Annual Report 2022

SUPERLOOP LIMITED | ABN 96 169 263 094

Our Business

Superloop is an integrated provider of connectivity services in Australia	High-quality fibre networks (predominantly in Australia) connecting ~200,000 customers	Connected to all 121 NBN™ Points Of Interconnect and major data centres across Australia	5 Terabits of Indigo subsea cable capacity
Capacity for > 1 million Subscriber aggregation and termination	Providing Residential & Business broadband, high-performance network solutions for wholesale, enterprise, and channel customers	Cyber safety and security services for schools and other organisations demanding safe internet	We have around 600 employees across Australia, Sri Lanka, and Philippines

Timeline

October 2020
CEO/MD, Paul Tyler joins Superloop

January 2021
Accelerated growth strategy launched

June 2021
Announced acquisition of Exetel for $110m

September 2021
CFO, Luke Oxenham joins Superloop

October 2021
Announced $140m sale of Hong Kong and certain Singapore assets

November 2021
Independent Chair, Peter O'Connell joins Superloop

February 2022
Restructured business into Consumer, Business and Wholesale segments

May 2022
Announced acquisition of Acurus

July 2022
Announced 10% on market share buyback

Strategy

Enable better internet access through competition

Our ambition is to fuel challenger providers towards a 30% collective market share of connectivity services.

Leverage substantial fibre network via 'Infrastructure-on-Demand' wholesale platform to deliver a superior customer experience.

Build scale, improve margins, and drive customer growth across all three segments, consumer, business, and wholesale

Contents

FY22 Achievements

Underlying EBITDA

Reported underlying EBITDA of $25.4m, above EBITDA guidance range of $23m -$25m

+110,000 Customers

Completed the acquisition of the Exetel business on 31 July 2021, adding more than 110,000 new consumer and business customers

Acquired Acurus

Completed the acquisition of the Acurus business, a white label internet provider to major household brands

Streamlined Reports

Streamlined reporting segments into three areas: consumer, business, and wholesale

$140 Million Gross Proceeds

Completed the sale of the Hong Kong entity and certain select Singapore assets for net proceeds of $125m

Net Cash Position

$83m cash, resulting in a $42.8m net cash position

New Management

Continued Management team renewal

Appointed New Chair

Appointed Independent Chair in November 2021

FY22 Underlying EBITDA includes $5m from discontinued operations (HK/Singapore) (FY21: $6m) and excludes transaction costs $7.5m and Share Based payments of $0.4m

Cash at bank of $83.1m less $40.3m short-term & long-term interest-bearing borrowings (excluding Operating Leases)

Chair Report

PETER O'CONNELL

Independent Chair & Non-Executive Director

On behalf of the Board of Directors of Superloop Limited, it is my pleasure to present the Annual Report for the 12 months ending 30 June 2022 (FY22).

I joined the Board in November 2021 as independent Chair, because I saw in Superloop a vibrant, dynamic, and growing organisation. My experience in the consumer telco space complements the Board's existing strong experience in the business and wholesale markets. The Board, along with the executive team and Superloop employees, have made a tremendous difference in the Australian telco market in FY22.

Whilst the worst of the pandemic is thankfully behind us, new challenges have arisen. We've responded by continuing to support our customers and people, along with implementing a range of retention initiatives for both. We would like to thank every Superloop team member, given the significant changes the business has undergone in FY22. In recognition of this hard work, the Board has offered all employees (excluding executives) 2,000 performance rights.

In FY23, we will continue to focus on growth, increasing margins, and acquiring customers. In addition, we are working hard to build a unified culture as we welcome the Extetel and Acurus teams and embed those acquired businesses. This will allow us to operate more efficiently, optimise our portfolio, and drive digital and systems transformation.

Superloop is committed to delivering superior returns to shareholders and has implemented an on-market share buyback for up to 10% of issued capital.

Superloop will continue to deploy capital prudently, evaluate M&A prospects where appropriate and invest in organic growth opportunities, whilst maintaining sound financial metrics.

I would like to thank shareholders for their continued support, and I look forward to engaging with you in the future.

CEO Report

PAUL TYLER

Chief Executive Officer

FY22 marks the halfway point since the implementation our three year growth strategy in January 2021. It was a plan that began with simplifying the business and righting the course to ensure a clean, predictable business that was primed for growth and building scale. 18 months in, I am very pleased with the progress we have made, and even more excited about our future.

To date, we have substantially improved our balance sheet and have exceeded our FY22 EBITDA guidance range of $23m-$25m. FY22 saw the divestment of Hong Kong and certain Singapore assets, along with the acquisition of the Exetel and Acurus businesses.

The Exetel and Acurus acquisitions enabled us to increase asset utilisation by adding customers and scale, positioning us well to accelerate our growth strategy. This has driven continued solid performance in cash flow and provided substantial balance sheet flexibility.

