superloop

2019

ANNUAL REPORT

SUPERLOOP LIMITED | ABN 96 169 263 094

superloop.com

2019

ANNUAL REPORT

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Chairman & CEO Report

On behalf of the Board of Directors of Superloop Limited, it is our pleasure to present the Annual Report for the 12 months ended 30 June 2019 (FY19).

Superloop was founded to change the way that Asia Pacific connects, identifying in 2014 that legacy incumbent networks around the region were designed before the advent of the cloud, therefore creating an opportunity for a brand new purpose-built network and organisation to meet the growing demand for high capacity, low latency, connectivity across the region.

This was your Company's fourth full financial year since listing, and arguably its most momentous and eventful year so far. 2019 saw the completion of the two final pieces of our pan-Asia Pacific core network 'loop'. This was also a year of significant corporate activity including a capital raise, a debt facility extension, due diligence from a non-binding indicative offer, as well as restructuring and refocusing the company on our core assets.

Company Highlights

- Founded in 2014 to connect Asia Pacific to the cloud, with a legacy-free network capable of fulfilling the growth in demand for bandwidth
- Invested $256m in advanced fibre networks connecting bandwidth-intensive properties across Asia Pacific, on average 2 years into 20+ year useful life
- Superloop also distributes connectivity within campuses smartly and securely, leveraging $210m of investments in adjacent platforms through acquisitions
- Net book value of assets $1.37 per share at 30th June 2019; $346m net assets post $50.7m impairment of non-core services segment
- Core fibre connectivity[1] revenues up 89% year-on-year (YoY), with sales expected to ramp up now core Asia Pacific loop is live and connected
- FY19 EBITDA of $8.5m & reconfirming FY20 $14m-$16m guidance, excluding other one-off transactions that may occur
- With core network now in place, the marginal incremental investment required to win new customers represents the majority of the future capital needs of Superloop[2]

[1]Core Fibre Connectivity Revenues excluding INDIGO development revenue, includes installation revenues, IRU revenue (AASB15) and domestic construction revenue
[2]In the absence of any major new infrastructure opportunities arising

FY20 Operational Highlights

Completed Asia Pacific core network loop INDIGO & AU backbone	**On-Net Buildings** **392** +26% YoY	**Award-winning network** Best Telco Innovation Best Fixed Wireless Provider Best Virtual Network Operator
Traffic on Network **+1900%** On FY16	**Re-launched portfolio** All products operating under Superloop brand	**Integrated teams** Unified ~300-strong organisation

Delivery of these core network projects has been capital intensive. We are nearing the end of this investment in our future and are well positioned to monetise these assets to deliver long-term shareholder value. We are already seeing the benefit of these investments with a strong sales pipeline, network traffic increasing 1900% on FY16 levels and receipt of several awards related to the innovative nature and overall quality of our networks.

Superloop is well positioned for future value creation

- Nearing the end of a major capital investment program
- Significant new sales opportunities on our owned core fibre connectivity business on a strong growth trajectory
- Our on-net footprint in Australia and Asia Pacific is positioned to take advantage of the burgeoning demand for connectivity and broadband
- Superloop is now well positioned to continue to deliver significant growth to deliver on long-term customer and shareholder expectations

FY19 is the year that Superloop completed building the foundations on which it must now build. To be able to deliver all of the above cornerstone projects, while facing many significant growth challenges, is testament to the quality and commitment of Superloop's outstanding people. We would like to thank all of the Superloop team for the effort they've put in over the last year.

On behalf of the Board and Management, we would like to thank you for your continued support.

Michael Malone
Chairman
Superloop Limited

Drew Kelton
Chief Executive Officer
Superloop Limited

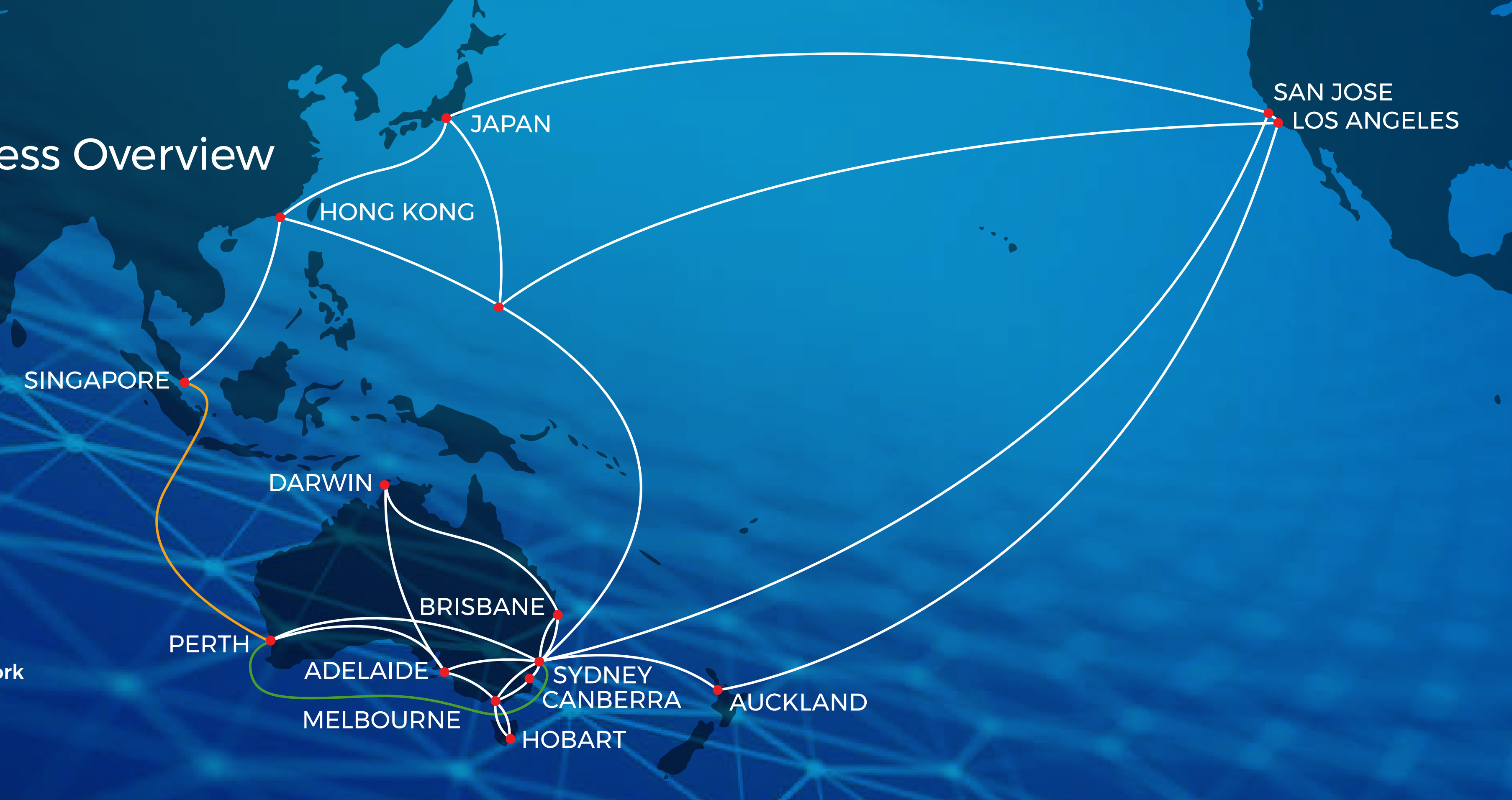
"At Superloop we believe we have built the only network that can deliver a seamless cloud-first experience to the major traffic hubs and enterprise buildings in Asia Pacific."

Drew Kelton
Chief Executive Officer

"Over the next 2 years I believe the 'clouds' will be coming out of the data centre and directly to where we live, work and play. In a cloud world the 'last mile' is now becoming the 'first mile' of connection."

Bevan Slattery
Founder - Superloop, Megaport, NEXTDC, PIPE Networks

FY19 Business Overview



Asia Pacific Fibre Network

- FIBRE NETWORK
- INDIGO West
- INDIGO Central

Fibre

Australia

30 June 2019	30 June 2018
430km Fibre	242km Fibre
301 Strategic Sites	225 Strategic Sites

Singapore

30 June 2019	30 June 2018
216km Fibre	190km Fibre
59 Strategic Sites	57 Strategic Sites

Hong Kong

30 June 2019	30 June 2018
248km Fibre	239km Fibre
32 Strategic Sites	28 Strategic Sites

184km	378km	614km	671km	894km
June 2015	June 2016	June 2017	June 2018	June 2019

Superloop Owned Optic Fibre Build Progression

33.2%

From 30 June 2018

392 Connected Strategic Sites
As of 30 June 2019

26.5%

From 30 June 2018

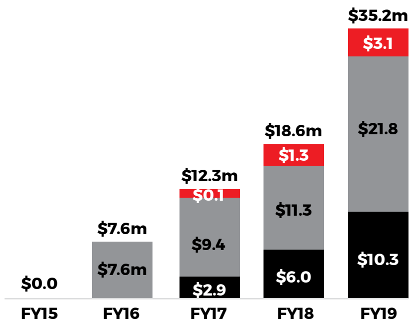
Superloop's Portfolio Connecting Asia Pacific

1 Asia Pacific Core Fibre Network

Fibre networks connecting key hubs in Singapore, Australia and Hong Kong and INDIGO subsea cable

89%
Revenue YoY

Core Fibre Connectivity Revenues



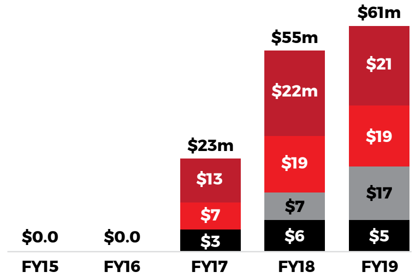
$256m
Invested capital to date in core connectivity networks including IRUs.

2 Platforms Leveraging Fibre Network

Fixed Wireless (Connectivity)
Guest WiFi (Broadband)
Home Broadband (NBN & FW)
CyberHound Security (Services)

11%
Revenue YoY

Total Annual Revenue



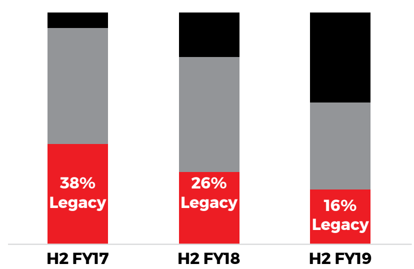
$214m
Carrying Value of Non Current Assets excluding Fibre Connectivity & Services segments.

3 Non-Core CMS

Cloud Managed Services providing hosted IT & equipment procurement to small businesses

31%
Revenue YoY

Revenue Mix % excl. subsea dev.



$(50.7)m
Impairment to $6m Carrying Value of Services segment.

Directors' Report

"Network coverage across the Asia Pacific region, combined with the INDIGO subsea cable system, together with a standardised and scalable suite of connectivity solutions including broadband and cybersecurity, will provide trusted and reliable services to a broad range of customer segments."

Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as 'Superloop', 'the Group' or 'the Company') consisting of Superloop Limited and the entities it controlled at the end of, or during, the year ended 30 June 2019.

DIRECTORS

The following persons were Directors of the Group during the year:

Michael Malone (Chairman)
Bevan Slattery
Greg Baynton
Richard (Tony) Clark
Vivian Stewart
Louise Bolger (resigned: 23 November 2018)
Jason Ashton (resigned: 30 September 2018)
Matthew Hollis (resigned: 23 November 2018)
Alexander (Drew) Kelton (appointed: 23 November 2018)

PRINCIPAL ACTIVITIES

The principal activities of the Group include:

- The construction and operation of independent telecommunications infrastructure throughout the Asia Pacific region, including the provision of complete high-performance network solutions for wholesale, enterprise and channel customers;
- The operation of an advanced, large scale fixed wireless broadband network in Australia providing breadth of coverage;
- The management and delivery of Guest WiFi broadband solutions for campus environments including student accommodation, hotels and schools;
- Residential and small business broadband services in Australia via fixed wireless or fixed line NBN services;
- Cyber safety and security services for schools and other organisations demanding safe internet.

REVIEW OF OPERATIONS

Superloop was founded in 2014 to connect Asia Pacific to the cloud, with a legacy-free network capable of fulfilling the growth in demand for bandwidth across the region. Our core purpose is to change the way Asia Pacific connects.

Superloop is delivering on its core purpose by investing in advanced fibre networks connecting bandwidth-intensive properties across key markets in Asia Pacific, complemented by distributing connectivity within those campuses and properties smartly and securely, leveraging the Group's investments and acquisitions in Fixed Wireless access, Guest WiFi, Cybersecurity and Home Broadband assets, processes, systems and people.

The Group's three reporting segments reflect the nature of these service offerings, including Connectivity (fibre, fixed wireless and third party access networks), Broadband (Guest WiFi and Home Broadband) and Services (cybersecurity under the CyberHound product brand, and Cloud Managed Services).

In order to deliver Connectivity, Broadband and Services to customers within Asia Pacific, the Group's process value chain and organisational structure encompasses:

- Developing strategy and capital requirements;
- Building the core network 'loop' connecting bandwidth-intensive properties in Singapore, Australia and Hong Kong including a subsea cable network;
- Marketing and selling to a range of wholesale, enterprise and residential customers under a single Superloop brand;
- Delivering products & services to customers in an efficient and effective manner;
- Operating and maintaining the networks and services to high quality service levels;
- Enabling its core value chain by providing people & culture, legal & governance, finance, technology and security support.

FY19 Operational Highlights include:

- Completing the Asia Pacific core network loop including INDIGO subsea cable from Singapore to Perth to Sydney, and connecting Australia seamlessly through NBN's nationwide Points of Interconnect;
- Cumulatively connecting 392 'on-net' buildings, +26% year-on-year across 894km of terrestrial fibre, in addition to ~9,000km of subsea cable;
- Relaunching a simplified product portfolio under the single Superloop brand;
- Growing traffic on the network by more than 1900% since 2016;
- Achieving industry recognition including Best Telco Innovation, Best Fixed Wireless provider, and Best Virtual Network Operator awards;
- Unifying a ~300-strong organisation into an integrated Superloop team.

The Group has cumulatively invested $256m in fibre network assets that are on average less than 2 years into a 20+ year useful life.

FINANCIAL AND OPERATING PERFORMANCE

The Group's revenues and other income were $119.8 million in FY19 versus $118.2 million in the previous financial year. The revenue mix shifted significantly towards the core connectivity segment due to the significant revenue growth on fibre assets, the growth in broadband segment and the planned retirement of non-core 'Services' products.

The Group had a full year net loss after tax of $72.1 million in FY19 (compared to a profit of $1.3 million in FY18). Net loss before tax was $84.4 million (compared to a $2.8 million loss in FY18). The Group generated earnings before interest, tax, depreciation and amortisation (EBITDA) of $8.5 million.

COMPLETE CONNECTIVITY PLATFORM FOR ASIA PACIFIC

1. Subsea cable network connecting Asia Pacific
2. Fibre Networks in Singapore, Hong Kong and Australia
3. CyberHound secure education based internet
4. Fixed Wireless Network across Australia
5. Guest WiFi platform for leisure, health & education campuses
6. Residential & small business Broadband across Australia

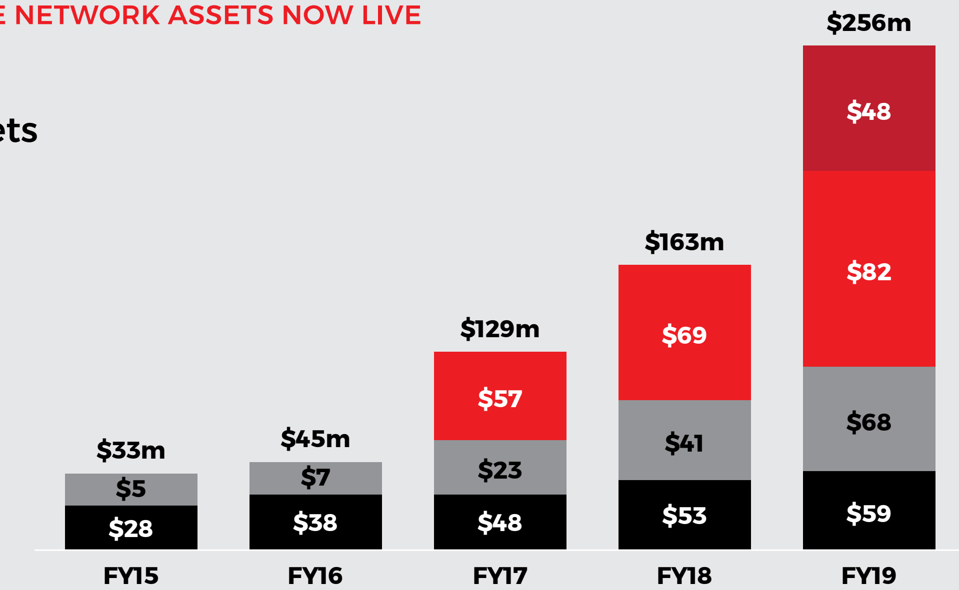
INVESTED CAPITAL IN FIBRE NETWORK ASSETS NOW LIVE

<2 Year Old Network Assets

Weighted average asset age as at 30th June 2019

20+ Years of Useful Life

Weighted average asset useful life



INDIGO Subsea Cable
Hong Kong
Australia
Singapore

Directors' Report

	FY17[1]	FY18[1]	FY19	YoY
Total Revenue	$57.7	$118.2	$119.8	+1.4%
Revenue excl. subsea dev.	$54.8	$104.2	$115.8	+11%
Direct Costs	$(28.0)	$(51.1)	$(61.4)	+20%
Gross Margin	$29.7	$67.0	$58.5	(13%)
Gross Margin excl. subsea dev.	$26.8	$54.0	$55.0	+2%
Gross Margin %	51%	57%	49%	(8%)
Gross Margin excluding subsea dev. %	49%	52%	47%	(5%)
Operational Costs	$(27.2)	$(44.9)	$(50.0)	+11%
EBITDA (AASB15)	$2.5	$22.1	$8.5	
Depreciation & Amortisation[2]	$(9.0)	$(22.1)	$(36.5)	
Non-Cash Impairment[2]	-	-	$(50.7)	
Net profit/ (loss) before tax	$(7.8)	$(2.8)	$(84.4)	

(1) Prior year adopting AASB15 standard retrospectively

(2) Impairment of non-core CMS services segment includes $43.3m goodwill, PP&E and accelerated amortisation of contracts

Financial position
At 30 June 2019, the Group held property, plant and equipment (primarily the construction of its metro and subsea fibre networks) of $228.7 million, and intangible assets of $234.2 million including rights to access (via Indefeasible Rights to Use (IRU) agreements) network capacity in Australia, Singapore and Hong Kong as well as intangible assets arising from business combinations. Intangible assets include $135.1 million of goodwill, having impaired the $43.3 million of goodwill relating to the retiring of cloud managed services, as part of a $50.7 million overall impairment.

Cash flow performance
The Group generated operating cash flows of $5.3 million in the year, and invested $53.1 million predominantly in property, plant and equipment to complete the core Asia Pacific network 'loop', funded by $51.7 million of net financing cash flows inclusive of a $31 million equity raise in March 2019 and further draw down of the Group's senior debt facilities.

BUSINESS STRATEGIES AND PROSPECTS FOR FUTURE FINANCIAL YEARS

Superloop's networks are strategically positioned to capitalise on market dynamics, driven by strong data growth, growth in data centre demand and the need for connectivity services with a focus on the Asia Pacific region. The Group's operating networks in Australia, Singapore and Hong Kong uniquely positions Superloop as a true Pan Asian telecommunications network owner and operator.

Network coverage across the Asia Pacific region, combined with the INDIGO subsea cable system, along with a standardised and scalable suite of connectivity solutions including broadband and cybersecurity, will provide trusted and reliable services to a broad range of customer segments.

Superloop intends to continue to invest in connectivity solutions in markets where the Board and Management believe the demand for services will deliver an attractive return for Shareholders. This includes exchanging spare capacity for capacity on other networks (thus expanding the footprint), under varying commercial constructs in value and timing.

MATERIAL BUSINESS RISKS

The material business risks faced by the Group that are likely to have an effect on its financial prospects include:

Competition and disruption: While considering itself an industry disruptor in its own right, a key risk to Superloop, particularly in the residential broadband and fixed wireless markets, are new market entrants and technological advancements that better support the way customers choose to consume their data. Failure to appropriately respond to these increasingly competitive market conditions could result in a decline in the revenue and margin of our products and services and ultimately our forecasted earnings and asset positions.

Superloop attempts to mitigate this risk by the following key activities:

- Considering emerging technologies, societal trends and the competitive environment as part of its strategic planning and review processes;
- Selecting and deploying technologies with future developments and growth in mind;
- Periodically reviewing its customer offerings in the context of the market and customer needs.

Regulatory: Superloop operates in an increasingly regulated environment with significant growth in the regulation of 'non-traditional' areas including governance of pricing, product, customer experience and increasingly in the past 12 months, data protection. The protection of customer and third party data is now not only a regulatory risk that carries significant penalties, but also a reputational risk that may significantly damage trust and long-term shareholder value.

This increase in regulatory burden, while important, adds complexity and therefore cost to our operations. It also introduces the risk of non-compliance which could place the operating licenses and approvals we need to operate our business, at risk. Superloop attempts to mitigate this risk through:

- Monitoring and impact assessment of regulatory developments, engaging where necessary with the relevant regulatory bodies and monitoring its own compliance with existing regulations;
- Proactively develop and maintain relationships and seek to influence outcomes through engagement with relevant regulatory stakeholders and policy makers though our membership to key industry groups.

