's key data centres and commercial buildings.

Superloop has constructed a core network in Singapore connecting major data centres, key enterprise buildings and cable landing stations. The network includes a low-latency, diverse loop to the Singapore Stock Exchange (SGX) for secure, real-time data transactions. It is continually expanding with further diverse connections to strategic sites being constructed.

In Hong Kong, Superloop has established a 110 km fibre optic network to initially connect 30 strategic sites including the Hong Kong Stock Exchange data centre. The Company has constructed 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 low latency path between Hong Kong's major finance and technology hubs. TKO Express is the world's largest fibre core count subsea cable system.

The Group also operates businesses including BigAir Group, NuSkope and SubPartners.

BigAir Group provides a diverse range of ICT services to small-to-medium enterprises, government, retail, mining and education customers across Australia. It offers network infrastructure, Cloud-based solutions and managed services, including communications and WiFi into student campuses. BigAir owns an advanced, large-scale fixed wireless broadband network, including more than 300 wireless PoPs, delivering business-grade services at speeds up to 1Gbps. The BigAir Group includes CyberHound, a provider of Internet security solutions to primary and secondary schools.

Submarine cable infrastructure provider, SubPartners, will expand Superloop's trans-Australian and international capacity, giving the Company ownership of international submarine cable capacity as a member of the INDIGO consortium which is constructing the INDIGO West cable system (Singapore to Perth) and the INDIGO Central cable system (Perth to Sydney).

For more information, visit: www.superloop.com