We also simplified the business into three segments based around customers, leveraging our significant fibre networks, and allowing us to broaden our product scope delivering a lower 'cost to serve'. This simplification of our reporting segments has provided great clarity in terms of roles and responsibilities within the organisation.

As part of repositioning the business, we made several new appointments at the executive level, which brought us a wealth of experience and expertise.

We have a clear and simple intent: to leverage our quality telecommunications infrastructure assets to fuel challengers in our market (Superloop included) to a 30% share of the Australian internet/connectivity market. Following changes made in FY22, Superloop is in a position to do exactly that.

In FY23 we will complete the second half of our turnaround and deliver our growth strategy. We will continue to leverage our assets, and invest in our brand, products, and customer experience. We recognise that customer experience is core to driving an increase in market share. Equally, adding new customers at reasonable acquisition multiples, with high levels of retention, will require additional marketing investment in FY23, and we expect returns on this investment to commence during FY23.

This is an incredibly exciting chapter for Superloop, and I thank you for your continued support.

Responsible Business

Superloop recognises it has obligations beyond delivering financial returns to shareholders, and that success depends on meeting the expectations of a variety of stakeholders. Superloop recognises the operating environment has changed markedly, and investors are seeking to evaluate company performance in a range of areas. Therefore, enhanced disclosures on non-financial matters are now accepted as the norm for ASX listed entities.

Over the course of FY23, Superloop will engage with stakeholders to better understand what the most appropriate criteria is for evaluating Environmental, Social & Governance (ESG) performance.

In the following pages, Superloop has outlined several important areas of interest which it believes are critical to its success. These themes will evolve as the Superloop business grows, as will maturity around reporting with greater detail, data, and insights to be refined in the coming years. We look forward to providing more transparent details on ESG performance in FY23 and beyond.

Superloop does not consider that it has a material exposure to environmental, social and sustainability risks. The Company has disclosed its material exposure to these risks and what it believes are the material risks faced by the business in the Directors' Report.

COMMUNITY SUPPORT

The Port Macquarie Koala Hospital

Serving our community

Exetel is a proud supporter of the Port Macquarie Koala Hospital. We have been working with the hospital to completely modernise their telecommunications infrastructure and services, so they can spend more time looking after the local koala population, and less time worrying about staying connected to their network remotely.

Exetel also provides the hospital with mobile SIM cards for the mobile camera systems deployed around Port Macquarie. The cameras help the hospital monitor the number of local fauna (not just koalas) accessing water feeders in the area, which are vitally important in a drought.

Environment

As a business, reducing our impact on the environment is a responsibility we take seriously. This also includes the impact of climate change and climate-related policy on our customers and the communities in which we operate. Whilst our environmental footprint is less than some other companies, there is more we can do to further reduce our impact on the environment. In FY23, Superloop will look to implement an electronic waste program recycling obsolete network hardware at the end of its life. Electronic waste is one of the fastest growing areas and needs to be disposed of safely to avoid disastrous environmental impacts. This program will assist in the safe disposal of dangerous waste like batteries, modems, servers, laptops etc.

Migrating Exetel and Acurus customers to our network

Acquisition synergies and real savings achieved as Exetel customers join the Superloop network

The two critical acquisitions of FY22 – Exetel and Acurus – introduced 115,000 business, wholesale, and residential customers to Superloop. For those acquisitions to be successful, customers needed to experience a seamless transition from their former network to the Superloop network. Pleasingly, we were able to deliver that.

In the case of the Exetel acquisition, our Network Team began working alongside their soon-to-be colleagues prior to completion, mapping out requirements and planning for the customer migration.

The day after the competition of the deal, we began migrating Exetel customers to the Superloop network. While giving ourselves 12 months to complete the task, the entire team was eager to deliver the synergies associated with having all customers on a single network, and accelerated their efforts. Within three months, 90% of customers were migrated. By month four we had shifted 100% of the Exetel customer base to our network.

In a group-wide collaboration effort, employees from Exetel and Superloop worked together to churn 10,000 services per night. In addition to the customer migration, the team worked on backhaul, intercepts, transits, and created 260 additional backhaul services to support the migration.

Their efforts were not in vain. In the 12 months since the acquisition was completed, we have exceeded our target of $5 million of synergies by $1m, and surpassed our $2 million savings target, realising $3.6 million in FY22. We're hopeful these numbers will continue to grow, as the teams unearth new ways of streamlining operations.

"I'm immensely proud of the way the teams came together and achieved our synergy targets ahead of schedule," said Chief Operating Officer, Paul Smith. "We set some stretch goals that felt impossible at the time – but the team never shied away from the challenge and proceeded to completely exceed our expectations!"

Investing in our network

Why investing in resiliency is core to our challenger ambition

In FY22 Superloop cemented its place as Australia's most progressive and dynamic network services provider. Following nation-wide upgrades that deliver more benefits to customers looking to achieve faster, more reliable, secure connectivity.