Data and information governance: The increase in reliance on technology and associated risk in the consumption and generation of data has been accompanied by unprecedented cyber security risks and stakeholder expectations in relation to their data being safe and service continuity assured. In addition, the recent evolution of the regulatory environment and heighten community awareness of the issue following a number of high profile and highly publicised breaches, the management of data represents a key legal and reputational risk for Superloop that if realised, could impact shareholder value. To mitigate this risk, Superloop has:

- Developed a Privacy Policy and appointed a designated Privacy Officer;
- Undertaken audits to understand and classify the data it holds and to qualify the exposure to this risk;
- Restricted access to company premises, systems, and network devices and implemented strict change control measures, anti-virus software and firewall protections;
- Developed mandatory training in relation to data security and privacy awareness for its employees including development of policies and procedures to guide staff in the management of privacy related issues.

Business resilience: A significant network, systems failure or interruption could cause both tangible and intangible losses of shareholder value for Superloop through its inability to honour customer contracts, resultant customer churn and reputational damage.

Superloop's key risk mitigations regarding business resilience related risks include:

- Designing and investing in the network to provide in-built resilience;
- Implementing advanced security measures to both prevent and monitor for cyber security threats;
- Implementation of sophisticated monitoring tools to provide early warning of any developing issues;
- Formalising our approach to business resilience which includes the ongoing development of a formal business continuity framework to complement existing disaster recovery plans;
- Provision in customer contracts protecting Superloop from claims in relation to failure to provide contracted services due to specific events outside of Superloop's control;
- Maintenance of business interruption insurance.

Monetising our assets: Over the past four years Superloop has built a unique asset base, including its share in the INDIGO subsea cable. A key risk is that we are unable to achieve the anticipated sales traction to appropriately monetise these assets, lower our costs and reduce our overall debt levels. Failure to do this could result in a loss of confidence from our shareholders, pressure on our debt levels, and long-term impacts to our share price.

The continued growth of Superloop's business relies on the acquisition, development and ongoing maintenance of telecommunications and IT infrastructure.

Integration and operating model: While Superloop's operating model is structured to successfully deliver against its strategic objectives, the Company must also concurrently transform legacy capabilities and optimise its cost base.

We have made significant strides towards integrating the businesses we have acquired, but our ability to optimise this integration represents a potential opportunity risk. This risk is well recognised internally and projects to ensure the opportunity is realised have been developed and are being monitored and governed by a project management office that reports through to our executive team.

Funding: The continued growth of Superloop's business relies on the acquisition, development and ongoing maintenance of telecommunications and IT infrastructure.

Superloop requires access to sufficient capital to fund this expenditure. Failure to obtain capital on favourable terms may hinder Superloop's ability to expand and pursue growth opportunities. There is no assurance that additional funds will be available in the future on reasonable commercial terms. Superloop believes the risk is mitigated, to some extent, through the generation of operating cash flows, negotiation and maintenance of lines of credit at favourable rates and access to other forms of capital. In particular, Superloop expects its capex requirement to have peaked in FY19 and stabilise at approximately $20m per annum from H2 FY20 and thereafter, excluding major capital investment opportunities including IRUs that may arise.

On the 24 and 26 September 2019 Superloop announced a recapitalisation plan intended to replace the amount outstanding on its senior debt facility with a new $61.7 million facility limit to bring the renegotiated debt/EBITDA and interest cover ratio (ICR) covenants for that facility in line with forecast EBITDA for the business. Details of the renegotiated senior debt facility are set out in Note 35 to the Financial Statements on page 76 and 77. Failure to obtain capital on favourable terms may hinder Superloop's ability to expand and pursue growth opportunities, which may reduce competitiveness and have an adverse effect on the financial performance, position and growth prospects of Superloop. Superloop believes the proceeds to be raised by this recapitalisation will be sufficient to fund the Group. However, Superloop may require additional funds for its other activities and future projects. Further funds raised may result in dilution for shareholders, and future debt financing, if required and available, may involve further restrictive covenants which may limit Superloop's operations and business strategy. .

Directors' Report

Reputation: Just like every business, the reputation it maintains with its shareholders, customers, suppliers and regulators can account for a significant part of a company's value in terms of market capitalisation. Risks that threaten an organisation's reputation can have significant impacts on its revenue and brand and the speed at which information can now be shared publicly via social media can intensify the impact of this risk. The various controls described in the previous sections combined with our focus on customer experience, social media and crisis management processes are our key mechanisms for managing our reputation.

People and safety: People are at the heart of everything we do. As such, attracting and retaining talent with the right mix of skills and alignment to our values is critical to our ongoing success. That is why we are in the process of developing an employee value proposition that captures the essence of what Superloop is all about and continues to foster the fun and entrepreneurial mindset that we stand for.

The construction, maintenance and operation of our assets have inherent workplace health and safety (WHS) risks which our employees and delivery partners must manage. To do this we operate a risk based WHS management and assurance system which provides clear expectations and supporting tools for our employees and contractors to utilise.

Sociopolitical: A significant focus of Superloop's forward strategy is within the Asia Pacific region. Successful execution of this strategy is not only based on our ability to monetise our assets, but also the ongoing stability within these regions from a sociopolitical perspective.

Historically the regions in which Superloop has invested have enjoyed a high degree of stability and as such, have represented a relatively low risk investment and the security of our assets and the returns they generate. However, the rising tension and unrest in Hong Kong may impact the local economy and security of our assets and therefore ultimately our revenues. There also remains a potential risk that further, more direct government intervention in the region could result in a suite of potential risks that could materially impact our interests including: nullification of existing contracts, leases, permits, imposts, controls or prohibitions on the production or use of certain services, restrictions on repatriation of earnings or capital and changes in laws and policy.

The Superloop Board continues to monitor the situation and continues to focus on growing its interests in other locations to act as a natural hedge against this risk.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of Superloop other than those listed in matters subsequent to the end of financial year below.

MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

On 24 and 26 September 2019, Superloop announced a recapitalisation plan containing an equity raise (consisting of a placement and rights issue) of up to $92.2m, with $32.6m subject to shareholder approval at the Company's 2019 AGM. In addition, the company signed an amended and extended four year bank facility with its existing lenders (ANZ and Westpac) comprising a $61.7m total facility limit, and financial undertakings disclosed in Note 35 of the financial statements.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The continued growth in transmission and storage of data should underpin a likely demand for services provided by the Company across the Asia Pacific region.

The Board continues to evaluate further investment in expansion opportunities in the region, based on underlying market dynamics and demand for connectivity and managed services.

DIVIDENDS

No dividend has been declared or paid in respect of the 2019 financial year. Dividends declared in 2017 financial year were paid in 2018 financial year.

ENVIRONMENTAL REGULATION

The Group is not subject to any significant environmental laws.

INDEMNIFICATION OF OFFICERS

The Group has entered into standard deeds of indemnity and insurance with the Directors. Pursuant to the deeds, the Group has undertaken, consistent with the Corporations Act 2001, to indemnify each Director in certain circumstances and to maintain Directors and Officers insurance cover in favour of the Director for seven years after the Director has ceased to be a Director.

During the year, the Group paid premiums of $640,330 (2018: $327,793) to insure the Directors and Officers of the Group against a liability incurred as a director or officer, to the extent permitted by the Corporations Act 2001.

This rise in premiums was not due to any action or inaction by Superloop, rather the uplift has resulted from insurers' re-evaluating their pricing models and overall appetite for public company D&O insurance in the face of significant securities class action claims activity.

NON-AUDIT SERVICES

The Group may decide to employ the auditor (Deloitte) on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Details of the amounts paid during the year to the Group's external auditor, Deloitte Australia, for non-audit services are set out in Note 27 to the financial statements.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016 and issued pursuant to section 341(1) of the Corporations Act 2001. In accordance with that Instrument, amounts in the Directors' Report and the financial report have been rounded to the nearest thousand dollar, where permissible in accordance with the Instrument.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 38.

Information on Directors

MICHAEL MALONE

Independent Non-Executive Chairman

Appointed Non-executive Director: 27 April 2015
Appointed Chairman: 22 June 2017

Experience and expertise
Michael Malone founded iiNet Limited in 1993 and continued as CEO until his retirement in 2014. During his tenure, iiNet grew to serve over a million households with a relentless focus and reputation for outstanding customer service, and executed more than 30 successful company acquisitions and integrations.

Michael is a Telecommunications Society Charles Todd Medallist, was CEO of the Year in the Australian Telecom Awards and CEO of the Year in the CSIA's Australian Service Excellence Awards. Michael was named a finalist for WA Citizen of the Year and in 2011, he won the Ernst & Young Entrepreneur of the Year Award. Michael was admitted to the Telecommunications Hall of Fame in 2019.

In April 2016, Michael was appointed to the Board of NBN Co Limited. In 2018, he joined the board of the Axicom Group. He is on the board of the APNIC Foundation and the Advisory Board of the Commonwealth Regional and Small Publishers Innovation Fund.

Michael holds a Bachelor of Science (Mathematics) and a Postgraduate Diploma in Education from UWA. He is a Fellow of the Australian Computing Society, a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

Other current Directorships of listed entities
Seven West Media Limited (ASX: SWM) - appointed 24 June 2015
SpeedCast Ltd (ASX: SDA) – appointed 14 July 2014

Former Directorships of listed entities in last 3 years
Dreamscape Networks Limited (ASX: DN8) - resigned 28 September 2018
Sky and Space Global Limited (ASX: SAS) - resigned as Chairman of the Board 8 April 2019

Special responsibilities
> Chairman of the Board
> Chair of the Remuneration and Nomination Committee
> Member of the Audit Committee
> Member of the Risk Management Committee

Interests in shares and options
664,698 fully paid ordinary shares

BEVAN SLATTERY

Executive Director

Appointed: 28 April 2014
Chief Executive Officer: 23 February 2016 to 30 June 2018

Experience and expertise
Bevan Slattery is the founder and an Executive Director of Superloop. He served as Executive Chairman until June 2017 and Chief Executive Officer until 30 June 2018.

Bevan has a background in building successful Australian IT and telecommunications companies and an earlier career in administration in local and state government.

Prior to establishing Superloop, Bevan founded Megaport in 2013 with the aim of becoming a global leader in the fast growing elastic interconnection services market. The Company successfully listed on the ASX in December 2015.

In 2010, Bevan founded NEXTDC, with a vision to become Australia's largest independent data centre provider. As the founding CEO of NEXTDC, Bevan oversaw its listing on the ASX, overall design of its initial facilities and their development.

In 2002, Bevan co-founded PIPE Networks which grew to become Australia's largest Internet Exchange and Australia's third largest metropolitan fibre network provider with over 1,500km of fibre in 5 cities connecting 80 data centres, 250 Telstra exchanges and over 1000 buildings. In 2009, PIPE Networks completed construction of Pipe Pacific Cable 1 (PPC-1), a $200 million submarine cable system linking Sydney to Guam. PIPE Networks was sold to TPG for an enterprise value of $420 million in May 2010.

Bevan holds a Bachelor of Business (Accountancy) and has been awarded an honorary Master of Business Administration from Central Queensland University.

Other current Directorships of listed entities
Megaport Limited (ASX: MP1) - appointed 27 July 2015

Former Directorships of listed entities in last 3 years
Nil

Special responsibilities
Nil

Interests in shares and options
64,567,689 fully paid ordinary shares

GREG BAYNTON

Independent Non-Executive Director

Appointed: 28 April 2014

Experience and expertise
Greg Baynton is the founder and Managing Director of Orbit Capital, an investment and advisory company and holder of an Australian Financial Services Licence. He has a background in investment banking, infrastructure investment, and new projects and has experience in IPOs and other capital raisings, mergers and acquisitions, investor relations and corporate governance.

He has considerable experience as a Director of ASX-listed companies. Among those, Greg is a former Director of Asia Pacific Data Centre Limited, NEXTDC and of PIPE Networks. Greg is also a Director of State Gas Limited and NOVONIX Limited.

Greg holds a Master of Business Administration (QUT), a Master of Economic Studies (UQ), a Postgraduate Diploma in Applied Finance & Investment (SIA), and a Bachelor of Business (Accountancy). He has completed a Certificate course in Risk Management and Corporate Governance and has been a Fellow of the Governance Institute of Australia.

Other current Directorships of listed entities
NOVONIX Limited (ASX: NVX) – appointed 5 April 2012
intelliHR Holdings Limited (ASX: IHR) - appointed 18 November 2016
State Gas Limited (ASX: GAS) - appointed 3 August 2017

Former Directorships of listed entities in last 3 years
Nil

Special responsibilities
> Chair of the Audit Committee
> Member of the Risk Management Committee
> Member of the Remuneration and Nomination Committee

Interests in shares and options
856,192 fully paid ordinary shares

LOUISE BOLGER

Independent Non-Executive Director

Appointed: 27 April 2015
Resigned: 23 November 2018

Experience and expertise
Louise Bolger is an experienced in-house telecommunications, media and technology lawyer and Company Secretary.

Louise commenced her career in private legal practice before continuing on to in-house roles which included acting as General Counsel and Company Secretary for ASX listed companies EML Payments Limited, Southern Cross Media Group Limited and PIPE Networks Limited.

Louise holds a Bachelor of Laws (Hons), a Bachelor of Arts (Modern Asian Studies) from Griffith University and a Bachelor of Education Studies from the University of Queensland. She is a member of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
Nil

Special responsibilities
Nil

Interests in shares and options
74,363 fully paid ordinary shares

Information on Directors

RICHARD ANTHONY (TONY) CLARK

Independent Non-Executive Director

Appointed: 23 December 2015

Experience and expertise
Tony Clark is an Emmy Award-winning Cinematographer as well as co-founder and Managing Director of Rising Sun Pictures (RSP) and Cospective, and co-founder of CINENET Systems Pty Ltd.

Tony has a wealth of industry knowledge and experience in digital media. His credits as a VFX Supervisor for RSP include Alfonso Cuarón's Gravity, Pirates of the Caribbean: On Stranger Tides, The Sorcerer's Apprentice, The Last Mimzy, The Core and Harry Potter & the Goblet of Fire.

Tony is a 2010 recipient of an Academy Award for Scientific & Technical Achievement as creator of the remote collaboration tool cineSync. His deep understanding of digital film became the foundation for the technology spin-off Rising Sun Research (now Cospective).

Tony has served as a board member on the South Australian Film Corporation, is currently on the board of Ausfilm and is an active member of both AMPAS, the Academy of Motion Picture Arts, and Sciences and the Visual Effects Society. He is a Graduate of the Australian Institute of Company Directors.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
Nil

Special responsibilities
Nil

Interests in shares and options
421,949 fully paid ordinary shares

VIVIAN STEWART

Independent Non-Executive Director

Appointed: 21 December 2016

Experience and expertise
Vivian Stewart served on BigAir Group Limited's Board from June 2008 and was its Chairman at the time of BigAir's acquisition by Superloop in December 2016.

Vivian is the Chief Operating Officer of Bigtincan Holdings Ltd - an ASX listed enterprise software company focused on the Sales Enablement market.

He has extensive background in the IT&T industry, venture capital and corporate advisory services. He co-founded ISP Magna Data, venture firm Tinshed, corporate advisory firm Callafin and angel investment group Sydney Angels and its two venture capital funds. He serves on the Investment committee of Sydney Angels Sidecar Fund I and II.

Most recently, he has spent 10 years as an independent corporate advisor specialising in sale, merger and acquisition transactions and related capital strategy for public and private companies.

Vivian has a Bachelor of Arts (Honours) from The University of Sydney and an eMBA from the Australian Graduate School of Management. He is a Fellow of the Australian Institute of Company Directors.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
BigAir Group Limited - June 2008 to December 2016

Special responsibilities
- Chair of the Risk Management Committee
- Member of the Audit Committee
- Member of the Remuneration and Nomination Committee

Interests in shares and options
577,738 fully paid ordinary shares

JASON ASHTON

Executive Director

Appointed: 21 December 2016
Resigned : 30 September 2018

Experience and expertise
Jason Ashton was the co-founder and Chief Executive Officer of BigAir Group Limited prior to its acquisition by Superloop in December 2016. He stepped down from his Executive position with Superloop on 30 September 2018.

Jason was previously Managing Director of business ISP Magna Data which he co-founded in 1993 and subsequently sold in 1999.

Jason has extensive experience with high speed microwave and fixed wireless access networks and is a regular speaker at industry conferences.

Jason has a Bachelor of Science from the University of Sydney and a Master of Commerce from the University of NSW.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
BigAir Group Limited: 2002 to December 2016

Special responsibilities
Nil

Interests in shares and options
Nil

MATTHEW HOLLIS

Executive Director

Appointed: 1 March 2017
Resigned : 23 November 2018

Experience and expertise
Matthew Hollis was Superloop's Group GM Sales and Marketing until December 2018.

Prior to joining Superloop, Matt was the Director of Corporate & Wholesale at Vocus Communications for over 6 years. Prior to joining Vocus, Matt served in various sales and corporate roles with Pipe Networks and other ISPs and System Integrators.

Matt is a member of the Australian Institute of Company Directors and has attended the Company Directors course.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
Nil

Special responsibilities
Nil

Interests in shares and options
15,408 fully paid ordinary shares

Information on Directors

DREW KELTON

Chief Executive Officer

Appointed : 1 July 2018
Appointed Director : 23 November 2018

Experience and expertise
Drew Kelton is a global business leader and professional board director. With over 30 years' experience in the ICT and telecommunications arena, he held senior operational roles in the UK, Europe, India, Australasia and most recently, the US. In addition to executive leadership roles in global organisations, he has also been responsible for startups, M&A transactions and the IPO of one of those businesses. Drew would describe himself as a "professional entrepreneur".

Drew holds a Bachelor of Science with commendation in Electrical and Electronic Engineering from the University of Western Scotland. He is a Chartered Engineer with the Institute of Electrical and Electronic Engineers.

Other current Directorships of listed entities
Nil

Former Directorships of listed entities in last 3 years
Megaport Limited (ASX:MP1) - resigned 1 June 2019
Firstwave Cloud Technology Limited (ASX: FCT) - resigned 6 November 2018.
Mobile Embrace Limited (ASX:MBE) - resigned 30 June 2018
Enice Holding Company Limited (ASX:ENC) - resigned 22 August 2017

Special responsibilities
Nil

Interests in shares and options
Nil

COMPANY SECRETARY

LOUISE BOLGER

The company secretary at the end of the financial year was Louise Bolger, having been appointed on 20 September 2018.

Experience and expertise
Louise Bolger joined Superloop in April 2015 as a Non-Executive Director. In November 2018 she was engaged in a full-time executive capacity and now leads the Group's legal, risk and compliance function as General Counsel and Company Secretary.

Louise is an experienced in-house telecommunications, media and technology lawyer and company secretary having held General Counsel and Company Secretary roles with various ASX listed companies. She holds a Bachelor of Laws (Hons) and a Bachelor of Arts (Modern Asian Studies) from Griffith University and is a member of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia.

PAUL JOBBINS

Paul Jobbins was Superloop's Company Secretary and Group Chief Financial Officer until his resignation on 20 September 2018.

Prior to Superloop, Paul worked in senior executive roles with several ASX listed companies including NEXTDC Limited, Reverse Corp Limited and Sunshine Gas Limited.

Paul holds a Bachelor of Business (Accountancy) from QUT, a Graduate Diploma in Applied Finance and Investment from Finsia, a Master of Applied Finance from Macquarie University, is a Chartered Accountant and a graduate of the Australian Institute of Company Directors.

MEETINGS OF DIRECTORS

The number of meetings of the Group's Board of Directors and of each board committee held during the year, and the number of meetings attended by each Director are as follows:

	Meetings of Directors		Meeting of Committees: Audit		Risk Management		Remuneration and Nomination	
	A	B	A	B	A	B	A	B
Michael Malone	19	19	4	5	5	5	4	4
Bevan Slattery	19	19	N/A	N/A	N/A	N/A	N/A	N/A
Greg Baynton	18	19	5	5	5	5	4	4
Louise Bolger (1)	8	8	N/A	N/A	N/A	N/A	2	2
Tony Clark	18	19	N/A	N/A	N/A	N/A	N/A	N/A
Vivian Stewart	19	19	5	5	4	5	3	4
Jason Ashton (2)	3	3	N/A	N/A	N/A	N/A	N/A	N/A
Matthew Hollis (3)	7	8	N/A	N/A	N/A	N/A	N/A	N/A
Alexander (Drew) Kelton (4)	11	11	N/A	N/A	N/A	N/A	N/A	N/A

(1) Louise Bolger resigned as a Director on 23 November 2018
(2) Jason Ashton resigned as a Director on 30 September 2018
(3) Matthew Hollis resigned as a Director on 23 November 2018
(4) Alexander (Drew) Kelton was appointed Managing Director on 23 November 2018

A = Number of meetings attended
B = Number of meetings held during the time the Director held office or was a member of the committee during the year
N/A = Not applicable. Not a member of the relevant committee

Remuneration Report

Remuneration Report

LETTER FROM THE CHAIR OF THE REMUNERATION AND NOMINATION COMMITTEE

Dear Shareholders,

We are pleased to present Superloop's Remuneration Report for 2019, for which we seek your support.

Superloop's vision, to change the way Asia Pacific connects, is designed to support the creation of long-term shareholder value. Throughout the 2019 financial year, the Company underwent significant transformation in pursuit of this vision.

FY19 Operational Highlights include:

- Completing the Asia Pacific core network loop including INDIGO subsea cable from Singapore to Perth to Sydney, and connecting Australia seamlessly through NBN's nationwide points of interconnect;
- Cumulatively connecting 392 'on-net' buildings, +26% year-on-year across 894km of terrestrial fibre in addition to ~9,000km of subsea cable;
- Re-launching entire simplified product portfolio under the single Superloop brand;
- Growing traffic on the network by more than 1900% since 2016;
- Achieving industry recognition including best telco innovation, best fixed wireless provider, and best virtual network operator awards;
- Unifying a ~300-strong organisation into an integrated Superloop team.

The role of the Remuneration and Nomination Committee is to assist the Board, and make recommendations on remuneration, related policies and practices including the remuneration of Senior Management and Non-Executive Directors. A key principle by which the Committee operates is to ensure that the remuneration framework is transparent, competitive and reasonable.

