

ASX ANNOUNCEMENT

24 September 2019

Superloop to raise \$90 million and recapitalise existing senior debt

Highlights

Superloop to raise \$90 million at \$0.82 per share and restructure its existing senior debt facility. The 'amended and extended' senior bank facility with ANZ and Westpac is for 4 years with a facility limit of \$61.7 million and financial covenants reflective of the infrastructure nature of Superloop's strategy.

The capital raising will be conducted via a:

- fully underwritten two-tranche Institutional Placement of \$55 million; and
- fully underwritten 1 for 6 accelerated non-renounceable Entitlement Offer to raise approximately \$35 million.

The fully underwritten Institutional Placement and the Entitlement Offer will be conducted at an offer price of \$0.82 per new Superloop share, representing a 18.8% discount to the closing price of Superloop shares on 20 September 2019, and a 13.9% discount to TERP.

Equity Raising

Superloop Limited ACN 169 263 094 (ASX: SLC) (**Superloop**) intends to conduct a fully underwritten \$90 million equity raising via a:

- fully underwritten two-tranche placement to institutional investors to raise approximately \$55 million (**Institutional Placement**); and
- fully underwritten 1 for 6 accelerated non-renounceable entitlement offer of fully paid ordinary shares in Superloop (**New Shares**) to raise approximately \$35 million (**Entitlement Offer**),

(together, the **Equity Raising**).

The offer price for the Institutional Placement and the Entitlement Offer will be \$0.82 per share (**Offer Price**). The Offer Price represents:

- a 18.8% discount to the last traded price of Superloop shares; and
- a 13.9% discount to the theoretical ex-rights price (**TERP**).¹

¹ The theoretical ex-rights price (**TERP**) is the theoretical price at which shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. TERP includes the new Superloop shares issued under the first and second tranches of the Institutional Placement.

Superloop will utilise its full placement capacity under ASX Listing Rule 7.1 for shares issued under the first tranche of the Institutional Placement. The issue of shares under the second tranche of the Institutional Placement remains subject to shareholder approval being obtained at Superloop's 2019 annual general meeting, which is scheduled to be held on Wednesday, 30 October 2019.

Under the Entitlement Offer, eligible shareholders will be able to subscribe for one new ordinary share in Superloop for every six existing shares held at 7.00pm (Sydney time) on 26 September 2019 (**Record Date**) at the Offer Price (**Entitlements**).

Canaccord Genuity (Australia) Limited ACN 075 071 466 and Morgans Corporate Limited ACN 010 539 607 are acting as joint lead managers and underwriters to the Equity Raising.

The proceeds of the Equity Raising will be applied principally to pay down senior secured debt, with the proceeds to reduce pro-forma 30 June 2019 net debt plus net payables from \$93.5 million to \$7.5 million and provide a ~\$60 million funding runway for future success-based growth capital. The renegotiated covenants are also more appropriately aligned to Superloop's business.

Superloop's Chairman, Michael Malone said: "Superloop has invested over \$256 million in fibre network assets, and continues to make progress in monetising the value of those assets. The support from Superloop's senior lenders has been invaluable, but it is necessary and appropriate to restructure those facilities to provide a platform for Superloop to continue to access funding on favourable terms to support its monetisation strategy. This capital raising achieves that objective, reducing the senior debt with a restructured five-year facility that provides funding for the incremental investment on Superloop's core network".

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value for the Entitlements they would have received had they been eligible.

It is expected that approximately 110 million new ordinary shares in Superloop will be issued as part of the Equity Raising. Shares issued under the Institutional Placement do not participate in the Entitlement Offer. Shares issued under the Equity Raising will rank equally with existing shares.

The Entitlement Offer includes an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

Under the Institutional Entitlement Offer, eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer which will take place from today, 24 September 2019 to 25 September 2019. Eligible institutional shareholders can choose to take up all, part or none of their Entitlements. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild at the Offer Price on 25 September 2019.

Eligible retail shareholders in Australia and New Zealand will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on 30 September 2019 and close at 5.00pm (Sydney time) on 14 October 2019.

The Retail Entitlement Offer will include a top-up facility under which eligible retail shareholders who take up their full Entitlement will be invited to apply for additional shares in the Retail

Entitlement Offer from a pool of those not taken up by other eligible retail shareholders. There is no guarantee that applicants under this top-up facility will receive all or any of the shares they apply for under the top-up facility. Further details on the allocation of shares under the top-up facility will be set out in the Retail Entitlement Offer information booklet.

Superloop will notify shareholders as to whether they are eligible to participate in the Retail Entitlement Offer. Eligible retail shareholders will be sent, on or about 1 October 2019, an information booklet including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Retail Entitlement Offer. A copy of the information booklet will also be lodged with ASX on or about 26 September 2019.

Those shareholders who Superloop determines to be ineligible shareholders will also be notified.

A presentation on the Equity Raising has been lodged with ASX today and is able to be downloaded from ASX's website (www.asx.com.au).

Proposed timetable

Superloop expects that the Equity Raising will be conducted according to the following timetable:

| Event | Date |
|--|-------------------|
| Announcement of the Entitlement Offer and Institutional Placement | 24 September 2019 |
| Record Date for Retail Entitlement Offer (7.00pm (Sydney time)) | 26 September 2019 |
| Retail Entitlement Offer opens | 30 September 2019 |
| Settlement of the Institutional Placement (tranche 1) and the Institutional Entitlement Offer | 30 September 2019 |
| Information booklet and entitlement and acceptance form despatched, and announcement of despatch | 1 October 2019 |
| Allotment of new shares issued under the Institutional Placement (tranche 1) and the Institutional Entitlement Offer | 1 October 2019 |
| Quotation of new shares issued under the Institutional Placement (tranche 1) and the Institutional Entitlement Offer | 2 October 2019 |
| Closing date for acceptances under Retail Entitlement Offer (5.00pm (Sydney time)) | 14 October 2019 |
| Announcement of results of Retail Entitlement Offer | 17 October 2019 |
| Settlement of the Retail Entitlement Offer | 18 October 2019 |
| Allotment of New Shares issued under the Retail Entitlement Offer | 21 October 2019 |
| Normal ASX trading for New Shares issued under the Retail Entitlement Offer commences | 22 October 2019 |
| Despatch of holding statements for New Shares issued under the Retail Entitlement Offer | 23 October 2019 |
| Annual general meeting | 30 October 2019 |
| Settlement of the Institutional Placement (tranche 2) | 1 November 2019 |

| Event | Date |
|--|-----------------|
| Allotment of new shares issued under the Institutional Placement (tranche 2) | 4 November 2019 |
| Quotation of new shares issued under the Institutional Placement (tranche 2) | 5 November 2019 |

Notes:

All times are Sydney time.

This timetable is indicative only and subject to change. The board of directors of Superloop may vary these dates, in consultation with the Underwriter, subject to the ASX Listing Rules. An extension of the closing date for acceptances under the Retail Entitlement Offer will delay the anticipated date for issue of the New Shares. The board of directors of Superloop also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.

Additional information

Investor enquiries:

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