

22 February 2023

Superloop 1H FY23 Results

Superloop Limited (**ASX:SLC**) ("Company" or "Group") has today released its 1H FY23 results for the half year ended 31 December 2022, Superloop reported:

- **Total Revenue¹** from continuing operations of **\$148.9m** vs \$113.0m in the prior corresponding period (**PCP**), an increase of **31.7%**. Strong revenue growth was driven by growth in total customers utilising the Superloop Network of 42.3% across all three segments.
- **Underlying EBITDA²** from continuing operations of **\$12.6m**, an **increase of 88.8%** compared to \$6.6m in the PCP.
- **Statutory EBITDA** from continuing operations of **\$10.0m**, an **increase of 210.5%** compared to \$3.2m in the PCP.
- Underlying **Operating Cash Flow³** as a percentage of Underlying EBITDA (**Cash Conversion**) at **103.5%**.
- Strong Balance Sheet with a **Net Debt Position of \$23.2m** plus undrawn debt capacity of \$48.4m as at 31 December 2022.
- 35,154 subscribers using the **Superloop Connect** platform.
- **Loss from ordinary activities** after income tax for the half year attributable to members was \$21.7m compared to \$21.3m in the PCP. The current period loss reflects the impact of a \$1.8m impairment charge and the increased depreciation and amortisation associated with recent asset investments and purchases.

During 1H FY23 Superloop:

- Completed the accretive acquisition of VostroNet, a provider of wholesale Fibre-to-the-Premises (**FTTP**) access networks and purpose-built student accommodation broadband;
- Completed the acquisition of MyRepublic via a subscriber transfer agreement acquiring 50,000 NBN customers at \$250 per migrated subscriber;
- Entered into a mutual, Preferred Network Partnership Agreement with the Uniti Group Limited;
- Implemented a fixed wireless optimisation strategy including partial divestment of assets and refocus of remaining infrastructure;
- Made significant progress on an internal digital transformation strategy that will improve cost to serve and continue to enhance customer experience;
- Completed the rebranding and relaunch of the main Superloop brand to underpin continued organic growth and
- Concluded an on-market buyback program, purchasing 11.2m shares for net consideration of \$8.6m.

¹ Based on continuing operations and inclusive of other income. The 1H FY22 prior comparative period excludes the contribution from discontinued operations.

² Underlying EBITDA is calculated as Statutory EBITDA adjusted for non-recurring transaction/rebranding costs as well as Share Based Payments.

³ Underlying Operating Cash Flow is calculated as Net Cash flow from operating activities adjusted for transaction and rebranding costs



Commenting on the 1H FY23 results Paul Tyler, CEO and Managing Director of Superloop, said: "The strong momentum we saw in the second half of FY22 has accelerated into the first half of FY23. We continue to see strong demand and excellent sales growth across all three segments - Consumer, Business, and Wholesale. We managed to deliver earnings growth, highlighting the strong underlying momentum in the business. Our efforts to rebrand and unify our culture are taking shape and this will provide further opportunities to grow the business".

Financial Performance

The table below provides an overview of the financial performance of the Group in 1H FY23 relative to 1H FY22.

\$M	1H FY23	1H FY22	% Change
Revenue from Continuing Operations	147.9	113.0	30.8%
Cost of Goods Sold	(98.4)	(76.8)	(28.2%)
Gross Margin	49.5	36.2	36.7%
Other Income	1.1	0.0	100.0%
Operating Expenses	(38.0)	(29.6)	(28.2%)
Underlying EBITDA⁴	12.6	6.6	88.8%
Transaction and Rebranding Costs	(2.3)	(3.2)	28.1%
Share Based Payments	(0.2)	(0.2)	-
Statutory EBITDA	10.0	3.2	210.5%

FY23 Outlook

Looking forward, the Group has a unique infrastructure on demand platform to build upon and the business has been further enhanced by recent acquisitions that will open new markets for its products and services.

The Group continues to expect strong profitable revenue growth in FY23, with the business momentum continuing thus far in the second half of FY23. We welcome the addition of 50,000 MyRepublic customers and extracting further value from the Acurus and VostroNet acquisitions.

Our ongoing rebranding will provide a strong platform for further customer acquisition, along with opportunities in the Business and Wholesale segments.

We remain well positioned to meet FY23 Underlying EBITDA guidance of \$33m - \$36m inclusive of the impact of the conclusion of the Fixed Wireless strategic review.

⁴ Underlying EBITDA is calculated as Statutory EBITDA adjusted for non-recurring transaction/rebranding costs as well as Share Based Payments.



Details of Investor Briefing

The Company will be hosting a briefing for analysts and investors today. Details of the briefing are as follows:

Date: Wednesday, 22 February 2023

Time: 10.30 am (AEDT)

To pre-register for the call, please click on: <https://registrations.events/direct/OCP60529>

To join the Webcast: <https://webcast.openbriefing.com/slc-hyr-2023/>

ENDS

Authorised for release by the Superloop Board of Directors.

About Superloop

Founded in 2014, and listed on the ASX since 2015, Superloop's purpose is to enable better internet for Australian homes and businesses. We enable challenger retail brands (including Superloop and Exetel brands) to take a larger share of the market, leveraging Superloop's Infrastructure-on-Demand platform. Superloop provides connectivity and services to customers in three segments of the market: consumer, business and wholesale. Our offerings leverage Superloop's investments in physical infrastructure assets that include fibre, subsea cables and fixed wireless, as well as Superloop's software platforms. Hundreds of thousands of homes and businesses rely on Superloop and Exetel every day for their connectivity needs.

Visit www.superloop.com to learn more.

Contacts

Superloop is at:

Web: <https://www.superloop.com/>

Twitter: <https://twitter.com/superloopnet>

LinkedIn: <https://au.linkedin.com/company/superloop>

Facebook: <https://www.facebook.com/SuperloopHomeBroadband/>

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