The Committee oversees the development and implementation of a remuneration policy and remuneration structure that ensures there is a direct link between remuneration and performance, both Company and individual, that is ultimately aligned to shareholder interest.

The Committee continues to undertake reviews of best practice remuneration frameworks and considers structures implemented in organisations of a similar size and in similar industries.

We welcome your feedback on the ongoing development of our remuneration practices and reporting. We thank you for your continued support and hope that you find this report useful.

Yours sincerely,

Michael Malone
Chair, Remuneration and Nomination Committee
Superloop Limited

Remuneration Report

REMUNERATION REPORT - AUDITED

The Remuneration Report, which forms part of the Directors' Report, sets out the remuneration arrangements for the Directors and other Key Management Personnel of Superloop for the year ended 30 June 2019 (FY19), and is prepared in accordance with section 300A of the Corporations Act 2001 (Corporations Act). The information in this report has been audited as required by section 308(3C) of the Corporations Act.

1. THE PERSONS COVERED BY THIS REPORT

Key Management Personnel ("KMP") include the Directors of the Group and Senior Executives. The term "Senior Executives" refers to the Chief Executive Officer and those executives with responsibility for planning, directing and controlling the activities of the Group.

DIRECTORS

Name	Position
Michael Malone	Independent Non-Executive Chairman Member of the Audit and Risk Management Committee
Bevan Slattery	Executive Director
Greg Baynton	Independent Non-Executive Director Chair of the Audit and Risk Management Committee Member of the Remuneration and Nomination Committee
Louise Bolger (until November 2018)	Independent Non-Executive Director Chair of the Remuneration and Nomination Committee
Tony Clark	Independent Non-Executive Director
Vivian Stewart	Independent Non-Executive Director Member of the Audit and Risk Management Committee Member of the Remuneration and Nomination Committee
Jason Ashton (until September 2018)	Executive Director
Matthew Hollis (until November 2018)	Executive Director

SENIOR EXECUTIVES

Name	Position
Alexander (Drew) Kelton	Chief Executive Officer (CEO) (appointed 1 July 2018) Executive Director (appointed 23 November 2018)
Jon Tidd	Group Chief Financial Officer (appointed 4 September 2018)
David Thorn	Chief Revenue Officer (appointed 28 September 2018)
Alex West	Group Chief Operating Officer
Paul Jobbins	Group Chief Financial Officer (resigned 28 September 2018)
David Thomas	Chief Commercial Officer (resigned 21 May 2019)
Matthew Whitlock	Chief Operations Officer - Infrastructure (resigned 8 March 2019)

Except as noted above or elsewhere in this report, the named persons held their position for the whole financial year.

2. OVERVIEW OF REMUNERATION GOVERNANCE FRAMEWORK

2.1 REMUNERATION AND NOMINATION COMMITTEE

The role of the Remuneration and Nomination Committee ("the Committee") is to review and make recommendations to the Board on matters relating to:

- Board and Senior Executive succession planning;
- Non-Executive Director fees and the aggregate fee pool;
- The Company's remuneration policy and procedures and other relevant policies including recruitment, retention and termination policies;
- Senior Executive remuneration arrangements, including the Company's equity-based incentives;
- The annual assessment of Board and Senior Executive performance;
- The assessment of the Board's skills, size and composition;
- The Group's reporting and disclosure practices in relation to the remuneration of Directors and Senior Executives; and
- Market practices and trends on remuneration matters.

Further information regarding the Committee's role, responsibilities and membership can be found in the Committee's Charter, which forms part of the Corporate Governance Charter, a copy of which is available on Superloop's website at https://investors.superloop.com.

2.2 SECURITIES TRADING POLICY

A Securities Trading Policy ("Trading Policy") has been adopted by the Board to provide guidance to Directors, employees of Superloop, and other parties who may have access to price sensitive information and who may be contemplating dealing in Superloop's securities or the securities of entities with whom Superloop may have dealings.

The Trading Policy is designed to ensure that any trading in Superloop's securities is in accordance with the law and accordingly, it prohibits all Directors and Senior Executives from engaging in hedging arrangements, dealing in derivatives or entering into similar arrangements. Any non-compliance with the Trading Policy will be regarded as an act of serious misconduct.

The Trading Policy is available on Superloop's website at https://investors.superloop.com.

3. DIRECTOR REMUNERATION

3.1 DIRECTOR REMUNERATION POLICY

Superloop's Director remuneration policy is to provide fair remuneration that is sufficient to attract and retain Non-Executive Directors with appropriate experience, knowledge, skills and judgment.

The Directors determine the total amount paid to each Director as remuneration for their services. Under the Listing Rules, the total amount paid to all Non-Executive Directors must not exceed in any financial year, the amount fixed in a general meeting of Superloop. This amount is currently $750,000. Non-Executive Directors fees include base fees and fees for membership of board committees, and where relevant are inclusive of superannuation contributions.

Non-Executive Directors may be paid such additional or special remuneration where a Director performs extra work or services which are not conducted in their capacity as a Director of Superloop.

Fees paid to Non-Executive Directors in FY19 were $375,166 (FY18 $400,000).

There are no retirement benefit schemes for Directors other than statutory superannuation contributions.

3.2 NON-EXECUTIVE DIRECTOR FEES

The current base Director fees per annum, including statutory superannuation, are:

- Chairman $110,000
- Non-Executive Director $ 60,000
- Committee member $ 10,000 (per committee)

To preserve independence, Non-executive Directors do not receive incentive or performance based remuneration. Non-Executive Directors are entitled to be reimbursed for travel and other expenses incurred while carrying out their duties as a Director.

4. EXECUTIVE REMUNERATION

4.1 SENIOR EXECUTIVE REMUNERATION POLICY

Superloop's Senior Executive remuneration policy is designed to be transparent, competitive and reasonable while strengthening the alignment between performance related remuneration and shareholder returns. Its goal is to ensure the Group can attract and retain key talent while being linked to the achievement of the Group's strategic and business objectives.

The policy includes at-risk short term and long-term incentives with direct links between remuneration and performance (both Company and individual) that is ultimately aligned to shareholder interest.

Remuneration Report

Senior Executive remuneration packages consist of three key components:

- Fixed remuneration being base salary inclusive of superannuation, non-monetary benefits and any applicable fringe benefits tax;
- Short-term incentives that provide a reward for performance against annual performance targets; and
- Long-term incentives that provide a securities-based reward for performance against indicators of long-term shareholder value creation, usually over a three year period.

The following considerations are taken into account when formulating Senior Executive remuneration packages:

- Fixed remuneration is set with reference to the median of relevant market practice;
- Financial targets on which incentives are based are suitably challenging, and must meet a budget and business plan to exceed market expectations and guidance at the time they are set; and
- Remuneration will be managed within a range so as to allow for the recognition of individual differences such as the calibre of the Executive and competency with which they fulfil a role.

4.2 SHORT TERM INCENTIVE (STI) POLICY AND PROCEDURE

The STI policy provides incentives for Senior Executives to achieve the Group's strategic objectives by delivering or exceeding annual performance targets.

Measurement period and award
The measurement period for achieving annual performance targets is the financial year to 30 June, with an assessment of performance to be conducted following the end of the measurement period upon finalisation of the full year audited results.

Short term incentives will be paid in cash following a successful assessment.

The CEO can earn up to 50% of his annual fixed remuneration in short term incentives. Other Senior Executives have a target award of 20% of their annual fixed remuneration.

Performance metrics and weightings
The performance metrics for the CEO include:

- Financial performance: Group EBITDA (60%)
- Operational performance (40%)

The performance metrics for other Senior Executives include:

- Financial performance: Group EBITDA (40%)
- Operational performance (30%)
- Specific individual performance incentives linked to specific strategic projects or objectives (30%).

The short term incentive structure is considered appropriate during the Company's current phase of growth. Senior Executives are motivated to generate operating profits and cash flow while meeting required outcomes in service delivery and operating efficiency and delivering on strategic projects which will generate long-term shareholder value.

The policy also allows for incentives to be paid for achieving specific strategic objectives or for specific outstanding performance.

Cessation of employment
If a Senior Executive's employment terminates prior to the end of the measurement period, all incentives will be forfeited unless otherwise determined by the Board.

Short term incentive outcomes for FY19
During the year there were no short term incentives awarded. After year end, short term incentives were awarded in line with the short term incentive policy set out above, as follows:

Name	Fixed Remuneration	Target Incentive	Awarded Incentive
Alexander (Drew) Kelton	$500,000	$250,000	$ -
Jon Tidd	$330,000	$66,000	$70,000
David Thorn	$350,000	$70,000	$ -
Alex West	$350,000	$70,000	$70,000

The senior executives were deemed to have achieved 50% of their performance targets for FY19 with the delivery of the NBN Backhaul infrastructure project and Indigo subsea cable.

For further details refer to Section 7 below.

4.3 LONG-TERM INCENTIVE (LTI) POLICY AND PROCEDURE

The purpose of the LTI policy is to align Senior Executive rewards with sustainable growth in shareholder value over time. It also acts as a retention mechanism for key Executives.

Further, the policy acts to establish a method by which eligible employees can participate in the future growth and profitability of the Company.

Shareholders have approved the Company's two LTI plans being the Employee Rights Plan and the Executive Option Plan.

The Company's Securities Trading Policy prohibits Executives from entering into transactions which limit the economic risk related to equity-based remuneration schemes without written clearance.

Measurement period and award
The measurement period for long-term incentives is three financial years, unless the Board determines otherwise. The policy intends for grants to be issued annually with overlapping cycles.

Incentives will be issued in the form of options or performance rights, subject to shareholder approval for Executive Directors. Where shareholder approval is not received for the issue of options to Directors, incentives will be awarded in cash.

The CEO will be issued long-term incentives in the form of 3,000,000 options which vest in equal tranches over 3 years with exercise prices of $2.00, $2.50 and $3.00 for each respective tranche. The minimum vesting period for the options is two years.

Other Senior Executives can be awarded LTIs of up to 20% of their annual fixed remuneration.

It was decided that the Long-Term Incentives that were offered to the CEO and Executives in FY19, with the first vesting to occur at the end of the financial year, will be baselined following the release of the FY19 annual results. As a result, no grants were made during FY19 to senior executives.

Performance metrics and weightings
The long-term performance metrics for the CEO include:

- Financial performance: Annual achievement of yearly revenue, EBITDA and earnings per share targets.
- Operational performance: Long-term strategic objectives determined by the Board to support the long-term growth of the Company.

The performance metrics for other Senior Executives are aligned to the CEO's performance metrics.

The long-term incentive structure is considered appropriate as it aligns Senior Executives with generating long-term shareholder value and acts as an inducement to retain executives. Earnings per share targets over the measurement period are considered appropriate as they reflect returns to shareholders. Operational performance objectives relate to the establishment of sustainable recurring revenue and earnings.

The achievement of long-term objectives is subject to the satisfaction of the Board as assessed and declared on an annual basis.

Cessation of employment
If a Senior Executive's employment terminates prior to the end of the measurement period, all entitlements will be forfeited unless otherwise determined by the Board.

Employee Rights Plan
At the 2015 Annual General Meeting held on 24 November 2015, shareholders approved an Employee Rights Plan. The Directors are empowered to operate the Employee Rights Plan ("Plan") and grant Performance Rights to Eligible Participants in accordance with the Listing Rules and on the terms and conditions summarised in the Plan.

The Board may offer any number of Performance Rights to an Eligible Participant on the terms the Board decides, subject to the Plan rules and any applicable law or the Listing Rules. An Offer is required to set out details such as the total number of Performance Rights being offered, the vesting date and vesting conditions, any disposal restrictions, and other terms attached to the Performance Rights.

A Participant is not required to pay for the grant of any Performance Rights or the issue of Superloop Shares on vesting. Once the Performance Rights vest, the Participant will be issued Superloop Shares, unless the Company decides to provide a cash payment in lieu of Superloop Shares. A Participant does not have the right to participate in dividends on Superloop Shares until Superloop Shares are issued after vesting of the Performance Rights. A Participant does not have the right to vote in respect of a Performance Right.

The Company shall not grant Performance Rights if the number of shares to be issued on exercise of the Rights exceeds 5% of the issued shares at the time the offer is made.

At 30 June 2019, Nil Performance Rights were on issue.

Executive Option Plan
At a General Meeting of shareholders held on 21 June 2016, shareholders approved an Executive Option Plan.

The Executive Option Plan is open for participation by Directors, Executives and Senior Management. The Directors of Superloop believe an Executive Option Plan is an important part of a comprehensive remuneration strategy. The grant of options to participants under the Executive Option Plan further aligns the interests of the Company's Senior Management and shareholders and helps preserve the Company's cash funds.

The Directors are empowered to operate the Executive Option Plan and grant options to Eligible Participants in accordance with the Listing Rules and on the terms and conditions set out in the Executive Option Plan. The Board has an absolute discretion to determine appropriate procedures for the administration of the Executive Option Plan and resolve questions of fact or interpretation and formulate special terms and conditions in addition to those set out in the plan.

All options are to be offered to Participants for no consideration. The offer must be in writing and specify, amongst other things, the number of options for which the Participants may accept, the year within which the options may be exercised and any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise year for the options.

The options shall lapse upon the earlier of the date specified by the Board or events contained in the Executive Option Plan rules, including termination of employment or resignation, redundancy, death or disablement.

The Company shall not grant options if the number of shares to be issued on exercise of the options exceeds 5% of the issued shares at the time the offer is made.

During the year to 30 June 2019, Nil options were issued under the Executive Option Plan and at the date of this report there were Nil options on issue to Key Management Personnel.

5. EMPLOYMENT TERMS FOR KEY MANAGEMENT PERSONNEL

5.1 DIRECTORS

On appointment to the Board, all Non-Executive Directors enter into agreements with the Company in the form of a letter of appointment. The agreements summarise the key terms of engagement including compensation relevant to the office of Director.

Each appointment has no initial term, has no notice period and is not subject to any termination benefits.

Subject to ASX Listing Rules, Directors must retire from office at the conclusion of the third annual general meeting after the Director was last elected and will be eligible for re-election at that annual general meeting.

Upon cessation of a Director's appointment, the Director will be paid his or her Director's fees on a pro-rata basis, to the extent that they are unpaid, up to the date of cessation.

5.2 EXECUTIVE DIRECTORS

Chief Executive Officer
Mr Kelton entered into a Chief Executive Officer Employment Agreement with Superloop which commenced on 1 July 2018. The term is ongoing until terminated by Superloop and the employee.

During the first twelve months of employment, either party could terminate the agreement by providing three months written notice. Following this, the notice period is increased to six months.

Employment may be terminated immediately for serious misconduct.

Mr Kelton can be restrained from working for a competing business for a period of six months following termination of employment. An amount equal to one months' salary including superannuation must be paid for each month during the restraint period.

5.3 SENIOR EXECUTIVES

Remuneration and other terms of employment for Senior Executives are formalised in employment agreements. Key terms of those employment agreements are as follows:

Name	Duration of Contract	Notice Period	Termination Payments (1)
Jon Tidd	No fixed term	3 months	3 months
David Thorn	No fixed term	3 months	3 months
Alex West	No fixed term	3 months	3 months

(1) Base salary payable if the Company terminates the Executive without notice or without cause.

6. REMUNERATION FOR FY19

The tables below outline the remuneration received by KMP during the year. This information is disclosed in accordance with the Corporations Act 2001 and the Australian Accounting Standards.

DIRECTORS

Fees and remuneration received by the Directors:

		Short-term employee benefits				Post employment benefits	Long-term employee benefits			
		Salary / Fees $	STI $	Other benefits $	Total $	Superannuation $	LTI $	Long Service Leave $	Total Remuneration Package (TRP) $	% of TRP linked to performance %
Executive Directors										
Drew Kelton (1)	**2019**	477,758	-	-	477,758	22,242	-	-	500,000	-
	2018	-	-	-	-	-	-	-	-	-
Bevan Slattery (2)	**2019**	54,795	-	-	54,795	5,205	-	-	60,000	-
	2018	475,000	-	-	475,000	25,000	-	-	500,000	-
Former Executive Directors										
Matthew Hollis (3)	**2019**	162,504	50,000	12,660	225,164	10,266	-	-	235,490	21.24%
	2018	325,000	140,000	-	465,000	25,000	198,756	-	688,756	49.18%
Jason Ashton (4)	**2019**	77,554	52,920	104,603	235,077	5,133	-	-	240,210	22.03%
	2018	302,055	52,920	-	354,975	28,695	-	4,606	388,276	13.63%
Non-Executive Directors										
Michael Malone	**2019**	110,000	-	-	110,000	-	-	-	110,000	-
	2018	110,000	-	-	110,000	-	-	-	110,000	-
Greg Baynton	**2019**	90,000	-	-	90,000	-	-	-	90,000	-
	2018	80,000	-	-	80,000	-	-	-	80,000	-
Tony Clark	**2019**	54,795	-	-	54,795	5,205	-	-	60,000	-
	2018	54,795	-	-	54,795	5,205	-	-	60,000	-
Vivian Stewart (5)	**2019**	82,192	-	-	82,192	7,808	-	-	90,000	-
	2018	73,060	-	-	73,060	6,940	-	-	80,000	-
Former Non-Executive Directors										
Louise Bolger(6)	**2019**	26,636	-	-	26,636	2,530	-	-	29,166	-
	2018	63,927	-	-	63,927	6,073	-	-	70,000	-
TOTAL - 2019	**2019**	**1,136,234**	**102,920**	**117,263**	**1,356,417**	**58,389**	**-**	**-**	**1,414,806**	**7.27%**
TOTAL - 2018	2018	1,483,837	192,920	-	1,676,757	96,913	198,756	4,606	1,977,032	19.81%

(1) Drew Kelton commenced his employment on 2 April 2018. He commenced as a KMP on 1 July 2018.
(2) Bevan Slattery ceased as CEO on 30 June 2018 and commenced as Executive Director on 1 July 2018.
(3) Matthew Hollis resigned as an Executive Director on 23 November 2018 but continued to be employed until 31 December 2018. His 'Other' earnings includes $12,659.56 of unused Annual Leave and Long Service Leave paid out on termination.
(4) Jason Ashton ceased his employment on 30 September 2018. His Salary/Fees includes $27,897.41 of unused Annual Leave and $76,705.15 of unused Long Service Leave paid out on termination.
(5) Vivian Stewart was appointed on 21 December 2016.
(6) Louise Bolger also received $146,338.50 in consulting fees during the period she was engaged as a Non-Executive Director. Louise resigned as a Non-Executive director on the 23 November 2018.

Remuneration Report

SENIOR EXECUTIVES

		Short-term employee benefits				Post employment benefits	Long-term employee benefits			
		Salary / Fees $	STI $	Other benefits $	Total $	Superannuation $	LTI $	Long Service Leave $	Total Remuneration Package (TRP) $	% of TRP linked to performance %
Senior Executives										
Jon Tidd (1)	**2019**	257,891	70,000	-	257,891	19,327	-	-	347,218	20.16%
	2018	-	-	-	-	-	-	-	-	-
David Thorn (2)	**2019**	248,369	-	-	248,369	17,110	-	-	265,479	-
	2018	-	-	-	-	-	-	-	-	-
Alex West	**2019**	329,469	70,000	-	399,469	20,531	-	-	420,000	16.67%
	2018	257,578	98,000	-	355,578	23,488	-	-	379,066	25.85%
Former Senior Executives										
Paul Jobbins (3)	**2019**	76,992	-	36,005	112,997	5,133	983	-	119,113	0.83%
	2018	303,506	52,560	-	356,066	24,978	41,513	-	422,557	22.26%
David Thomas (4)	**2019**	255,127	-	94,044	349,171	24,705	-	-	373,876	-
	2018	-	-	-	-	-	-	-	-	-
Matthew Whitlock (5)	**2019**	139,968	60,000	20,958	220,926	14,691	25,815	-	261,432	32.82%
	2018	240,241	82,831	-	323,072	25,083	7,163	-	355,318	25.33%
TOTAL - 2019	**2019**	**1,307,816**	**200,000**	**151,007**	**1,658,823**	**101,497**	**26,798**	**-**	**1,787,118**	**12.69%**
TOTAL - 2018*	2018	801,325	233,391	-	1,034,716	73,549	48,676	-	1,156,941	24.38%

* The total for FY18 of $1,156,941 in this table is different to the total for FY18 in the FY18 Remuneration Report as it does not include the $488,639 for Ryan Crouch who was reported as a KMP in last year's report.

(1) Jon Tidd commenced his employment on 4 September 2018.

(2) David Thorn commenced his employment on 28 September 2018.

(3) Paul Jobbins ceased his employment on 28 September 2018. In his 'Other' category there is $36,004.79 in Annual Leave payout, paid on termination.

(4) David Thomas commenced his employment on 15 August 2018. His employment ceased on 21 May 2019. In his 'Other' category there is $82,367.16 in notice paid in lieu and $11,676.96 Annual Leave payout, both paid on termination.

(5) Matthew Whitlock ceased his employment on 8 March 2019. In his 'Other' earnings there is $20,958 in unused Annual Leave which was paid out on termination.

7. PERFORMANCE OUTCOMES FOR FY19

The following table outlines the performance of the Company over the 2019 financial year and the previous periods since the Company was incorporated. Since listing on the Australian Securities Exchange with an initial share price of $1.00 in June 2015, Superloop Limited's share price was $1.54 at 30 June 2019.

Year ended 30 June	2019 $	2018* Restated $	2017 $	2016 $	2015** $
Net profit / (loss)	(72,057,460)	$1,315,981	(1,239,792)	(7,164,110)	(1,193,442)
Dividends declared***	-	-	0.01	-	-
Share price at start of year	2.52	2.56	2.35	1.94	1.00
Share price at end of year	1.54	2.52	2.56	2.35	1.94

* Please refer to Note 4 AASB 15 Restatement for further information

** 2015 includes the period from 28 April 2014 to 30 June 2015. The share price at the start of the 2015 period refers to the issue price of shares in the Company's Initial Public Offering in June 2015.

*** Dividend was declared in FY2017 but paid in FY2018

The 2019 financial year was the Company's fourth full financial year since listing and a year when the Company underwent further significant transformation. Throughout the year, the strategic objectives for the Group related to the expansion of core infrastructure assets, the continued development of operating systems, the addition of capability in people, products, systems and software, and the integration of acquired business.

Key achievements included:

- Completion of INDIGO subsea cable
- Completion of Australian national backbone connecting through NBN's nationwide points of interconnect
- 89% increase in core fibre connectivity revenues
- Integration and synergies related to consolidating prior year acquisitions into a single Superloop brand and organisation

The incentive arrangements in place throughout the year were aligned to the achievement of these strategic objectives.

The future strategic objectives for the Group continue to relate to the expansion of core infrastructure assets in Singapore, Hong Kong and Australia and the utilisation of these networks by generating sales to key industry segments of financial services, digital media and telecommunications providers. The integration of networks and systems of acquired businesses is also considered strategically important. Achieving these objectives will deliver an increasing return on the Group's investment. The Company's remuneration framework will support these performance outcomes for future financial years, leading to the continued creation of shareholder value.

Short term incentives were awarded as follows in accordance with the short term incentive policy in place during the year (refer section 4.2):

Name	Fixed Remuneration	Target Incentive	Awarded Incentive
Alexander (Drew) Kelton	$500,000	$250,000	$ -
Jon Tidd	$330,000	$66,000	$70,000
David Thorn	$350,000	$70,000	$ -
Alex West	$350,000	$70,000	$70,000

During the year, there were no Performance Rights issued to Senior Executives in accordance with the Employee Rights Plan. The Performance Rights outlined in the table below are considered long-term incentive arrangements provided as part of the Senior Executive's remuneration for the 2018 financial year and beyond:

Name	Date of issue	Number of Rights granted / to be issued	Number of Rights vested	Issue price of shares	Fair value of Right at grant date ($)	Vesting date	Expiry date of Rights
Paul Jobbins	13 July 2016	4,149	4,149	2.29	2.44	15 Sept 2018	15 Sept 2018
Matthew Whitlock	13 July 2016	4,149	4,149	2.29	2.44	15 Sept 2018	15 Sept 2018
	29 June 2018	10,110	10,110	2.29	2.52	15 Sept 2018	15 Sept 2018

8 . SUMMARY OF SHARES HELD BY KEY MANAGEMENT PERSONNEL

The table below outlines the movement in shareholdings by Key Management Personnel during the year:

	Opening balance 1 July 2018	Balance at date of appointment	Received as part of remuneration	Additions	Disposals	Other movements*	Closing balance 30 June 2019
Directors							
Michael Malone	636,293	-	-	28,405	-	-	664,698
Drew Kelton	-	-	-	-	-	-	-
Bevan Slattery	61,169,389	-	-	3,398,300	-	-	64,567,689
Greg Baynton	812,331	-	-	43,861	-	-	856,192
Louise Bolger	69,563	-	-	4,800	-	-	74,363
Tony Clark	399,741	-	-	22,208	-	-	421,949
Jason Ashton	1,347,447	-	-	-	(1,347,447)	-	-
Vivian Stewart	577,738	-	-	-	-	-	577,738
Matthew Hollis	30,408	-	-	-	(15,000)	(15,408)	-
Senior Executives							
Paul Jobbins	39,500	-	4,149	-	-	(43,649)	-
Matthew Whitlock	114,680	-	14,259	-	-	(128,939)	-
TOTAL	**65,197,090**	**-**	**18,408**	**3,497,574**	**(1,362,447)**	**(187,996)**	**67,162,629**

* Individual was not a KMP as at 30 June 2019

The Company's Securities Trading Policy is designed to ensure that any trading in Superloop's securities is in accordance with the law and accordingly it prohibits all Directors and Senior Executives from engaging in hedging arrangements, dealing in derivatives or entering into similar arrangements.

9. SUMMARY OF OPTIONS HELD BY KEY MANAGEMENT PERSONNEL

The table below outlines the movement in shareholdings by Key Management Personnel during the year:

	Opening balance 1 July 2018	Received as part of remuneration	Exercised	Other movements	Closing balance 30 June 2019	Vested and exercisable	Vested during the year
Directors							
Matthew Hollis	336,094	-	-	(336,094)	-	-	-
Senior Executives							
Matthew Whitlock	-	315,000	-	(315,000)	-	-	-
TOTAL	**336,094**	**315,000**	**-**	**(651,094)**	**-**	**-**	**-**

10. SUMMARY OF RIGHTS HELD BY KEY MANAGEMENT PERSONNEL

The table below outlines the movement in Performance Rights by Key Management Personnel during the year:

	Opening balance 1 July 2018	Received as part of remuneration	Vested and converted to shares	Other movements	Closing balance 30 June 2019	Vested during the year
Senior Executives						
Paul Jobbins	30,604	-	(4,149)	(26,455)	-	4,149
Matthew Whitlock	14,259	-	(14,259)		-	14,259
TOTAL	**44,863**	**-**	**(18,408)**	**(26,455)**	**-**	**18,408**

11. SHARES UNDER OPTION OR PERFORMANCE RIGHTS

Details of unissued shares or interest under Option at the date of this report are:

Date of issue	Number of shares under option	Class of shares	Exercise price of option	Vesting date	Expiry date of options
24 August 2018	210,000	Ordinary	$2.00	15 September 2018	15 September 2022
24 August 2018	120,000	Ordinary	$2.00	15 March 2019	15 September 2022
24 August 2018	210,000	Ordinary	$2.00	15 September 2019	15 September 2022
24 August 2018	120,000	Ordinary	$2.00	15 March 2020	15 September 2022
24 August 2018	210,000	Ordinary	$2.00	15 September 2020	15 September 2022
24 August 2018	120,000	Ordinary	$2.00	15 March 2021	15 September 2022
24 August 2018	120,000	Ordinary	$2.00	15 March 2022	15 September 2022

756,094 Options expired during the year. At the date of this report there were 795,000 Options on issue.

At the date of this report there are no Performance Rights on issue, 97,093 Performance Rights vested and 26,455 lapsed during the year to 30 June 2019.

The Options are subject to the terms and conditions as set out in the Executive Option Plan. The holders of these Options do not have the right, by virtue of the Option, to participate in any share issue or interest issue of the Company.

Performance Rights are subject to the terms and conditions as set out in the Employee Rights Plan. The holders of the Rights are not entitled, by virtue of the Performance Right, to participate in any share issue or interest issue of the Company. Each Performance Right entitles the holder, upon vesting, to be issued one Ordinary share. The participant must be an eligible employee on the vesting date for the rights to vest.

12. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no other transactions with Key Management Personnel not otherwise disclosed in the report.

This report is made in accordance with a resolution of the Board of Directors, in accordance with section 298(2) of the Corporations Act 2001.

On behalf of the Directors

Alexander (Drew) Kelton
Chief Executive Officer & Director
30 September 2019

Auditor's Independence Declaration

Deloitte.

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The Board of Directors
Superloop Limited
Level 17, 333 Ann Street
Brisbane QLD 4000

30 September 2019

Dear Board Members

Superloop Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Superloop Limited.

As lead audit partner for the audit of the financial statements of Superloop Limited for the financial year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Stephen Tarling
Partner
Chartered Accountants

Financial Report

30 June 2019

These financial statements are the consolidated financial statements of the consolidated entity consisting of Superloop Limited (ABN 96 169 263 094) and its controlled entities.

Superloop Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements are presented in the Australian currency.

Superloop's registered office and principal place of business is Level 17, 333 Ann Street, Brisbane QLD 4000.

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' Report on page 13, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 30 September 2019. The Directors have the power to amend and reissue the financial statements.

Financial Report

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2019	Note	30 June 2019 $'000	30 June 2018 *Restated $'000
Revenue	6	117,338	115,491
Other income	6	2,507	2,667
Total revenue and other income		**119,845**	**118,158**
Direct costs		(61,366)	(51,140)
Employee benefits expense		(32,800)	(29,858)
Share based payments expense		(112)	(375)
Professional fees		(3,995)	(4,020)
Marketing costs		(2,487)	(1,887)
Administrative and other expenses		(10,586)	(8,786)
Total expenses		**(111,346)**	**(96,066)**
Earnings before interest, tax, depreciation, amortisation and foreign exchange gains/losses (EBITDA)		**8,499**	**22,092**
Depreciation and amortisation expense		(36,513)	(22,085)
Impairment losses	14 / 15	(50,683)	-
Interest expense	7	(5,054)	(1,852)
Foreign exchange gains / (losses)	8	(429)	(818)
Share of associate's profit / (loss)	13	(195)	(136)
Loss before income tax		**(84,375)**	**(2,799)**
Income tax benefit	9	12,318	4,115
(Loss) / profit for the year after tax for the year attributable to the owners of Superloop Limited		**(72,057)**	**1,316**
Other Comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations		5,684	4,073
Net fair value gain on hedging transactions entered into the cash flow hedge reserve		461	892
Total Other Comprehensive Income, net of income tax		**6,145**	**4,965**
Total Comprehensive (Loss) / Profit for the year attributable to the owners of Superloop Limited		**(65,912)**	**6,281**

	Note	Cents	Cents
Profit / (Loss) per share for profit /(loss) attributable to the ordinary equity holders of the Group:			
Basic (loss) / profit per share	34	(30.52)	0.59
Diluted (loss) / profit per share	34	(30.52)	0.59

The notes following the financial statements form part of the financial report.
* Please refer to Note 4 AASB 15 Restatement for further information.

Consolidated Statement of Financial Position

As at 30 June 2019	Note	30 June 2019 $'000	30 June 2018 *Restated $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	18,898	15,437
Trade and other receivables	11	27,072	11,120
Current tax asset		1,043	1,518
Other current assets	12	7,063	7,018
Total current assets		**54,076**	**35,093**
NON-CURRENT ASSETS			
Property, plant and equipment	14	228,675	182,127
Intangible assets	15	234,169	280,669
Other non-current assets	12	3,135	3,828
Investment in associate	13	-	9,994
Deferred tax assets	16	9,435	2,354
Total non-current assets		**475,414**	**478,972**
TOTAL ASSETS		**529,490**	**514,065**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	50,329	32,233
Provisions	19	2,679	2,813
Deferred revenue	20	4,208	6,463
Interest-bearing borrowings	18	2,462	-
Total current liabilities		**59,678**	**41,509**
NON-CURRENT LIABILITIES			
Provisions	19	2,109	2,549
Deferred revenue	20	34,279	18,245
Interest-bearing borrowings	18	86,692	62,779
Deferred tax liabilities	21	574	7,172
Total non-current liabilities		**123,654**	**90,745**
TOTAL LIABILITIES		**183,332**	**132,254**
NET ASSETS		**346,158**	**381,811**
EQUITY			
Contributed equity	22	426,283	395,911
Reserves	23	6,266	234
Other equity		(3,327)	(3,327)
Accumulated losses	24	(83,064)	(11,007)
TOTAL EQUITY		**346,158**	**381,811**

The notes following the financial statements form part of the financial report.
* Please refer to Note 4 AASB 15 Restatement for further information.

Financial Report

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2019	Contributed equity $'000	Reserves $'000	Other equity $'000	Accumulated losses $'000	Total equity $'000
Restated Balance at 1 July 2018	**395,911**	**234**	**(3,327)**	**(11,007)**	**381,811**
Loss for the year	-	-	-	(72,057)	**(72,057)**
Other comprehensive income for the year	-	6,145	-	-	**6,145**
Total comprehensive income for the year	**-**	**6,145**	**-**	**(72,057)**	**(65,912)**
Dividends paid	-	-	-	-	**-**
Share based payments	-	(113)	-	-	**(113)**
Issue of ordinary share capital	31,106	-	-	-	**31,106**
Share issue costs	(734)	-	-	-	**(734)**
Balance at 30 June 2019	**426,283**	**6,266**	**(3,327)**	**(83,064)**	**346,158**

For the Year Ended 30 June 2018	Contributed equity $'000	Reserves $'000	Other equity(i) $'000	Accumulated losses $'000	Total equity $'000
Previously Reported Balance at 1 July 2017	**351,290**	**(4,894)**	**(3,327)**	**(9,597)**	**333,472**
Change in accounting policy arising from AASB15: 'Revenue from contracts with customers'*	-	-	-	(1,677)	**(1,677)**
Restated balance as at 1 July 2017	**351,290**	**(4,894)**	**(3,327)**	**(11,274)**	**331,795**
Restated Profit for the year	-	-	-	1,316	**1,316**
Other comprehensive income for the year	-	4,965	-	-	**4,965**
Restated Total Comprehensive Income for the year	**-**	**4,965**	**-**	**1,316**	**6,281**
Dividends paid	-	-	-	(1,049)	**(1,049)**
Share based payments	-	163	-	-	**163**
Issue of ordinary share capital	45,298	-	-	-	**45,298**
Share issue costs	(677)	-	-	-	**(677)**
Restated Balance at 30 June 2018	**395,911**	**234**	**(3,327)**	**(11,007)**	**381,811**

The notes following the financial statements form part of the financial report.

* Please refer to Note 4 AASB 15 Restatement for further information.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2019	Note	30 June 2019 $'000	30 June 2018 $'000
OPERATING ACTIVITIES			
Receipts from customers		115,918	134,599
Payments to suppliers and employees		(110,100)	(98,289)
Income taxes (paid) / received		(525)	1,632
Net cash inflow from operating activities	31	**5,293**	**37,942**
INVESTING ACTIVITIES			
Interest received		68	34
Payments for property, plant and equipment		(52,048)	(44,084)
Payments for intangible assets		(9,254)	(23,416)
Net cash outflow on acquisition of subsidiaries		-	(12,355)
Net cash inflow / (outflow) on investment in associate		10,138	(10,129)
Deferred consideration payments		(2,000)	(1,542)
Transaction costs associated with the acquisition of subsidiaries		-	(330)
Net cash inflow / (outflow) from investing activities		**(53,096)**	**(91,822)**
FINANCING ACTIVITIES			
Proceeds from issues of shares		31,106	35,000
Transaction costs paid in relation to issue of shares		(734)	(1,113)
Dividends paid		-	(1,050)
Proceeds from borrowings (net of fees)		41,375	65,230
Repayment of borrowings		(15,000)	(32,725)
Interest paid		(5,054)	(2,295)
Net cash inflow from financing activities		**51,693**	**63,047**
Net increase/(decrease) in cash and cash equivalents held		3,890	9,167
Cash and cash equivalents at the beginning of the year	10	15,437	7,105
Foreign exchange movement in cash		(429)	(835)
Cash and cash equivalents at the end of the year	10	**18,898**	**15,437**

The notes following the financial statements form part of the financial report.

Notes to the Consolidated Financial Report

Notes to the Consolidated Financial Report

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Superloop Limited and its subsidiaries. Superloop Limited is a public company limited by shares, incorporated and domiciled in Australia.

(A) REPORTING YEAR AND COMPARATIVE INFORMATION

These financial statements cover the period 1 July 2018 to 30 June 2019. The prior year covers the period 1 July 2017 to 30 June 2018. Comparative information has, where necessary and immaterial, been reclassified to be consistent with current year disclosures. A full 1 July 2017 restated Statement of Financial Position has not been included in the Statement of Financial Position as the impact of AASB 15 has been disclosed in Note 4 and is not significant on the 1 July 2017 opening position.

(B) BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Superloop Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the Superloop Group also comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

(ii) New and amended standards adopted by the Group

The Superloop Group has adopted all of the new, revised or amending Accounting Standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The financial impact of the adoption of AASB 15 has been disclosed in Note 4.

(iii) Early adoption of standards

The Group has not elected to apply any pronouncements before their operative date in the financial year beginning 1 July 2018.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(vi) Going concern

The financial statements have been prepared on the basis that the Group is a going concern, able to realise assets in the ordinary course of business and settle liabilities as and when they fall due. Like some other participants in the telecommunications sector, the Group experienced a challenging environment during FY 2019, with declines in the Services Segment in the year ended 30 June 2019, resulting in impairments of $50.7 million for the year (see note 14 and 15) and therefore incurred a statutory loss after tax of $72.1 million. The Group had net current liabilities of $5.6 million at the balance sheet date, and net debt of $70.3 million. Despite the aforementioned, the Group generated positive cash flows from operating activities of $5.3 million and generated a positive EBITDA of $8.5 million. The group has invested $258 million capital into brand new fibre networks that are on average 2 years into a 20+ year useful life and are part of the Group's total net assets of $346 million as at 30th June 2019. In addition, the core fibre connectivity revenues are growing significantly as the company monetises these new assets.

As referred to in note 18 of the financial statements, the Group's revolving debt facility was subject to certain financial covenants including a Leverage Ratio and Interest Cover Ratio. As at 30 June 2019 the Group had agreed variations with certain undertakings in respect of the Leverage and Interest Cover covenants and agreed with its lenders to retest the covenants at 30 September 2019. On 24 September 2019 Superloop announced a recapitalisation plan comprising a fully underwritten equity raise of up to $92.2 million and a newly signed amended and extended four year bank facility with its existing lenders ANZ and Westpac comprising a $61.7 million facility limit with revised financial undertakings (for details see note 35).

The new amended and extended facility is conditional on the repayment of $50 million by 18 October 2019 from the fully underwritten tranche 1 of the institutional placement and entitlement offers (together the equity raising) outlined in Note 35. The Group has reviewed the above and other conditions pertaining to the recapitalisation plan, and in light of the equity raise being fully underwritten and sub-underwritten, has concluded that there is no material uncertainty in meeting the requirements for the new facility.

The Directors therefore have reasonable grounds to believe that the Group will achieve a satisfactory outcome in respect of the above mentioned matters and, accordingly, that it is reasonable for the Company to prepare accounts on a going concern basis.

In addition, the Group has prepared detailed cash flows for the next 18 months and forecasted covenant calculations under the new facility including sensitised scenarios and concluded that the Group has the capital available to execute its business plan and meet its obligations as they fall due.

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Notes to the Consolidated Financial Report

(C) PRINCIPLE OF CONSOLIDATION

(i) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Business Combinations under Common Control
A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that the control is not transitory.

Where an entity within the Group acquires an entity under common control, the acquirer consolidates the carrying values of the acquired entity's assets and liabilities from the date of acquisition. No fair value adjustments are made to the acquired entity's assets and liabilities at the date of acquisition. The consolidated financial statements of the Superloop Group include the acquired entity's income and expenses from the date of acquisition onwards. Any difference between the fair value of the consideration paid / transferred by the acquirer and the net assets / (liabilities) of the acquired entity are taken to the common control reserve within other equity.

This other equity relates to transactions during the period ended 30 June 2015 to form the Group.

(iii) Investment in Associate
An associate is an entity over which the Group has significant influence. The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition.

The consolidated statement of profit or loss and other comprehensive income reflects the Group's share of the results of the associate. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(D) SEGMENT REPORTING
Operating segments are reported in a manner consistent with the operations of the Group and the internal reporting provided to the chief operating decision maker. The Group's operating segments have remained consistent in FY19 on the prior year, albeit renamed Connectivity (formerly 'Superloop'), Services (formerly 'Superloop+'), Broadband (formerly 'Superbb') and Group Shared Services (formerly Corporate).

(E) REVENUE RECOGNITION
Superloop earns revenue from contracts with customers primarily through the provision of telecommunications and other related offerings. Superloop records revenue from contracts with customers over time or at a point in time on the delivery of the promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is recognised for the major business activities as follows:

(i) Long-term capacity revenue
Long-term capacity arrangements (including Indefeasible rights-of-use ('IRU') agreements) provide customers exclusive access to fibre core capacity over an agreed contract term. These arrangements include the initial provisioning of the fibres, ongoing availability of capacity and maintenance of the infrastructure over the contract term which form part of an integrated service to the customer and is considered to be a single performance obligation. The transaction price is generally fixed, net of any upfront discounts given. The customer receives and consumes the benefit of the service simultaneously and revenue is recognised over time, as the service is performed.

IRU agreements generally require the customer to make payment upon the execution of the agreement. In these cases the Group receives most or all of the transaction price at the inception of the contract, resulting in a contract liability being recognised upfront and amortised over the contract term. Contract liabilities are presented in the Group's consolidated statement of financial position as deferred revenue.

At inception of each IRU contract, in determining the transaction price, Superloop gives consideration to whether the timing of payments agreed to by the parties to the contract provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. Factors considered takes into account the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services, and the combined effect of the expected length of time between when Superloop transfers the promised goods or services to the customer and when the customer pays for those goods or services and the prevailing interest rates in the relevant market.

If a significant financing component is deemed to exist, the transaction price is adjusted for the effects of the time value of money, and for revenue to be recognised at an amount that reflects the price that a customer would have paid if the customer had paid cash for the goods or services when (or as) they transfer to the customer (i.e. the cash selling price).

When the period between transferring a good or service and the customer paying for it will be one year or less, Superloop will adopt the practical expedient available in AASB 15 not to adjust the consideration for the effects of a significant financing component and applies this policy consistently to contracts with similar characteristics and in similar circumstances.

The revenue in relation to long-term capacity arrangements and IRU's are all recognised within the Superloop Connectivity segment.

Services
Superloop provides a range of tailored services to customers. Revenue associated with these arrangements is recognised over time as the services are performed.

Hardware and software sales
Superloop sells certain hardware and software products to customers, including installation services as an integrated offering with the respective hardware or software products. Revenue in relation to hardware is recognised on delivery at the point in time when the customer obtains control of the goods. Software products are provided to the customer on-premises with a right-to-use the software as it exists when made available to the customer, generally with no further service obligation once the product has been installed. Revenue from distinct on-premises licenses with no further service obligation is recognised upfront at the point in time when the software is made available to the customer.

There are some software products which require minor ongoing maintenance and software upgrades that do not significantly modify the form or function of the software and are therefore accounted for as a performance obligation distinct from the installed software. The stand-alone selling price of the ongoing maintenance and software updates has been determined using a residual approach, by reference to the total transaction price less the sum of the observable stand-alone selling price of the installed software (using an expected cost plus margin approach). Revenue associated with the ongoing service obligation is recognised over the term of the contract.

Contract Costs
For certain long-term capacity agreements and managed services contracts, upfront set-up type activities are required to be performed for hardware to be installed to activate these arrangements. For costs incurred in fulfilling the contract with the customer that are within the scope of another Standard, the group accounts for those costs in accordance with those standards (e.g. AASB 116 Property, Plant and Equipment). Where the costs do not fall within the scope of another standard, the guidance in AASB 15 is applied and Superloop defers costs incurred to fulfil contracts that relate directly to the contract, are expected to generate resources that will be used to satisfy Superloop's performance obligation under the contract and are expected to be recovered through revenue generated under the contract. Contract fulfilment costs capitalised under AASB 15 are expensed to cost of service as Superloop satisfies its performance obligations under each arrangement. Deferred costs are presented in the Group's consolidated statement of financial position as other current and other non-current assets.

(ii) Other Revenue

Interest income
Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Research & Development Tax Offset
The Group applies AASB 120 Accounting for Government Grants and Disclosure of Government Assistance in accounting for the Research & Development (R&D) Tax Offset, whereby a credit is recognised in profit before tax over the periods necessary to match the benefit of the credit with the costs for which it is intended to compensate. Such periods will depend on whether the R&D costs are capitalised or expensed as incurred. Where R&D costs are capitalised, the government grant income is deferred and recognised over the same period that such costs are amortised.

(F) CASH AND CASH EQUIVALENTS
For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts, if applicable, are shown within borrowings in current liabilities in the Consolidated Statement of Financial Position.

(G) TRADE RECEIVABLES
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less any loss allowances. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

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The amount of the allowance for expected credit loss is recognised in the Consolidated Statement of Comprehensive Income within administrative expenses. When a trade receivable for which an allowance had been recognised becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other administrative expenses in the Consolidated Statement of Comprehensive Income.

(H) CONSUMPTION TAXES
Revenues, expenses and assets are recognised net of the amount of associated consumption tax per jurisdiction, unless the consumption based tax incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of consumption based tax receivable or payable. The net amount of the consumption based tax recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The consumption based tax components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(I) INCOME TAX
The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the applicable income tax rate in each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in each jurisdiction. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(J) INVESTMENTS AND OTHER FINANCIAL ASSETS
Loans and receivables
Classification
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting year which are classified as non-current assets. Loans and receivables are included in trade and other receivables (Note 11) in the Consolidated Statement of Financial Position.

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Consolidated Statement of Comprehensive Income, transaction costs that are directly attributable to the acquisition of the financial asset. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Impairment
The Group assesses at the end of each reporting year whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Group records lifetime expected losses on all eligible financial assets including trade receivables, contract assets and lease receivables.

Assets carried at amortised cost
For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the Consolidated Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Consolidated Statement of Comprehensive Income. Impairment testing of trade receivables is described in Note 1(G).

(K) PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the reporting year in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the lease term (if shorter) as follows:

Category	Useful Life
Network assets	15-40 Years
Communications assets	3-5 Years
Other assets	3-10 Years
Leasehold improvements	3-10 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Comprehensive Income.

(L) ASSETS IN THE COURSE OF CONSTRUCTION
Assets in the course of construction are shown at historical cost. Historical cost includes directly attributable expenditure on telecommunications infrastructure which at reporting date, has not yet been finalised and/or ready for use. Assets in the course of construction are not depreciated.

Assets in the course of construction are transferred to property, plant and equipment upon successful testing and commissioning.

(M) INTANGIBLE ASSETS
The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful lives:

Category	Useful Life
Rights and licenses	3-15 Years
Software	3-5 Years
Customer acquisition costs	3-8 Years
Customer relationships, brands & trademarks	3-10 Years

Intangible assets with finite useful lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful life and the amortisation method for an intangible asset with a finite useful life are reviewed at least each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the useful life or method, as appropriate, which is a change in accounting estimate.

Intangible assets with indefinite useful lives are tested for impairment annually, either individually or at the cash generating unit level. Such intangibles are not amortised.

The useful life of an intangible asset with an indefinite useful life is reviewed each reporting year to determine whether the indefinite useful life assessment continues to be supportable. If not, the change in useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Indefeasible Rights to Use ('IRUs')
IRUs of capacity are recognised as intangible assets and are amortised on a straight-line basis over the remaining life of the contracts.

Goodwill
Goodwill acquired in a business combination is initially measured at cost of the business combination being the excess of the consideration transferred over the fair value of the Group's net identifiable assets acquired and liabilities assumed. Goodwill has an indefinite useful life and as such, is not amortised. The carrying value is assessed at each reporting date against the value of the cash generating units to which it is assigned.

Software
On the acquisition of a company, internally developed software and systems are valued and brought to account as intangible assets and valued at its amortised replacement cost or discounted future earnings. Software is amortised on a straight-line basis over the period of its expected benefit.

Spectrum Licenses
Spectrum licence assets acquired as part of a business combination are measured at their fair value at the date of acquisition. The amortisation of spectrum licence assets is calculated on a straight-line basis over the expected useful life of the asset based on the current renewal dates of each licence.

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Customer acquisition costs
Direct customer acquisition costs in relation to customer contracts are recognised as an asset where it is probable that the future economic benefits arising as a result of the costs incurred will flow to the Group. Customer acquisition costs recognised as an asset are amortised from the inception of the contract over the lesser of the period of the contract and the period during which the future economic benefits are expected to be obtained, and reviewed for impairment at the end of the financial year. Customer acquisition costs not recognised as an asset are expensed as incurred.

Other intangibles
Other intangibles are amortised on a straight-line basis over the period of their expected benefit.

(N) LEASES
Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(O) IMPAIRMENT OF ASSETS
Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

(P) TRADE AND OTHER PAYABLES
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(Q) BORROWINGS
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Comprehensive Income over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

(R) EMPLOYEE BENEFITS
(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of each reporting year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in provision for employee benefits.

(ii) Other long-term employee benefit obligations
The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting year in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting year on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations
Except for the statutory superannuation guarantee charge, the Group does not have any other retirement benefit obligations.

(iv) Share-based payments
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. This fair value is expensed on a straight-line basis over the vesting period with a corresponding increase in equity.

(S) BORROWINGS COSTS
Borrowing costs incurred for the construction of any qualifying asset are capitalised during the year of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(T) CONTRIBUTED EQUITY
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(U) FOREIGN EXCHANGE
The financial statements are presented in Australian dollars, which is the Group's presentation currency.

Foreign Currency Transactions
Foreign currency transactions are translated into the functional currency of the entity using the exchange rates prevailing at the date of the transactions.

Foreign Operations
The assets and liabilities of foreign operations are translated into the presentation currency (Australian dollars) using the exchange rates as at the reporting date. The revenues and expenses of the foreign operations are translated into the presentation currency using the average exchange rates, which approximate the rate at the date of the transaction. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

(V) EARNINGS PER SHARE
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit / (loss) attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the year (Note 34).

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(W) ROUNDING OF AMOUNTS
The Company is of a kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016 and issued pursuant to section 341(1) of the Corporations Act 2001. In accordance with that Instrument, amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(X) HEDGING
Hedging of risk exposure can be carried out using derivatives or physical instruments. Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

(Y) HEDGE ACCOUNTING
Superloop designates certain hedging instruments as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

(i) Cash flow hedge
The effective portion of changes in the fair value of financial instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

(ii) Fair Value hedge
Changes in the fair value of financial instruments that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

(Z) PARENT ENTITY FINANCIAL INFORMATION
The financial information for the parent entity, Superloop Limited, disclosed in Note 36 has been prepared on the same basis as the consolidated financial statements.

2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

The Group's assessment of the impact of the new standards, amendments and interpretations are provided below.

(A) New and amended standards that are effective from the current year

(1) AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS
AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

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The standard is applicable to annual reporting periods beginning on or after 1 January 2018 and accordingly the group has applied this standard from 1 July 2018. The group has adopted AASB 15 using the fully retrospective approach and has restated comparative information.

Impact of adopting AASB 15

The only material impact on Superloop resulting from the adoption of AASB 15 relates to long-term capacity arrangements.

Under Superloop's previous accounting policy, revenue from long-term capacity arrangements was recognised in line with the delivery of the services, based on the stage of completion (the percentage of completion method using the proportion of costs incurred to date compared to the estimated total costs). This has historically resulted in a larger proportion of the revenue being recognised during the early stages of the contract in line with the work performed.

On application of AASB 15, revenue from long-term capacity arrangements (including sale of indefeasible rights-of-use ('IRU') agreements) are recognised over the term that the fibre core capacity is to be provided to the customer. IRU agreements generally require the customer to make payment upon the execution of the agreement. In these cases the group receives most or all of the transaction price at the inception of the contract, resulting in a contract liability (deferred revenue) being recognised upfront and amortised over the contract term.

The adoption of AASB 15 did not have a material impact on any of the other revenue streams. The quantitative impact of the adoption of AASB 15 has been outlined in note 4.

(2) AASB 9 Financial Instruments

This standard addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard replaces all previous versions of AASB 9 and introduces new classification and measurement models for financial assets. New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of entities along with requirements for financial assets and amendments to the classification and measurement for certain debt instruments. In relation to the impairment of financial assets requirements under AASB 9, the new standard requires an 'expected credit loss' model as opposed to an incurred credit loss model.

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The Group has adopted AASB 9 from 1 July 2018 and has not restated comparative information as permitted by the Standard.

The applicable of AASB 9 Financial Instruments did not have a significant impact on the Group, in particular:

- Classification and measurement - there is no material impact on the Statement of Financial Position or equity on applying the classification and measurement requirements of AASB 9. Financial assets currently held at fair value will continue to be measured at fair value. Trade and other receivables are held to collect contractual cash flows and are solely payments for principal and interest. These receivables are measured at amortised cost.
- Impairment - under AASB 9, expected credit losses on financial assets are recorded either on a 12-month or lifetime basis. The Group has applied the simplified approach and record lifetime expected losses on all eligible financial assets. It is expected that the revised methodology for calculation of impairment has not had a significant impact on the financial statements; and
- Hedge accounting - the Group's existing hedges are currently considered effective relationships and it is expected they will qualify as continuing hedge relationships under AASB 9.

(B) New and amended standards in issue but not yet effective

(1) AASB 16 Leases

This standard will replace AASB 117 Leases and is applicable to annual reporting periods beginning on or after 1 January 2019. This standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. This standard introduces three main changes:

- Enhanced guidance on identifying whether a contract contains a lease;
- A completely new leases accounting model for lessees that requires lessees to recognise all leases on balance sheet, except for short-term leases and leases of low value assets; and
- Enhanced disclosures.

Leases currently classified as operating leases will be capitalised in the Consolidated Statement of Financial Position with a liability corresponding to future lease payments also recognised. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset and an interest expense on the recognised lease liability.

This standard will apply to the Group from 1 July 2019 and impact the financial statements for the financial year ending 30 June 2020. The Group has elected to apply a modified retrospective transition approach with assessments being carried out at initial application date as to whether a contract contains a lease.

The Group's current estimate of the pre-tax financial impact of these changes on the consolidated statement of financial position on adoption is the recognition of an additional lease liability and right of use asset at 1 July 2019 of $10.2 million.

The impact on the consolidated income statement for the year to 30 June 2020 will depend on factors that may occur during the year including new leases entered into, changes or reassessments of the Group's existing lease portfolio and changes to discount rates. However, the operating lease charges incurred in the year to 30 June 2019 were $6.4 million and it is expected that a similar amount of lease depreciation and interest would have been recognised had IFRS 16 been applied in the year to 30 June 2019.

These impacts are based on the assessments undertaken to date. The exact financial impacts of the accounting changes of adopting IFRS 16 at 1 July 2019 may be revised. The Group will issue further details on the impact of adopting IFRS 16 as part of the interim financial statements for the six months ending 31 December 2019.

There are no other new standards and interpretations that are not yet effective and that are expected to have a material impact on the Group's consolidated financial statements in the current or future reporting periods.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of the Group's consolidated financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. These estimates and judgements are continually evaluated against historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which involved a higher degree of judgement or complexity, and which have the most significant effect on the amounts recognised in the consolidated financial statements.

Goodwill and other indefinite life intangible assets

In assessing impairment of goodwill and other indefinite life intangible assets, in accordance with accounting policy outlined in Note 1(O), management estimates the recoverable amount of each asset, cash-generating or group of cash generating assets based on the greater of "Value in Use" or "Fair value less costs to sell". Value in use is assessed through a discounted cash flow analysis which includes significant estimates and the use of assumptions, including growth rates, estimated future cash flows and estimated discount rates based on the current cost of capital, refer to Note 15.

Revenue recognition

The Group's construction contracts are recognised as and when performance obligations are met. Identifying performance obligations, allocating the transaction price to performance obligations, and determining the timing of revenue recognition of these construction contracts requires the application of judgement due to the complexity and nature of the customer arrangements. The assumptions made in the estimates are based on the information available to Management at the reporting date.

A change in the estimated stage of completion could have an impact on the timing of the revenue recognition. Refer to Note 1(E) for further information on revenue recognition.

Useful life of assets

The economic life of property, plant and equipment, which includes network infrastructure is a critical accounting estimate, with the ranges outlined in Note 1(K). The useful economic life is the Board's and Management's best estimate based on historical experiences and industry knowledge. The Group reviews the estimated useful lives of property, plant and equipment including network infrastructure at the end of each annual reporting period. Should the actual lives of these component parts be significantly different this would impact the depreciation charge recognised.

Income taxes

The Group is subject to income taxes in each jurisdiction that it operates. Estimation is required in determining the provision for income taxes as there are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year.

Refer to Note 16, for judgement made in relation to deferred tax assets.

Business combinations

Accounting for acquisitions is inherently complex, requiring a number of judgements and estimates to be made. In accounting for business combinations, the Group has made a number of judgements in relation to identification of fair values attributable to separately identifiable assets and liabilities acquired, including intangible assets such as customer relationships, software and brand name and trademarks identified, refer to Note 38. The determination of fair values requires the use of valuation techniques based on assumptions including revenue growth, cash flows, margins, customer attrition rates and weighted-average cost of capital. Additional judgement and estimates have been applied in estimating the useful lives of intangible assets and tangible assets acquired refer to Note 1(M) and 1(K).

For the acquisition of NuSkope and GX2, the Group has commissioned an independent valuation expert to assist in the determination of the methodology and calculation of the attributed fair values to identified intangible assets. The acquisition accounting for both NuSkope and Gx2 are now final at the balance sheet date, with the excess purchase consideration over the fair value of identified assets and liabilities acquired in both acquisitions recognised as goodwill.

Notes to the Consolidated Financial Report

4. RESTATEMENT NOTE AASB 15

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. The Group has applied AASB 15 in accordance with the fully retrospective transitional approach. The amount of adjustment for each financial statement line item affected by the application of AASB 15 is illustrated below.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	30 June 2018 (as previously reported) $'000	AASB 15 Adjustment	30 June 2018 Restated $'000
Revenue and other income	**125,171**	**(7,013)**	**118,158**
Direct costs	(51,140)	-	(51,140)
Employee benefits expense	(29,858)	-	(29,858)
Share based payments expense	(375)	-	(375)
Professional fees	(4,020)	-	(4,020)
Marketing costs	(1,887)	-	(1,887)
Administrative and other expenses	(8,786)	-	(8,786)
Total expenses	**(96,066)**	**-**	**(96,066)**
Earnings before interest, tax, depreciation, amortisation and foreign exchange gains/losses (EBITDA)	**29,105**	**(7,013)**	**22,092**
Depreciation and amortisation expense	(22,085)	-	(22,085)
Interest expense	(1,852)	-	(1,852)
Foreign exchange gains / (losses)	(818)	-	(818)
Share of associate's profit / (loss)	(136)	-	(136)
Profit / (loss) before income tax	**4,214**	**(7,013)**	**(2,799)**
Income tax benefit	2,908	1,207	4,115
(Loss) / profit for the year after tax for the year attributable to the owners of Superloop Limited	**7,122**	**(5,806)**	**1,316**
Other Comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations	4,073	-	4,073
Net fair value gain / (loss) on hedging transactions entered into the cash flow hedge reserve	892	-	892
Total Other Comprehensive Income, net of income tax	**4,965**	**-**	**4,965**
Total Comprehensive (Loss) / Profit for the year attributable to the owners of Superloop Limited	**12,087**	**(5,806)**	**6,281**

	Cents		Cents
Profit/(Loss) per share for profit/(loss) attributable to the ordinary equity holders of the Group:			
Basic profit / (loss) per share	3.19		0.59
Diluted profit / (loss) per share	3.18		0.59

Consolidated Statement of Financial Position

	30 June 2018 (as previously reported) $'000	AASB 15 Adjustment	30 June 2018 *Restated $'000
Impact of Assets, Liabilities & Equity as at 30 June 2018			
Investment in associate	9,505	489	9,994
Deferred tax assets	954	1,400	2,354
Total Deferred revenue	(14,978)	(9,730)	(24,708)
Deferred tax liabilities	(7,530)	358	(7,172)
Total Effect on Net Assets		**(7,483)**	
Accumulated losses	(3,524)	(7,483)	(11,007)
Total Effect on Equity		**(7,483)**	

	1 July 2017 (as previously stated) $'000	AASB 15 Adjustment	1 July 2017 *Restated $'000
Impact of Assets, Liabilities & Equity as at 1 July 2017			
Investment in associate	-	-	-
Deferred tax assets	1,943	-	1,943
Total Deferred revenue	(2,432)	(2,104)	(4,536)
Deferred tax liabilities	(10,104)	427	(9,677)
Total Effect on Net Assets		**(1,677)**	
Accumulated losses	(9,597)	(1,677)	(11,274)
Total Effect on Equity		**(1,677)**	

5. SEGMENT INFORMATION

(A) DESCRIPTION OF SEGMENTS

Superloop is a trusted enabler of connectivity and managed services in Asia Pacific. During the year, the principal activities of the Group included:

i) the development and operation of independent connectivity infrastructure and services throughout the Asia Pacific region for wholesale and enterprise customers including fibre optic cable, international submarine cables and fixed wireless networks (Connectivity);

ii) the provision of outsourced cloud and managed services, cyber security and cyber safety (Services); and

iii) the provision of broadband services for individual end users including residential NBN, retail fixed wireless and fixed line internet services and connectivity services for hotels, student accommodation sites and schools (Broadband).

The operations of the Group are reported in these segments to Superloop's Senior Management team (chief operating decision makers). Items not specifically related to an individual segment are classified as Group Shared Services, refer below for details of material items. The accounting policies of the segments are the same as the Group (refer to Note 1).

Comparative information has been restated to align with the current operating segments.

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(B) SEGMENT INFORMATION PROVIDED TO MANAGEMENT

The segment information provided to management for the reportable segments is as follows:

Operating Segments for year ending 30 June 2019	**Connectivity (1) $000**	**Services (2) $000**	**Broadband (3) $000**	**Group Shared Services (4) $000**	**TOTAL $000**
Revenue and other income	59,472	24,678	35,586	109	119,845
Direct costs	(27,682)	(13,926)	(19,758)	-	(61,366)
Gross Margin	**31,790**	**10,752**	**15,828**	**109**	**58,479**
Operating expenses					(49,980)
Depreciation and amortisation	(24,380)	(5,102)	(7,031)	-	(36,513)
Impairment losses	-	(50,683)	-	-	(50,683)
Interest, FX & other					(5,678)
Loss before income tax					**(84,375)**

Operating Segments for year ending 30 June 2019	**Connectivity (1) $000**	**Services (2) $000**	**Broadband (3) $000**	**Group Shared Services (4) $000**	**TOTAL $000**
Non-current assets					
Property, plant & equipment	218,064	728	9,883	-	228,675
Intangible assets excl. goodwill (includes indefeasible rights to use)	85,689	5,229	8,186	-	99,104
Goodwill	104,855	-	30,210	-	135,065
Total Non-current assets	**408,608**	**5,957**	**48,279**	**-**	**462,844**

(1) Connectivity includes earnings associated with the development of the INDIGO subsea cable system.
(2) Services includes earnings associated with the Cloud Managed Services entities acquired through the 2016 Big Air acquisition, and from cybersecurity subsidiary, CyberHound.
(3) Broadband includes earnings and assets from BigAir Community Broadband, NuSkope and GX2 Technology for the full year, and the NBN fixed line customer base acquired by SkyMesh.
(4) Group Shared Services includes inter-segment eliminations and unallocated earnings.

The below table provides further information regarding the group's main Connectivity segment.

Analysis of Connectivity Operating Segment for the year ending 30 June 2019	**Australia Fibre (5) $000**	**Australia Fixed Wireless $000**	**Singapore Fibre $000**	**Hong Kong Fibre $000**	**Connectivity Sub Total $000**
Revenue and other income	25,428	20,627	10,305	3,112	59,472
Direct costs	(12,988)	(7,774)	(4,207)	(2,713)	(27,682)
Gross Margin	**12,440**	**12,853**	**6,098**	**399**	**31,790**
Depreciation and amortisation	(5,516)	(13,063)	(2,263)	(3,538)	(24,380)

Analysis of Connectivity Operating Segment for the year ending 30 June 2019	**Australia Fibre (5) $000**	**Australia Fixed Wireless $000**	**Singapore Fibre $000**	**Hong Kong Fibre $000**	**Connectivity Sub Total $000**
PP&E and Intangible Assets (excluding Goodwill)					
Property, plant & equipment	86,794	21,060	49,573	60,637	218,064
Intangible assets excl. goodwill (includes indefeasible rights to use)	39,411	29,669	1,945	14,664	85,689
	126,205	**50,729**	**51,518**	**75,301**	**303,753**

(5) Australia Fibre includes INDIGO subsea cable assets and development revenue.

Operating Segments for year ending 30 June 2018	**Connectivity (1) $000**	**Services (2) $000**	**Broadband (3) $000**	**Group Shared Services (4) $000**	**TOTAL $000**
Revenue and other income	54,227	36,583	26,652	696	118,158
Direct costs	(18,867)	(20,210)	(12,406)	343	(51,140)
Gross Margin	**35,360**	**16,373**	**14,246**	**1,039**	**67,018**
Operating expenses					(44,926)
Depreciation and amortisation	(15,303)	(3,019)	(3,763)	-	(22,085)
Impairment losses	-	-	-	-	-
Interest, FX & other					(2,806)
Loss before income tax					**(2,799)**

(1) Connectivity includes earnings associated with the development of the INDIGO subsea cable system.
(2) Services includes earnings associated with the Cloud Managed Services entities acquired through the 2016 Big Air acquisition, and from cybersecurity subsidiary, CyberHound.
(3) Broadband includes earnings and assets from BigAir Community Broadband, NuSkope and GX2 Technology for the full year, and the NBN fixed line customer base acquired by SkyMesh.
(4) Group Shared Services includes inter-segment eliminations and unallocated earnings.
(5) Australia includes INDIGO subsea cable assets and development revenue.

Operating Segments for year ending 30 June 2018	**Connectivity (1) $000**	**Services (2) $000**	**Broadband (3) $000**	**Group Shared Services (4) $000**	**TOTAL $000**
Non-current assets					
Property, plant & equipment	166,029	9,418	6,680	-	182,127
Intangible assets excl. goodwill (includes indefeasible rights to use)	78,493	9,409	14,448	-	102,350
Goodwill	104,855	43,255	30,209	-	178,319
	349,377	**62,082**	**51,337**	**-**	**462,796**

The below table provides further information regarding the group's main Connectivity segment.

Analysis of Connectivity Operating Segment for the year ending 30 June 2018	**Australia Fibre $000**	**Australia Fixed Wireless $000**	**Singapore Fibre $000**	**Hong Kong Fibre $000**	**Sub Total $000**
Revenue and other income	24,713	21,760	5,969	1,785	54,227
Direct costs	(8,607)	(5,524)	(1,498)	(3,239)	(18,868)
Gross Margin	**16,106**	**16,236**	**4,471**	**(1,454)**	**35,359**
Depreciation and amortisation	(5,201)	(5,668)	(1,857)	(2,576)	(15,302)
Impairment Losses	-	-	-	-	-

Analysis of Connectivity Operating Segment for the year ending 30 June 2018	**Australia Fibre $000**	**Australia Fixed Wireless $000**	**Singapore Fibre $000**	**Hong Kong Fibre $000**	**Sub Total $000**
Non-current assets					
Property, plant & equipment	39,949	21,419	46,511	58,150	166,029
Intangible assets excl. goodwill (includes indefeasible rights to use)	34,421	33,709	1,812	8,551	78,493
	74,370	**55,128**	**48,323**	**66,701**	**244,522**

Notes to the Consolidated Financial Report

6. REVENUE

	30 June 2019 $ '000	30 June 2018 Restated $ '000
Revenue from ordinary activities		
Customer revenue	117,338	115,491
Other Income		
Interest income	68	33
Gain on sale of assets	474	-
Gain on sale of investment in associate	315	-
Other income	1,650	2,634
Total revenue and other income	**119,845**	**118,158**

The total future revenue from the Group's contracts with customers with performance obligations not satisfied at 30 June 2019 is $38.5 million of which $4.2 million is expected to be recognised within the next year and the remaining amount will be recognised beyond 12 months over the life of the contracts on a straight line basis. The future revenue primarily relates to the groups long-term capacity arrangements or IRUs, refer to revenue recognition accounting policy for further information. These contracts have contract terms of between 7 and 20 years, with a weighted average remaining term of 13 years.

7. INTEREST EXPENSE

	30 June 2019 $ '000	30 June 2018 $ '000
Interest on borrowings	(5,054)	(1,852)
Total interest expense	**(5,054)**	**(1,852)**

The Group incurs interest on the drawn amount and fee on the undrawn portion of its debt facility (refer to Note 18).

8. FOREIGN EXCHANGE GAINS / (LOSSES)

Foreign exchange (losses) for the year arose as a result of unfavourable exchange rate movements in the ordinary course of business.

	30 June 2019 $ '000	30 June 2018 $ '000
Net foreign exchange (losses) for the year	(429)	(818)
Total net foreign exchange (losses)	**(429)**	**(818)**

9. INCOME TAX EXPENSE

	30 June 2019 $ '000	30 June 2018 $ '000
(a) Income tax recognised in profit or loss		
Current tax	2,758	1,394
Deferred tax		
In respect of the current year	(15,076)	(1,336)
In respect of prior years (i)	-	(4,173)
Total deferred tax	**(15,076)**	**(5,509)**
Total income tax benefit	**(12,318)**	**(4,115)**
(b) The income tax expense / (benefit) for the year can be reconciled to the accounting profit as follows:		
Profit / (loss) from continuing operations before income tax expense	(84,375)	(2,799)
Tax expense / (credit) at the Australian tax rate of 30%	(25,313)	(840)
Effect of income that is exempt from taxation @ 30%	-	-
Non-deductible acquisition costs	-	22
Non-deductible Impairment	12,976	-
Non-deductible entertainment expenses	56	32
Non-deductible share based payments	34	112
Equity accounting loss on investment	59	41
Adjustments to opening deferred tax balances (i)	-	(4,172)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(130)	602
Other	-	88
Deferred tax credits in respect of temporary differences and unused tax losses not recognised in prior years	-	-
Income tax expense / (benefit)	**(12,318)**	**(4,115)**

(i) Adjustments in relation to finalisation of prior years tax positions and impact of acquisitions into the tax consolidated group.

The tax rate used for the 2019 and 2018 reconciliations above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

10. CASH AND CASH EQUIVALENTS

	30 June 2019 $ '000	30 June 2018 $ '000
Cash at bank and on hand	18,386	8,393
Short term deposits	512	7,044
Total cash and cash equivalents	**18,898**	**15,437**

Notes to the Consolidated Financial Report

11. TRADE AND OTHER RECEIVABLES

	Note	Current $'000	Non-Current $'000	30 June 2019 TOTAL $'000
Trade receivables	(A)	27,356	-	**27,356**
Allowance for expected credit losses	(B)	(296)	-	**(296)**
Net trade receivables		**27,060**	**-**	**27,060**
Consumption tax receivable	(C)	12	-	**12**
Other receivables		-	-	**-**
Total		**27,072**	**-**	**27,072**

	Note	Current $'000	Non-Current $'000	30 June 2018 TOTAL $'000
Trade receivables	(A)	11,297	-	**11,297**
Allowance for expected credit losses	(B)	(335)	-	**(335)**
Net trade receivables		**10,962**	**-**	**10,962**
Consumption tax receivable	(C)	91	-	**91**
Other receivables		67	-	**67**
Total		**11,120**	**-**	**11,120**

(A) PAST DUE BUT NOT IMPAIRED
Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Age of Trade Receivables that are past due but not impaired	30 June 2019 $'000	30 June 2018 $'000
60 – 90 days	848	536
90 days plus	2,191	1,465
Total past due but not impaired	**3,039**	**2,001**

(B) AGING OF ALLOWANCE FOR EXPECTED CREDIT LOSS ("LOSS ALLOWANCE")
As at 30 June 2019, the Group had a loss allowance of $296k (2018: $335k). Superloop applies the AASB 9 simplified approach to measure expected credit loss ("ECL") which uses a lifetime expected loss allowance for all trade receivables.

Aging of loss allowance	30 June 2019 $'000	30 June 2018 $'000
0 – 60 days	47	-
60 – 90 days	17	128
90 days plus	232	207
Total past due and impaired	**296**	**335**

Movement in loss allowance	30 June 2019 $'000	30 June 2018 $'000
Balance at beginning of the year	335	183
Impairment losses recognised on receivables	(48)	-
Allowance for expected credit losses	9	24
Balance from acquisition	-	128
Balance at end of the year	**296**	**335**

(C) CONSUMPTION TAX RECEIVABLE
These amounts generally arise from consumption tax paid by the Group in the respective tax jurisdictions in which the Group operates and where a consumption tax exists. Ordinarily these amounts are offset against the consumption tax collected by the Group as part of its sales and the net amount remitted to the local tax authorities, however where the amount of consumption tax paid by the Group per jurisdiction is greater than the amount collected from sales to customers in that jurisdiction, a receivable is raised.

12. OTHER ASSETS

	30 June 2019 $'000	30 June 2018 $'000
CURRENT		
Prepayments	4,357	3,262
Contract assets	2,667	3,668
Other current financial assets	39	88
Total other assets – current	**7,063**	**7,018**
NON-CURRENT		
Other non-current assets	299	396
Installation costs	2,836	3,432
Total other assets – non-current	**3,135**	**3,828**

13. INVESTMENT IN ASSOCIATE

The Group sold its minority interest of 16.8% in Fiber Sense Pty Ltd on the 24 June 2019 for $10.1 million consideration. It held a carrying amount prior to disposal of $9.8 million, with a gain on disposal of $0.3 million recognised. The Group's interest was equity accounted for in the consolidated financial statements. Although the Group did hold less than 20% of the equity shares of the associate, the Group did have significant influence by virtue of its protective right to appoint one Director to the Board of the associate. Superloop held one of the two Director positions during the year.

The following table illustrates the summarised financial information of the Group's investment in the associate:

	30 June 2019 $'000	30 June 2018 $'000
Current assets	-	1,568
Non-current assets	-	9,028
Current liabilities	-	(241)
Non-current liabilities	-	(1,601)
Equity	**-**	**8,754**
Group's carrying amount of investment	**-**	**9,994**
Revenue	149	78
Cost of sales	(137)	(5)
Operating expenses	(1,672)	(1,452)
Finance costs	-	(21)
Loss before tax	**(1,660)**	**(1,400)**
Income tax benefit	498	386
Loss for the year	**(1,162)**	**(1,014)**
Total comprehensive income for the year	**(1,162)**	**(1,014)**
Group's share of loss for the year	**(195)**	**(136)**

14. PROPERTY, PLANT AND EQUIPMENT

	30 June 2019 $'000	30 June 2018 $'000
Carrying amounts of:		
Assets in the course of construction	6,805	31,551
Network assets	174,925	114,620
Communication assets	46,628	34,921
Other assets	317	1,035
Total	**228,675**	**182,127**

	Assets in the course of construction $'000	Network assets $'000	Communic-ation assets $'000	Other assets $'000	TOTAL $'000
Cost or Valuation:					
Balance at 30 June 2017	**6,597**	**104,017**	**35,914**	**1,365**	**147,893**
Additions	30,908	9,149	5,275	1,292	**46,624**
Additions through business combinations (Note 38)	-	-	1,569	168	**1,737**
Movement in foreign exchange	-	4,129	78	-	**4,207**
Transfer	(5,954)	5,570	316	68	**-**
Balance at 30 June 2018	**31,551**	**122,865**	**43,152**	**2,893**	**200,461**
Additions	47,201	5,630	9,390	827	**63,048**
Additions through business combinations (Note 38)	-	-	-	-	**-**
Movement in foreign exchange	39	6,715	176	16	**6,946**
Disposals	-	(44)	(103)	(75)	**(222)**
Transfer	(71,986)	57,503	14,021	462	**-**
Balance at 30 June 2019	**6,805**	**192,669**	**66,636**	**4,123**	**270,233**
Accumulated depreciation:					
Balance at 30 June 2017	**-**	**(3,581)**	**(2,754)**	**(353)**	**(6,688)**
Depreciation charge	-	(4,406)	(5,453)	(1,501)	**(11,360)**
Disposals	-	58	-	-	**58**
Movement in foreign exchange	-	(316)	(24)	(4)	**(344)**
Balance at 30 June 2018	**-**	**(8,245)**	**(8,231)**	**(1,858)**	**(18,334)**
Depreciation charge	-	(5,673)	(7,837)	(1,816)	**(15,326)**
Disposals	-	26	80	62	**168**
Impairment	-	(3,282)	(3,967)	(180)	**(7,429)**
Movement in foreign exchange	-	(570)	(53)	(14)	**(637)**
Balance at 30 June 2019	**-**	**(17,744)**	**(20,008)**	**(3,806)**	**(41,558)**
Carrying value - 2019	**6,805**	**174,925**	**46,628**	**317**	**228,675**
Carrying value - 2018	**31,551**	**114,620**	**34,921**	**1,035**	**182,127**

15. INTANGIBLE ASSETS

	30 June 2019 $'000	30 June 2018 $'000
Carrying amounts of:		
Assets in the course of construction	1,074	3,755
Rights and licences	47,294	39,918
Software	5,998	6,438
Customer acquisition costs & Other Intangible Assets	4,427	1,159
Customer relationships, brands and trademarks	40,312	51,080
Goodwill	135,064	178,319
Total intangible assets	**234,169**	**280,669**

Movements	Assets being developed $'000	Rights and licences $'000	Software $'000	Customer Acquisition costs & Other Intangible Assets $'000	Customer, brand & trademarks $'000	Goodwill $'000	Total $'000
Cost or valuation:							
Balance as at 30 June 2017	**3,113**	**20,759**	**2,472**	**561**	**49,956**	**167,771**	**244,632**
Additions through business combinations (refer Note 38)	-	-	5,250	530	7,800	10,548	**24,128**
Other additions	642	21,780	825	1,442	2,058	-	**26,747**
Movements in foreign exchange	-	9	-	-	-	-	**9**
Balance as at 30 June 2018	**3,755**	**42,548**	**8,547**	**2,533**	**59,814**	**178,319**	**295,516**
Additions through business combinations (refer Note 38)	-	-	-	-	-	-	**-**
Additions	2,563	9,387	1,367	1,873	1,459	-	**16,649**
Disposal	-	-	(21)	(296)	-	-	**(317)**
Transfer	(5,244)	-	873	3,113	1,258	-	**-**
Movements in foreign exchange	-	750	1	33	-	-	**784**
Balance as at 30 June 2019	**1,074**	**52,685**	**10,767**	**7,256**	**62,531**	**178,319**	**312,632**
Accumulated amortisation:							
Balance as at 30 June 2017	**-**	**(874)**	**(732)**	**(27)**	**(3,193)**	-	**(4,826)**
Amortisation charge	-	(1,756)	(1,377)	(1,347)	(5,541)	-	**(10,021)**
Movements in foreign exchange	-	-	-	-	-	-	**-**
Balance as at 30 June 2018	**-**	**(2,630)**	**(2,109)**	**(1,374)**	**(8,734)**	-	**(14,847)**
Amortisation charge	-	(2,740)	(2,673)	(1,525)	(13,485)	-	**(20,423)**
Disposal	-	-	13	81	-	-	**94**
Impairment	-	-	-	-	**-**	(43,255)	**(43,255)**
Movements in foreign exchange	-	(21)	-	(11)	**-**	-	**(32)**
Balance as at 30 June 2019	**-**	**(5,391)**	**(4,769)**	**(2,829)**	**(22,219)**	**(43,255)**	**(78,463)**
Carrying value - 2019	**1,074**	**47,294**	**5,998**	**4,427**	**40,312**	**135,064**	**234,169**
Carrying value - 2018	**3,755**	**39,918**	**6,438**	**1,159**	**51,080**	**178,319**	**280,669**

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Goodwill has been allocated for impairment testing purposes to the following cash-generating units and groups of cash-generating units ("cash-generating units"):

	30 June 2019 $'000	30 June 2018 $'000
Connectivity	104,855	104,855
Services	-	43,255
Broadband	30,210	30,210
Total goodwill	**135,065**	**178,320**

An impairment loss is recognised for the amount by which the carrying amount of the cash-generating units exceeds their recoverable amount. The recoverable amount for the cash-generating units is determined based on a value in use calculation which is based on the present value of future forecast cash earnings, as measured by earnings before interest expense, taxes, depreciation and amortisation (EBITDA).

The forecast earnings are based on the financial year ending 30 June 2020 budget approved by the Board with the earnings beyond the budget period extrapolated over 5 years using annual growth rates for each cash generating unit based on historical earnings growth, current and forecast trading conditions and business plans. A long-term perpetual growth rate of 1.5% - 3.0% is applied beyond the forecast period. A post-tax discount rate of 10.89% has been assumed, representing the long-term average and includes a risk-premium given the stage in the business cycle of the Group's business.

The Board has reviewed and is comfortable with Management's assumptions about growth rates for each cash generating unit, which for certain cash generating units are expected to grow from a low starting point. Assumptions include growth rates for revenue on the INDIGO subsea cable systems, which was delivered May 2019, and assumptions about wholesale and retail opportunities in the NBN fixed line market.

For the Services segment impairment testing calculated, indicated that the carrying amount exceeded the recoverable amount at 30 June 2019, resulting in an impairment of $43.3 million to goodwill, and a property, plant & equipment impairment of $7.4 million (refer to Note 14). No other impairment loss on goodwill has been identified.

Management has reviewed sensitivities on the key assumptions on which the recoverable amounts are based and believe that changes would not cause the cash-generating units' carrying amounts to exceed their recoverable amounts, with exception to the Services segment. The sensitivities applied were to reduce the long-term perpetual growth rate by 1.0%, or increase the post-tax discount rate from 10.9% to 12.0% . These sensitivity tests did not result in the cash-generating units' carrying amounts exceeding their recoverable amounts, with exception to the Services segment.

16. DEFERRED TAX ASSETS

	Note	30 June 2019 $'000	30 June 2018 *Restated $'000
Deferred tax assets attributable to:			
Employee benefits		1,201	1,593
Exchange differences on foreign operations		-	-
Cash flow hedges		-	-
Expenses deductible in future periods		2,750	2,057
Tax credits from tax losses		13,014	9,785
Deferred Revenue		5,516	1,400
Future deduction of share issue costs		743	966
Total deferred tax assets		**23,224**	**15,801**
Set-off deferred tax liabilities pursuant to set-off provisions	21	(13,789)	(13,447)
Deferred tax assets not recognised		-	-
Deferred tax assets recognised in the statement of financial position		**9,435**	**2,354**

Deferred tax assets are recognised where it is considered probable that they will be recovered in the future, and as such involve estimates and assumptions in respect of future events.

17. TRADE AND OTHER PAYABLES

	30 June 2019 $'000	30 June 2018 $'000
Trade payables	39,126	12,402
Other payables	204	5,812
Accrued expenses	4,997	6,847
Other current financial payables	74	429
Current tax liabilities	2,988	1,027
Deferred consideration	2,940	5,716
Total trade and other payables	**50,329**	**32,233**

The Group had higher than usual Trade payables as at 30 June 2019 due to timing of the completion of the Indigo subsea cable, NBN infrastructure and other network projects. These projects accounted for $21.6m of the total balance.

18. INTEREST-BEARING LOANS AND BORROWINGS

The Group had interest bearing loans and borrowing as at 30 June 2019 of $89.2 million (30 June 2018: $62.8 million). The Group has a $120.0 million three year revolving facility with ANZ and Westpac maturing on 21 October 2021. The facility can be used for working capital, capital expenditures and permitted acquisitions and is available to be drawn in multiple currencies. The Group is required to adhere to financial covenants, including leverage ratio, debt capitalisation ratio and interest cover ratio. Bank guarantees to the value of $2.0m have been issued under the facility. Refer Note 36 for details of new debt facility announced on 24 September.

The Group utilises an equipment vendor to provide funding for network equipment, entering into three year fixed rate instalment payment agreements. At 30 June 2019, a total of $6.3 million had been funded under this arrangement (30 June 2018: Nil). In terms of the cash flow statement, the impact of the equipment financing has been shown on a gross basis, with the amount of property, plant and equipment funded by the equipment financing included in the payments for property, plant and equipment and shown as a cash inflow in proceeds from borrowings.

	Note	30 June 2019 $'000	30 June 2018 $'000
Current			
Equipment financing		2,462	-
Revolving debt facility drawn		-	-
Total current interest-bearing loans and borrowings		**2,462**	**-**
Non-Current			
Equipment financing		3,885	-
Revolving debt facility drawn (net of transaction costs)	(A)	82,807	62,779
Total non-current interest-bearing loans and borrowings		**86,692**	**62,779**
Total interest-bearing loans and borrowings		**89,154**	**62,779**
Total revolving debt facility limit		120,000	80,000
Less bank guarantees issued under the facility		(1,082)	(1,524)
Less amounts drawn (before transaction costs)		(83,929)	(63,805)
Revolving debt facility available		**34,989**	**14,671**

	30 June 2018 $'000	Financing cashflows	Net transaction costs	30 June 2019 $'000
Total interest-bearing loans and borrowings	62,779	26,471	(96)	89,154

(A) The drawn debt amount is recognised net of transaction costs which are amortised over the term of the facility using the effective interest rate method.

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19. PROVISIONS

	30 June 2019 $'000	30 June 2018 $'000
Current – employee benefits	2,679	2,813
Non-current – employee benefits	2,109	2,549
Total provisions	**4,788**	**5,362**

The provision for employee benefits represents accrued annual leave and long service leave entitlements.

20. DEFERRED REVENUE

	30 June 2019 $'000	30 June 2018 $'000
Deferred revenue	38,462	21,186
Deferred installation fees	25	3,522
Total deferred revenue	**38,487**	**24,708**
Current	4,208	6,463
Non-current	34,279	18,245
Total deferred revenue	**38,487**	**24,708**

Deferred revenue includes long-term capacity arrangements (indefeasible rights-of-use ('IRU') agreements) which provides customers exclusive access to fibre core capacity over an agreed contract term in addition to other customer contracts where payment has been received but services not yet provided. The IRU arrangements include the initial provisioning of the fibres, ongoing availability of capacity and maintenance of the infrastructure over the contract term which form part of an integrated service to the customer and is considered to be a single performance obligation. The transaction price is generally fixed, net of any upfront discounts given. The customer receives and consumes the benefit of the service simultaneously and revenue is recognised over time, as the service is performed. For other customer contracts revenue is recognised once performance obligations are met.

The table below shows the movement of deferred revenue for the year.

Deferred Revenue movement	30 June 2019 $'000	30 June 2018 $'000
Opening balance	**24,708**	**4,536**
Additions	19,712	22,312
Revenue recognised	(5,933)	(2,140)
Closing balance	**38,487**	**24,708**

21. DEFERRED TAX LIABILITIES

	30 June 2019 $'000	30 June 2018 $'000
Deferred tax liabilities attributable to:		
Prepayments	-	-
Deferred revenue	1,297	1,341
Customer acquisition and equipment installations costs	1,239	1,351
Property, plant and equipment and intangible assets	11,925	17,896
Cashflow hedges	(98)	31
Total deferred tax liabilities	**14,363**	**20,619**
Set-off of deferred tax liabilities pursuant to set-off provisions (Note 16)	(13,789)	(13,447)
Deferred tax liabilities recognised in the statement of financial position	**574**	**7,172**

22. CONTRIBUTED EQUITY

(A) SHARE CAPITAL

	30 June 2019 Number of Shares	30 June 2018 Number of Shares	30 June 2019 $'000	30 June 2018 $'000
Fully paid ordinary shares	253,301,037	228,499,540	432,811	401,706
Total share capital	**253,301,037**	**228,499,540**	**432,811**	**401,706**
Less: Issue costs			(6,528)	(5,795)
Contributed equity	**253,301,037**	**228,499,540**	**426,283**	**395,911**

(B) MOVEMENTS IN ORDINARY SHARE CAPITAL

Date	Details	Number of Shares	Issue Price $	Value $
30-Jun-17	**Balance**	**208,795,883**		**356,408,128**
11-Aug-17	Partial consideration for acquisition of SubPartners Pty Ltd (i)	1,161,495	2.56	2,973,427
2-Oct-17	Share placement	8,888,889	2.25	20,000,000
13-Oct-17	Partial consideration for acquisition of NuSkope Pty Ltd and associated entities (i)	1,221,110	2.37	2,894,031
20-Oct-17	Share Purchase Plan	6,666,666	2.25	14,999,999
2-Nov-17	Vesting of performance rights (i)	71,597	2.49	178,277
17-Nov-17	Partial consideration for acquisition of GX2 Holdings Pty Ltd (i)	1,680,672	2.51	4,218,487
29-Jun-18	Vesting of performance rights (i)	13,228	2.52	33,334
30-Jun-18	**Balance**	**228,499,540**		**401,705,683**
17-Sept-18	Vesting of performance rights (i)	97,093	2.32	225,256
5-Mar-19	Share placement	12,000,000	1.25	15,000,000
5-Mar-19	Entitlement Offer (Institutional Component)	5,977,188	1.25	7,471,485
27-Mar-19	Entitlement Offer (Retail Component)	6,727,216	1.25	8,409,020
30-Jun-19	**Balance**	**253,301,037**		**432,811,444**

(i) These share issues were non-cash transactions (refer to Note 32).

(C) ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of, and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share, is entitled to one vote.
Ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

(D) DIVIDEND REINVESTMENT PLAN

The Group does not have a dividend reinvestment plan in place.

(E) CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In future, the Directors may pursue other funding options such as other debt, sale and leaseback of assets, additional equity and various other funding mechanisms as appropriate in order to undertake its projects and deliver optimum shareholders' return. The Group intends to maintain a gearing ratio appropriate for a company of its size and stage of development.

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	30 June 2019 $'000	30 June 2018 $'000
Total borrowings (as per Note 18)	89,154	62,779
Less: cash and cash equivalents	(18,898)	(15,437)
Net debt / (surplus cash)	70,256	47,342
Total equity	346,158	381,811
Gearing ratio	20.3%	12.4%

The Group manages its capital structure by reviewing its gearing ratio to ensure it maintains an appropriate level of gearing. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest bearing financial liabilities and derivative financial instruments, less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position.

23. RESERVES

	30 June 2019 $'000	30 June 2018 $'000
Cash flow hedge reserve(1)	532	71
Share based payments	865	977
Foreign currency translation reserves(2)	4,869	(814)
Total reserves	**6,266**	**234**

(1) The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments entered into as cash flow hedges. The cumulative gain or loss arising from changes in fair value of the hedging instruments that are recognised and accumulated in the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or is included in the carrying value of a fixed asset where the purpose of the hedge was to minimise the exposure on a contractual commitment to acquire or construct a fixed asset.

(2) The assets and liabilities of foreign operations are translated into the presentation currency (Australian dollars) using the exchange rates as at the reporting date. The revenues and expenses of the foreign operations are translated into the presentation currency using average exchange rates, which approximate the rate at the date of the transaction. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency translation reserve.

24. ACCUMULATED LOSSES

	30 June 2019 $'000	30 June 2018 *Restated $'000
Opening balance	(11,007)	(11,274)
(Loss) / profit for the year	(72,057)	1,316
Dividends paid	-	(1,049)
Total accumulated losses	**(83,064)**	**(11,007)**

25. DIVIDENDS

No dividends were paid or declared in FY19. (FY18: $1.05 million paid).

26. KEY MANAGEMENT PERSONNEL DISCLOSURES

(A) KEY MANAGEMENT PERSONNEL COMPENSATION

	30 June 2019 $	30 June 2018 $
Short term employee benefits	2,746,970	3,149,785
Post employment benefits	428,156	191,814
Long-term employee benefits	26,798	27,063
Share based payments	-	253,950
Total key management personnel compensation	**3,201,924**	**3,622,612**

Detailed remuneration disclosures are provided in the Remuneration Report.

(B) SHARE BASED PAYMENTS

During the year, key management personnel and other employees of the Group participated in long-term incentive schemes.

	30 June 2019 $	30 June 2018 $
Expense arising from equity-settled share based payments	112,395	374,710
Total expense arising from share based payment transactions	**112,395**	**374,710**

There were no cancellations or modifications to the awards during the year.

(C) OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no other transactions with key management personnel during the year not otherwise disclosed in the report in Note 30.

27. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(A) DELOITTE TOUCHE TOHMATSU

	30 June 2019 $	30 June 2018 $
Parent Entity Auditor		
(i) Audit, review of financial statements	444,938	298,000
(ii) Audit, review of subsidiary statutory reports	7,500	10,000
Network Firm of the Parent Entity Auditor		
(iii) Audit of subsidiary statutory reports and regulatory compliance	45,227	41,800
(iv) Other services in relation to the Group:	-	
Tax services	24,136	23,000
Risk management framework support	-	36,750
Other	-	28,000
Total remuneration of Deloitte Touche Tohmatsu	**521,801**	**437,550**

The Group may decide to employ the auditor (Deloitte) on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out above.

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The Board of Directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

(B) NON-DELOITTE AUDIT FIRMS
Superloop Limited did not engage with any other non-Deloitte audit firms.

28. OPERATING LEASE ARRANGEMENTS

Operating leases relate to the leasing of premises including offices, roof tops and towers. The Group has entered lease terms of up to fourteen years in length. The Group has the option, under some of its leases, to lease the assets for additional terms. Payments recognised as an expense under operating leases are as follows:

	30 June 2019 $'000	30 June 2018 $'000
Minimum lease payments	6,399	5,249
Total operating lease arrangements	**6,399**	**5,249**

Non-cancellable operating lease rentals are payable as follows:

	30 June 2019 $'000	30 June 2018 $'000
Not later than 1 year	3,557	4,157
Later than 1 year and not later than 5 years	3,934	6,020
Later than 5 years	474	227
Total non-cancellable operating lease commitments	**7,965**	**10,404**

29. COMMITMENTS AND CONTINGENCIES

(A) CAPITAL COMMITMENTS
Capital expenditure contracted for at the end of each reporting year but not recognised as liabilities is as follows:

	30 June 2019 $'000	30 June 2018 $'000
Property, plant and equipment	6,002	31,148
Total capital commitments	**6,002**	**31,148**

Capital commitments relate to contractual commitments associated with network expansion. Non-cancellable operating lease commitments are disclosed in Note 28 to the financial statements.

(B) CONTINGENT ASSETS
The Group did not have any contingent assets during the year or as at the date of this report.

(C) CONTINGENT LIABILITIES
The Group did not have any material contingent liabilities during the year or as at the date of this report.

30. RELATED PARTY TRANSACTIONS

All related party sales transactions are reviewed by the Chief Revenue Officer (CRO) unless the Chief Revenue Officer is the related party then the review is completed by Chief Financial Officer (CFO). In the unlikely event that both the CRO and the CFO are related parties then a non-related employee at Group GM level or higher is selected as the reviewer. Once the review is completed it is documented and a report is prepared and provided to the Chairman and the Chair of the Audit Committee.

This review is to be conducted in a timely manner to provide the Chairman or the Chair of the Audit Committee time to request more information, dispute or veto the proposed transaction. Ideal timing is during final contracting and prior to sign off so a finalised version of the deal can be reviewed and counter signing by Superloop can be held pending the review.

The following is a summary of the transactions with related parties.

Shared services agreement
The Group has entered into a shared services agreement with Capital B Pty Ltd (Capital B), a company controlled by the Founder. Under the agreement, Capital B provides certain services to the Group (e.g. administrative and information technology services) and the Group provides to Capital B, the right for Capital B to occupy a portion of the Group's premises at Level 17, 333 Ann Street, Brisbane. The services, and the right to occupy the premises, are provided on arm's length terms. Either party may terminate the agreement for convenience on 60 days' written notice. In addition to the above during the period the Group provided one-off consulting services to Capital B.

Customer agreement with Megaport
Superloop has entered into customer agreements for the provision of connectivity services with Megaport Limited and its operating subsidiaries (Megaport). The Founder and significant shareholder of Superloop is also the Founder and significant shareholder of Megaport. Under the agreements, the customer (Megaport) issues a service order form to the Superloop operating entity (as applicable) which sets out the nature of and the applicable fees for the connectivity services provided. The agreements are on the same terms as other agreements between Superloop and unrelated customers and the fees in each service order form are at competitive market rates.

Agreement with Louise Bolger and Associates
Superloop had entered into an agreement for the provision of legal services from Louise Bolger and Associates Pty Ltd. Former Non-Executive Director, Ms Louise Bolger, is a director of Louise Bolger and Associates and has significant influence over the business. The agreement is on an arm's length basis. Ms Louise Bolger has since become a direct employee of Superloop and hence the Louise Bolger and Associates agreement is no longer in operation.

Customer agreement with Rising Sun Pictures
Superloop has entered into a customer agreement for the provision of connectivity services to Rising Sun Pictures. Non-Executive Director, Mr Tony Clark, is Managing Director of Rising Sun Pictures and has significant influence over the business. The agreement is on an arm's length basis.

APX Partners Pty Ltd
The Founder and significant shareholder of Superloop is also the Founder and shareholder of APX Partners Pty Ltd. APX Partners are a party to the Joint Build Agreement with SubPartners Pty Ltd and other counterparties for the construction of the INDIGO West and INDIGO Central submarine cable systems.

Transaction with associate
Superloop has entered into a customer agreement with an associate for the provision of long-term capacity. The agreement is on the same terms as other agreements between Superloop and unrelated customers and the fees in each service order form are at competitive market rates. Superloop sold it's 16.8% minority interest in the associate in June 2019 in part to founding shareholder. Remaining shareholders of the associate are unrelated parties. Refer to note 13.

Loans to Key Management Personnel
Certain key management personnel were eligible to participate in a loan scheme provided by a related party to enable them to acquire shares as part of a private capital raising undertaken by the Group prior to listing on the Australian Securities Exchange in 2015.

Amounts payable to related parties
Amounts payable to related parties include amounts paid to settle liabilities assumed as part of the SubPartners acquisition.

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PROVISION OF SERVICES TO/FROM RELATED PARTIES

	30 June 2019 $	30 June 2018 *Restated $
SALES OF GOODS / SERVICES		
Revenue earned from related parties	2,518,743	1,916,171
Proceed from sale of Investment in associate	9,797,307	-
AMOUNTS PAID TO THIRD PARTIES		
Provision of services to Superloop	408,817	443,007
Investment in associate	-	10,123,282
Payments in relation to SubPartners acquisition	-	5,659,926
	408,817	16,226,215
BALANCE OUTSTANDING AT THE END OF THE YEAR		
Receivables	37,528	1,320,862
Trade and other payables	42,759	687,551

31. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30 June 2019 $'000	30 June 2018 *Restated $'000
Profit / (loss) for the year after income tax	**(72,057)**	**1,316**
Adjustments for:		
Depreciation and amortisation	36,513	22,085
Impairment	50,683	-
Other adjustments	(257)	(317)
Interest expense	5,054	2,469
Gain on disposal assets and associate	(789)	-
Transaction costs associated with the acquisition of subsidiaries	-	1,542
Change in operating assets and liabilities		
(Increase) / decrease in trade debtors	(15,952)	303
(Increase) / decrease in prepayments and other receivables	(927)	(3,865)
(Decrease) / increase in trade creditors and other payables	2,979	(4,207)
(Decrease) / increase in deferred revenue	13,778	19,559
(Decrease) / increase in provisions	(574)	980
(Decrease) / increase in finance lease liabilities	-	(32)
(Decrease) / increase in tax related balances	(13,158)	(1,891)
Net cash from operating activities	**5,293**	**37,942**

32. NON-CASH TRANSACTIONS

During the year, the Group entered into no non-cash investing and financing activities which are not reflected in the consolidated statement of cash flows.

The following non-cash investing and financing activities occurred in the prior year.

On 13 October 2017, the Group acquired NuSkope Pty Ltd. The acquisition included non-cash consideration of $2.9 million in Superloop Limited shares issued at $2.37 per share. On 17 November 2017, the Group acquired GX2 Holdings Pty Ltd. The acquisition included non-cash consideration of $4.2 million in Superloop Limited shares issued at $2.51 per share. Refer to Note 38 for additional information on these transactions.

33. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

In terms of fair value measurement, the carrying value of the Group's financial assets are set out in note 10 "Cash and cash equivalents" and note 11 "Trade and other receivables". For all financial assets held at amortised cost the carrying values approximate fair value. The carrying value of the Group's financial liabilities are set out in notes 17 "Trade and other payables" and 18 "Interest-bearing loans and borrowings". For the Trade and other payables the carrying values approximate fair value. The Group holds the following financial instruments measured at fair value:

	Level 1 - Quoted prices in active markets $'000	Level 2 - Significant observable inputs $'000	Level 3 - Significant unobservable inputs $'000	Total
30 June 2019				
Financial assets measured at fair value				
Derivative financial assets	-	39	-	39
Total financial assets	**-**	**39**	**-**	**39**
Financial liabilities measured at fair value				
Deferred consideration	-	-	2,940	2,940
Derivative financial liabilities	-	74	-	74
Total financial liabilities	**-**	**74**	**2,940**	**3,014**
30 June 2018				
Financial assets measured at fair value				
Derivative financial assets	-	88	-	88
Total financial assets	**-**	**88**	**-**	**88**
Financial liabilities measured at fair value				
Deferred consideration	-	-	5,761	5,761
Derivative financial liabilities	-	11	-	11
Total financial liabilities	**-**	**11**	**5,761**	**5,772**

(A) MARKET RISK
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange risk, price risk and interest rate risk.

(i) Foreign exchange risk
Superloop is exposed to exchange rate movements, in particular movements in the A$/US$ rate, A$/SG$, A$/HK$ and SG$/US$. Because a proportion of Superloop's payments for inventory and construction work are made or are expected to be made in foreign currency, primarily US dollars, movements in exchange rates impact on the amount paid for assets, inventory and construction work. Also, because a proportion of Superloop's revenues and profits are earned in Singapore and Hong Kong, movements in exchange rates impact on the translation of account balances in Superloop's Singapore and Hong Kong operations. Therefore, movements in exchange rates, particularly the A$/US$ rate, the A$/SG$, A$/HK$ and the SG$/US$ rate, may have an impact on Superloop's financial position and performance.

The Group has reduced the potential impact of exchange rate movements in contracted foreign currency obligations through the use of derivative foreign exchange contracts.

The Group also has a multi-currency debt facility (refer (C)), which allows the Group to draw funds in a range of different currencies, providing the Group with another method to manage the potential adverse impacts of changes in exchange rate movements.

(ii) Price risk
The Group is not exposed to any equity securities price risk or commodity price risk.

(iii) Cash flow and fair value interest rate risk
Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The Group's main interest rate risk arises from its cash at bank, term deposits (refer Note 10), and the Group's interest-bearing liabilities. The Group has reduced the level of potential exposure to a movement in interest rates via the use of a derivative interest rate swap. The interest rate swap has the economic effect of converting borrowings from floating rates to fixed rates.

(iv) Sensitivity
At 30 June 2019, if interest rates had increased by 100 basis points or decreased by 100 basis points from the year end rates, and the cash balances remain constant for the year along with all other variables, profit before tax for the year would be impacted $828k higher / lower.

(B) CREDIT RISK
Credit risk arises from cash and cash equivalents, trade receivables, other receivables and loans receivable.

(i) Cash and cash equivalents
Deposits are placed with Australian banks.
The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

CASH AT BANK AND SHORT TERM DEPOSITS

	30 June 2019 $'000	30 June 2018 $'000
AA rated	18,898	15,437
A+ rated	-	-
BBB+ rated	-	-
TOTAL	**18,898**	**15,437**

In determining the credit quality of the financial assets, Superloop has used the long-term rating from Standard & Poor's in July 2019.

(ii) Trade receivables
Customer credit risk is managed by performing a credit assessment of customers. The Group's standard payment terms are 30 days, but the Group may agree to longer payment terms. The Group does not require collateral in respect of financial assets. Outstanding customer receivables are monitored regularly.

The Group aims to minimise concentration of credit risk by undertaking transactions with a large number of customers. In addition, receivable balances are monitored on an ongoing basis with the intention that the Group's exposure to bad debts is minimised. As at 30 June 2019, the Group had $27.4 million customer trade receivables (refer Note 11).

(C) LIQUIDITY RISK
Superloop's business is capital intensive in nature, and the continued growth of the Company relies on the acquisition and development of new telecommunications infrastructure and ongoing maintenance of existing telecommunications infrastructure. Superloop requires sufficient access to debt and equity capital to fund this expenditure.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Failure to obtain capital on favourable terms may hinder Superloop's ability to expand and pursue growth opportunities, which may reduce competitiveness and have an adverse effect on the financial performance, position and growth prospects of the Company.

The Group believes the new senior debt facility and equity raise detailed in Note 35 of Financial Statements, together with cash flows from operations, will provide sufficient capital to complete its committed capital expenditure program and fund its expected working capital requirements for at least the next 12 months (see also Note 1B(vi)).

Contractual maturities of financial liabilities	Within 12 months $'000	Between 1 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying Amount $'000
2019					
Trade payables	50,329	-	-	50,329	50,329
Interest-bearing borrowings	2,462	86,692	-	89,154	89,154
Total non-derivatives	**52,791**	**86,692**	**-**	**139,483**	**139,483**
2018					
Trade payables	32,233	-	-	32,233	32,233
Interest-bearing borrowings	-	63,805	-	63,805	63,805
Total non-derivatives	**32,233**	**63,805**	**-**	**96,038**	**96,038**

The Group has reduced the level of potential exposure to a movement in interest rates via the use of a derivative interest rate swap. The interest rate swap has the economic effect of converting borrowings from floating rates to fixed rates. The notional value of the derivative contract was $20.0 million at year end.

The Group has reduced the potential impact of exchange rate movements in contractual foreign currency obligations through the use of derivative foreign exchange contracts. A USD participating forward exchange contract consisting of forward exchange contracts and AUD/USD put options with a total notional value of US$3.9 million has been entered into to reduce the potential impact of exchange rate movements in contractual obligations in relation to submarine cable construction.

34. EARNINGS PER SHARE

(A) EARNINGS PER SHARE

	30 June 2019 Cents	30 June 2018 Restated Cents
Total basic earnings per share attributable to the ordinary equity holders of the Group	(30.52)	0.59

(B) DILUTED EARNINGS PER SHARE

	30 June 2019 Cents	30 June 2018* Restated Cents
Total diluted earnings per share attributable to the ordinary equity holders of the Group	(30.52)	0.59

(C) RECONCILIATIONS OF EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	30 June 2019 $'000	30 June 2018* Restated $'000
Basic Earnings Per Share		
Profit attributable to the ordinary equity holders of the Group used in calculating basic losses per share	(72,057)	1,316
Diluted Earnings Per Share		
Profit from continuing operations attributable to the ordinary equity holders of the Group	(72,057)	1,316

(D) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

	30 June 2019 Number of Shares	30 June 2018 Number of Shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	236,107,785	222,997,402
Effects of dilution from:		
Performance rights	-	130,825
Share options	-	562,075
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	236,107,785	223,690,302

Performance rights and Share Options granted to employees under the Performance Rights and Options Plan are considered to be potential ordinary shares. These have not been included in the calculation of diluted earnings per share because potential ordinary shares that would reduce a loss per share are not considered to be dilutive.

35. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 24 and 26 September 2019, Superloop announced a recapitalisation plan comprising a fully underwritten equity raise of up to $92.2 million, and a newly signed amended and extended four year bank facility with its existing lenders ANZ and Westpac.

The new four year bank facility is comprised of a $61.7 million facility limit and revised financial undertakings with key terms including:

1. Facilities and purpose:
   a. Facility B1: Revolving capex facility of $40 million for success-based capital expenditure and refinancing existing indebtedness
   b. Facility B2: Revolving working capital/ capex facility of $20 million for general corporate purposes, refinancing existing indebtedness and non success-based capital expenditure including operating and maintenance
   c. Facility C and D: To be used as revolving lines of credit, bank guarantees and performance bonds of $1.5 million and $0.2 million credit cards.
2. Financial undertakings of new facility:
   a. Leverage Ratio (defined as net financial indebtedness divided by trailing 12 months adjusted EBITDA; see below for summary of EBITDA adjustments) must not exceed 5.25x as at 31 March 2020, 5.25x from 1 April 2020 to 30 June 2020, 4.50x from 1 July 2020 to 30 September 2020, 4.25x from 1 October 2020 to 31 December 2020, 3.50x from 1 January 2021 to 31 March 2021, 3.0x from 1 April 2021 to 30 June 2021; and 2.50x thereafter.
   b. Interest Cover Ratio (defined as adjusted trailing 12 months EBITDA divided by interest expense to be calculated by annualising interest expense for the period from financial close of the new facility to that calculation date to reflect the reduced facility limits post financial close) must not fall below 1.0x from 30 September 2019 to 30 March 2020, 2.25x from 31st March 2020 to 30 June 2020, 2.75x from 1st July 2020 to 30th September 2021 and thereafter 4.0x.
   c. Debt Capitalisation Ratio (defined as percentage of A divided by (A plus B) where A is the sum of all financial indebtedness of the group and B is the total assets of the group less the total liabilities of the group), must not exceed 30%
   d. Leverage Ratio and Interest Cover Ratio both use "Bank-Adjusted last 12 months EBITDA", being reported EBITDA adjusted for clauses including but not limited to: i) Exclusion of AASB16 adoption, i.e. operating leases continue to be included as an operational cost not a financing lease ii) inclusion of the pro-forma annualised EBITDA from customer contracts signed that haven't yet had 12 months of actual EBITDA iii) exclusion of revenue recognised from IRUs where cash has already been received prior to financial close iv) other adjustments
   e. In addition to other customary review events for a listed entity, the Lenders may review the Facilities if Mr Bevan Slattery ceases to own legally and beneficially 12.5% or more of each class of the issued share capital of Superloop.
3. The facilities are subject to customary conditions precedent for a debt facility of this nature as well as receipt of at least $50 million of the proceeds of the equity offer to be used to repay Lenders' existing term loan commitments by 18 October 2019. A variation to the existing senior debt facility is in place to enable the transition.

The $92.2 million equity raising is comprised of:

1. A fully underwritten two-tranche placement to institutional investors to raise approximately $57.6 million (Institutional Placement)
2. A fully underwritten 1 for 6 accelerated non-renounceable entitlement offer of fully paid ordinary shares in Superloop (New Shares) to raise approximately $34.6 million (Entitlement Offer). The Entitlement Offer comprises an accelerated institutional component (Institutional Entitlement Offer) and a retail component (Retail Entitlement Offer).

A total of approximately 48 million new Superloop shares will be issued to successful applicants under the first tranche of the Institutional Placement and the Institutional Entitlement Offer at an issue price of $0.82 per new Superloop share (Offer Price). Those funds, totalling approximately $39.4 million, will be available to Superloop on or about 1 October 2019. Proceeds from the fully underwritten Retail Entitlement Offer will be available to Superloop by the 18 October 2019.

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.

The institutional shortfall, comprised of the entitlements not taken up by eligible institutional shareholders along with the entitlements of ineligible institutional shareholders, and the Institutional Placement, attracted demand from new and existing institutional and sophisticated investors, with demand significantly in excess of the amount sought to be raised by Superloop.

Approximately $32.6 million of the $92.2 million equity raising is conditional upon shareholder approval at the Company's 2019 AGM. In the event that the final tranche of the equity raise is not approved by shareholders either in the AGM or a subsequent meeting prior to 15 November 2019, the Company has agreed to provide its senior lenders with a revised business plan.

36. PARENT ENTITY FINANCIAL INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements, except as set out below. Refer to note 1 for a summary of the significant accounting policies relating to the Group.

	30 June 2019 $'000	30 June 2018 $'000
ASSETS		
Current assets	1,993	9,681
Non-current assets	502,922	468,623
TOTAL ASSETS	**504,915**	**478,304**
LIABILITIES		
Current liabilities	4,710	8,560
Non-current liabilities	90,592	82,832
TOTAL LIABILITIES	**95,302**	**91,392**
EQUITY		
Contributed equity	426,283	395,911
Dividends paid	(1,050)	(1,050)
Reserves	1,393	1,049
Accumulated losses	(17,013)	(8,997)
TOTAL EQUITY	**409,613**	**386,913**
Profit/ (loss) for the year	(8,015)	(3,774)
Total comprehensive profit/ (loss) for the period	(7,671)	(3,539)

(A) GUARANTEES ENTERED INTO BY THE PARENT ENTITY IN RELATION TO THE DEBTS OF ITS SUBSIDIARIES

As at 30 June 2019, Superloop Limited had issued a parent company guarantee in relation to the obligations of SubPartners Pty Ltd in accordance with a supply agreement for the construction of INDIGO West and INDIGO Central submarine cable systems.

(B) CONTINGENT LIABILITIES OF SUPERLOOP LIMITED (PARENT ENTITY)

As a 30 June 2019, Superloop Limited did not have any contingent liabilities.

Notes to the Consolidated Financial Report

37. SUBSIDIARIES

	Country of Incorporation	Class of Shares	30 June 2019 %	30 June 2018 %
Superloop (Australia) Pty Ltd(1)	Australia	Ordinary	100%	100%
Superloop (Singapore) Pte Ltd	Singapore	Ordinary	100%	100%
Superloop (Hong Kong) Limited	Hong Kong	Ordinary	100%	100%
Superloop (Japan) K.K.	Japan	Ordinary	100%	100%
APEXN Pty Ltd(1)	Australia	Ordinary	100%	100%
CINENET Systems Pty Ltd(1)	Australia	Ordinary	100%	100%
ACN 614 507 247 Pty Ltd(1)	Australia	Ordinary	100%	100%
BigAir Group Pty Ltd(1)	Australia	Ordinary	100%	100%
Clever Communications Pty Ltd(1)	Australia	Ordinary	100%	100%
Clever Communications Operations Pty Ltd(1)	Australia	Ordinary	100%	100%
Saise Pty Ltd(1)	Australia	Ordinary	100%	100%
Access Providers Group Pty Ltd(1)	Australia	Ordinary	100%	100%
Activ Australia Pty Ltd(1)	Australia	Ordinary	100%	100%
BigAir Universe Broadband Pty Ltd(1)	Australia	Ordinary	100%	100%
BigAir Community Broadband Pty Ltd(1)	Australia	Ordinary	100%	100%
Allegro Networks Pty Ltd(1)	Australia	Ordinary	100%	100%
Radiocorp Pty Ltd(1)	Australia	Ordinary	100%	100%
Link Innovations Pty Ltd(1)	Australia	Ordinary	100%	100%
Intelligent IP Communications Pty Ltd(1)	Australia	Ordinary	100%	100%
BigAir Cloud Managed Services Pty Ltd(1)	Australia	Ordinary	100%	100%
Unistar Enterprises Pty Ltd(1)	Australia	Ordinary	100%	100%
Oriel Technologies Pty Ltd(1)	Australia	Ordinary	100%	100%
Integrated Data Labs Pty Ltd(1)	Australia	Ordinary	100%	100%
Applaud IT Pty Ltd(1)	Australia	Ordinary	100%	100%
Everywhere Internet Holdings Pty Ltd(1)	Australia	Ordinary	100%	100%
Everywhere Internet Systems Pty Ltd(1)	Australia	Ordinary	100%	100%
CyberHound Pty Ltd(1)	Australia	Ordinary	100%	100%
SubPartners Pty Ltd(1)	Australia	Ordinary	100%	100%
SubPartners Pte Ltd	Singapore	Ordinary	100%	100%
APX West Limited	Bermuda	Ordinary	100%	100%
RA Wi-fi Pty Ltd(1)	Australia	Ordinary	100%	100%
RA ADSL Pty Ltd(1)	Australia	Ordinary	100%	100%
Nuskope(1)	Australia	Ordinary	100%	100%
GX2 Holdings Pty Ltd(1)	Australia	Ordinary	100%	100%
GX2 Technology Pty Ltd(1)	Australia	Ordinary	100%	100%
My Gossip Pty Ltd(1)	Australia	Ordinary	100%	100%
GX2 Communications Pty Ltd(1)	Australia	Ordinary	100%	100%
GX2 Technology Ltd	United Kingdom	Ordinary	100%	100%
Global Gossip LLC	USA	Ordinary	100%	100%
GX2 Technology Pte Ltd	Fiji	Ordinary	100%	100%
GX2 Technology Limited	New Zealand	Ordinary	100%	100%
Superloop (Operations) Pty Ltd(1)	Australia	Ordinary	100%	100%
Superloop (Services) Pty Ltd(1)	Australia	Ordinary	100%	100%
Superloop (Software) Pty Ltd(1)	Australia	Ordinary	100%	100%

(1) These wholly-owned subsidiaries are members of the Australian tax-consolidated group.

38. CONTROLLED ENTITIES ACQUIRED OR DISPOSED

During the year Superloop Limited did not acquire any entities. The Group have finalised the fair value of the identifiable assets acquired and liabilities assumed in respect of Nuskope and Gx2 acquisitions. These acquisitions were made during FY18 and the fair values were provisional at 30 June 2018.

NuSkope Pty Ltd and associated entities ('NuSkope')

On 13 October 2017, Superloop Limited acquired 100% of NuSkope Pty Ltd and associated entities for a total estimated consideration of $12.9 million, paid as $7.0 million in cash and $2.9 million in Superloop Limited shares with further $3.0 million deferred consideration payable in 2 installments in cash. Deferred consideration will represent 33.3% of NuSkope's earnings before interest, tax, depreciation and amortisation (EBITDA) for the 2018 financial year and 66.7% of EBITDA for the 2019 financial year, calculated in accordance with the operations of NuSkope prior to completion. The acquisition of NuSkope delivers Superloop a portfolio of strategic assets including wireless network infrastructure, a sophisticated network coverage service qualification tool and a valuable CRM database. Goodwill of $5.2 million represents the residual value of the purchase price over the provisional fair value of the identifiable assets and liabilities shown below.

Accordingly the values identified below were finalised at 31 December 2018. Details of the acquisition are:

	Provisional fair value at 30 June 2018 $'000	Fair value adjustments $'000	Final fair value at 31 December 2018 $'000
a) Identifiable assets acquired and liabilities assumed			
Cash	242	-	242
Receivables	136	-	136
Property, plant and equipment	1,412	-	1,412
Other assets	2,118	-	2,118
Brand name and trademarks	150	-	150
Customer relationships	3,846	-	3,846
Other identifiable Intangible assets	2,489	-	2,489
Payables	(719)	-	(719)
Provisions and other liabilities	(241)	-	(241)
Deferred tax liabilities	(1,707)	-	(1,707)
Net identifiable assets acquired	**7,726**	**-**	**7,726**
b) Consideration transferred			
Cash paid	7,000	-	7,000
Shares	2,894	-	2,894
Deferred Consideration(1)	3,000	-	3,000
Total consideration	**12,894**	**-**	**12,894**

(1) Estimated Deferred consideration is dependent on EBITDA earned by NuSkope in 2018 and 2019 financial years and is calculated in accordance with the operations of NuSkope prior to completion. The maximum amount payable is unlimited. $3.0 million has been recognised based on a probability weighted estimate of earnings.

	Provisional fair value at 30 June 2018 $'000	Fair value adjustments $'000	Final fair value at 31 December 2018 $'000
c) Goodwill arising on acquisition			
Consideration	12,894	-	12,894
Less net identifiable assets	(7,726)	-	(7,726)
Goodwill on acquisition	**5,168**	**-**	**5,168**
d) Net cash outflow on acquisition			
Consideration paid in cash	7,000	-	7,000
Less cash and cash equivalent balances acquired	(242)	-	(242)
Net cash outflow on acquisition	**6,758**	**-**	**6,758**

Notes to the Consolidated Financial Report

GX2 Holdings Pty Ltd ('GX2')
On 17 November 2017, Superloop Limited acquired 100% of GX2 Holdings Pty Ltd for a total consideration of $12.2 million, paid as $6.0 million in cash, $4.2 million in Superloop Limited shares and deferred consideration of $2.0 million payable in cash in instalments in the 2 year period from completion.

The strategic acquisition of GX2 accelerates Superloop's existing community broadband campus solution offering to a broader customer base in Australia and overseas and has technology, software and systems that will add value to the combined group. Goodwill of $5.4 million represents the residual value of the purchase price over the fair value of the identifiable assets and liabilities shown below.

Accordingly the values identified below are final as at the reporting date. Details of the acquisition are:

	Provisional fair value at 30 June 2018 $'000	Fair value adjustments $'000	Final fair value at 31 December 2018 $'000
a) Identifiable assets acquired and liabilities assumed			
Cash	403	-	403
Receivables	905	-	905
Property, plant and equipment	281	-	281
Other assets	2,053	(95)	1,958
Brand name and trademarks	150	-	150
Customer relationships	3,802	-	3,802
Other identifiable Intangible assets	3,050	-	3,050
Payables	(845)	-	(845)
Deferred revenue	(1,025)	-	(1,025)
Provisions and other liabilities	(396)	-	(396)
Deferred tax liabilities	(1,445)	-	(1,445)
Net identifiable assets acquired	**6,933**	**(95)**	**6,838**
b) Consideration transferred			
Cash paid	6,000	-	6,000
Shares	4,219	-	4,219
Deferred Consideration	2,000	-	2,000
Total consideration	**12,219**	**-**	**12,219**
c) Goodwill arising on acquisition			
Consideration	12,219	-	12,219
Less net identifiable assets	(6,933)	95	(6,838)
Goodwill on acquisition	**5,286**	**-**	**5,381**
d) Net cash outflow on acquisition			
Consideration paid in cash	6,000	-	6,000
Less cash and cash equivalent balances acquired	(403)	-	(403)
Net cash outflow on acquisition	**5,597**	**-**	**5,597**

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 40 to 80 are in accordance with the Corporations Act 2001, including:

(i) Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date, and

At the date of this declaration, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable. Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors as per section 295(5) of the Corporations Act 2001.

Alexander (Drew) Kelton
Chief Executive Officer and Director
30 September 2019

Independent Auditor's Report

Independent Auditor's Report

Deloitte.

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Independent Auditor's Report to the Members of Superloop Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Superloop Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements,including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Carrying value of Goodwill assets
As at 30 June 2019 the Group's goodwill balance totals $135.1 million as disclosed in Note 15, following an impairment recognised during the year of $43.3 million.
The assessment of the recoverable amount of the goodwill and other intangible assets allocated to the cash generating units ("CGUs") or groups of CGUs requires management to exercise significant judgement including:
• the determination of and the allocation of goodwill to the CGUs or groups of CGUs; and
• the determination of the following key assumptions used in the calculation of the recoverable amount of each of the CGUs or groups of CGUs:
  • the cash flow forecasts;
  • market growth rates;
  • terminal growth factors; and
  • discount rates.
	In conjunction with our valuation specialists our procedures included, but were not limited to:
	• obtaining an understanding of the process that management undertook to determine the CGUs or groups of CGUs and prepare the valuation models;
	• evaluating the Group's identified groups of CGUs and the allocation of goodwill to the carrying value of the groups of CGUs based on our understanding of the Group's business. This evaluation included performing an analysis of the Group's internal reporting;
	• assessing and challenging:
	  • the cash flow forecasts by agreeing inputs in the cash flow models to relevant data including approved budgets and assessing forecasting accuracy by comparing historic forecasts to actual outcomes;
	  • the market and terminal growth rates against relevant historical and industry data; and
	  • the discount rates applied, by comparing the rates used to the discount rates calculated by our valuation specialists.
	• performing sensitivity analysis on key assumptions;
	• testing the mathematical accuracy of the valuation models; and
	• assessing the appropriateness of the disclosures in Note 3 and 15 to the financial statements.

Classification of borrowings, funding and liquidity As at 30 June the Group has net current liabilities of $5.6 million, cash and cash equivalents of $18.9 million and has drawn down $83.9 million on its revolving debt facility of $120 million as disclosed in Note 1(B)(vi) and Note 18 The debt facility agreements stipulate certain financial covenants are required to be met. Prior to the 30 June 2019, Superloop's lenders had agreed to certain waivers and variations to the loan covenants and therefore the debt has been classified as non-current as at the 30 June 2019. Subsequent to year end as disclosed in Note 35, the Group announced a recapitalisation plan which includes an underwritten placement and entitlement offer, expected to raise up to $92.2 million. The placement will be performed in two tranches with approximately $32.6 million requiring shareholder approval. A new bank facility agreement has also been signed, which will be effective once the conditions precedent as set out in Note 35 have been met.	Our procedures included, but were not limited to: • reviewing the terms and conditions of existing loan agreements and recalculating the covenants; • reviewing and assessing the impact of correspondence with lenders, including waivers and variation letters; • assessing the classification of the debt at 30 June 2019; • reviewing the terms of the placement and entitlement offer announced 24 September 2019 and the associated underwriting agreement; • assessing the terms and covenants of the new banking facility; • reviewing management's financial forecasts including forecast covenant compliance; • inquiring of management and the directors in relation to their review of the Group's • recapitalisation plan and cash flow forecasts; and • assessing the appropriateness of the disclosures in Note 1(B)(vi), Notes 18 and 35 to the financial statements.
Revenue recognition – appropriateness of revenue recorded from complex contracts As disclosed in Note 3, the allocation of the transaction price between performance obligations and the timing of revenue recognition associated with some of the Group's complex contracts involves the application of judgement due to the complexity and bespoke nature of the arrangements entered into with customers.	In conjunction with our financial reporting specialists, our procedures included, but were not limited to: • reviewing the underlying agreements to understand the substance of the transactions and specific nature of the goods and service being provided; • assessing the appropriate application of the relevant accounting standards; • assessing the allocation of the transaction price between the performance obligations and the timing of revenue for each performance obligation; • agreeing the amounts recorded in the financial records to supporting documentation; and • assessing the appropriateness of the disclosures included in Note 3 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report
We have audited the Remuneration Report included in pages 28 to 37 of the Directors' Report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Superloop Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities
The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu.

DELOITTE TOUCHE TOHMATSU

Stephen Tarling
Partner
Chartered Accountants
Brisbane, 30 September 2019

ASX Additional Information

The following shareholder information was applicable as at 30 September 2019.
The Company has one class of shares on issue, fully paid ordinary shares.

(A) DISTRIBUTION OF EQUITY SECURITIES

Holding	Number of investors	%	Number of securities
100,001 and over	181	60.08	152,187,391
10,001 to 100,000	2,914	29.49	74,693,968
5,001 to 10,000	1,960	5.85	14,824,270
1,001 to 5,000	3,654	4.10	10,382,636
1 to 1,000	2,293	0.48	1,212,772
Total	**11,002**	**100.00**	**253,301,037**
Unmarketable parcels	1,034	0.10	257,696

ASX Additional Information

(B) EQUITY SECURITY HOLDERS

The names of the twenty largest holders of quoted equity securities are listed below:

	Name	Issued shares	Percentage of issued shares
1	BEVAN ANDREW SLATTERY	60,007,894	23.69%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	28,283,633	11.17%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,199,730	4.03%
4	MRS JODIE ANN SLATTERY	3,398,300	1.34%
5	CITICORP NOMINEES PTY LIMITED	2,376,597	0.94%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	2,032,531	0.80%
7	FISON INVESTMENTS PTY LTD	1,978,097	0.78%
8	BNP PARIBAS NOMINEES PTY LTD	1,856,081	0.73%
9	SCM CAPITAL PTY LTD	1,517,461	0.60%
10	BEVAN ANDREW SLATTERY	1,161,495	0.46%
11	CS THIRD NOMINEES PTY LIMITED	889,589	0.35%
12	MANSFIELD INVESTMENTS (VIC) PTY LTD	871,002	0.34%
13	KYRIACO BARBER PTY LTD	815,776	0.32%
14	BALNAVES FOUNDATION PTY LTD	800,000	0.32%
15	ALLEGRO CAPITAL NOMINEES PTY LTD	690,788	0.27%
16	CHARANDA NOMINEE COMPANY PTY LTD	622,762	0.25%
17	FRETENSIS PTY LTD	600,001	0.24%
18	ROCKET SCIENCE PTY LTD	600,000	0.24%
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	556,105	0.22%
20	NEBRAN PTY LTD	542,251	0.21%
	SUB-TOTAL	**119,800,093**	**47.30%**
	BALANCE OF REGISTER	**133,500,944**	**52.70%**
	GRAND TOTAL	**253,301,037**	**100.00%**

(C) SUBSTANTIAL HOLDERS

	Name	Issued shares	Percentage of issued shares
1	BEVAN ANDREW SLATTERY	60,007,894	24.15%

(D) UNQUOTED EQUITY SECURITIES

Options
A total of 315,000 unlisted options are on issue. All unlisted options are held by current employees under the Company's Executive Option Plan.

(E) VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options
Holders of options do not have voting rights.

Performance Rights
Holders of performance rights do not have voting rights.

Corporate Directory

DIRECTORS

Michael Malone
Non-executive Chairman

Bevan Slattery
Founder and Executive Director

Greg Baynton
Non-executive Director

Richard Anthony (Tony) Clark
Non-executive Director

Vivian Stewart
Non-executive Director

Drew Kelton
Executive Director

CHIEF EXECUTIVE OFFICER

Drew Kelton

COMPANY SECRETARY

Louise Bolger

REGISTERED OFFICE

Superloop Limited
Level 17, 333 Ann Street
Brisbane QLD 4000
Tel: +61 (7) 3905 2400

AUDITOR

Deloitte Touche Tohmatsu
Level 23, Riverside Centre
123 Eagle Street
Brisbane QLD 4000
www.deloitte.com/au

SOLICITORS

Baker & McKenzie
Level 8, 175 Eagle Street
Brisbane QLD 4000
www.bakermckenzie.com/australia

SHARE REGISTER

Link Market Services Limited
Level 21, 10 Eagle Street
Brisbane QLD 4000
www.linkmarketservices.com.au
Telephone: (within Aus): 1300 554 474
Facsimile: (02) 9287 0303

SECURITIES EXCHANGE LISTING

Superloop Limited shares are listed on the Australian Securities Exchange (ASX: SLC)

COMPANY WEBSITE

https://superloop.com
https://investors.superloop.com

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