In 2021 we laid out an ambitious plan to deploy diverse connectivity to the 121 NBN™ Points Of Interconnect (POIs), providing network redundancy protecting customers from network outages. By end of 2022 we achieved that, offering fully redundant, scalable connections to all 121 1 NBN™ POIs.

Committing to deploying physically diverse and redundant connectivity removes single points of failure from the network. This ensures fast, reliable delivery to meet the increasing demands of existing customers, and any organisations – or individuals - seeking better performance, capacity, and resilience.

Delivering further significant resiliency, we have deployed secondary routers at regional POIs throughout Australia, where vast distances between locations would mean lengthy outages if physical on-site repairs to equipment was required. This ensures we can offer an enhanced MTTR (mean time to repair) if these issues were to occur.

Right across Australia our customers have the added assurance that in the unlikely event of a primary router or path going down, it will immediately failover to a secondary back-up. As a result, our network is as robust as any in the country.

Achieving these critical new milestones is a testament to the ambitious vision of the Superloop Board. We're cementing the company's broader commitment to being the wholesale network and retail provider-of-choice, in a market dominated by large incumbents.

Now one of Australia's most successful tier-1 challengers in the telecommunications industry, we are increasing our ability to provide an amazing, reliable experience at mass scale nationwide. Building confidence for customers seeking a fast, reliable, and modern automated network.

Our network is core to our ability to challenge the market and win over customers – from consumers to corporates. Which is why in FY23 we'll continue investing in operations and network infrastructure around a single technology stack, further differentiating ourselves from our competitors.

OUR CUSTOMERS

An integral part of our business, adapting to customer needs is crucial to our success. There has been no better example of this than during the pandemic.

Customer support through the pandemic

How COVID changed customer behaviour

When COVID-19 reached Australian shores, and state governments began implementing lockdowns, offices across the country were closed and employees were relegated to working from home. Offices across the country were closed and employees relegated to working from home. Things were no different in our call centre.

In line with public health advice, our team were encouraged to work from home and provided with laptops, monitors, and at-home ergonomic assessments. Thanks to our cloud-based systems, they were able to remotely log in to our system and continue taking calls to support our customers.

While the leadership teams worked to manage employee levels and anticipate COVID-related employee challenges, they discovered customer behaviour had shifted dramatically. While demand fell significantly for many industries during lockdown, the experience for internet service providers was the complete opposite as home became the new office. Mehul Dave, Group Executive – Consumer, said; "Pre-COVID, mornings and late evening were the peak periods for customers reaching out to our call centre. As people began working from home, analysed patterns confirmed we had the same volume of calls, just spread out across the business day. So, we modified our operating hours to closely mirror work from home hours."

The shift in peak periods wasn't the only change. The way customers viewed their service also shifted. "People are more reliant on the internet than ever before, with internet usage increasing 20 to 25%. So, even the smallest blip in their experience will result in customers calling our contact centre straight away."

Our contact centres remain an incredibly busy and vital part of Superloop. As hybrid working looks set to become ingrained in many organisations, including Superloop, internet will only continue to be seen by most Australians as an essential service.

A special thanks to our incredible contact centre team who work tirelessly to support and satisfy our customers.

People & Culture

Our people play a huge part in our success. With around 600 employees across Australia, Sri Lanka, and the Philippines, it's clear we have a diverse range of people from different backgrounds, which to us is a huge positive for Superloop. In FY22, we implemented a range of initiatives to retain and reward our people including:

- Offering 2000 performance rights to all employees, (excluding executives).
- Increased salaries for some our foreign based employees to manage cost of living pressures.
- Continuing to offer a range of employee benefits including home broadband to all employees.
- Employee assistance program via independent provider to support employees with personal matters.
- Super flexible working arrangements.

PEOPLE & CULTURE: CASE STUDY

Creating connection and embracing opportunity

Bringing out the best in two businesses and two teams with the Exetel acquisition

Acquisitions. They can be fraught and frightening, or filled with opportunity for employees, all depending on how they're managed.

The FY22 acquisition of Exetel saw Superloop employee numbers more than double, with the business closing out the financial year at just over 600 team members.

Former Exetel marketing chief, now Superloop CMO, Ben Colman believes the leadership team's focus on listening to employees, and understanding the uniqueness of each business, is what made the merger a success.

The key to employee confidence throughout the merger was open communication. Combined Town Hall meetings, supported by regular updates from the Executive team, were essential to creating that confidence in the future. Returning to central offices post-lockdown, especially in Sydney where both Superloop and Exetel employees moved into a new office, broke down remaining barriers, helping everyone work shoulder-to-shoulder with their new peers.

"The Executive team worked hard to understand what they had acquired and make informed decisions on how best to move forward. We were laser focused on taking the best of both businesses – the best ideas and processes – and moving forward with an integrated offer. We were agnostic about the brand. Our mantra was that the winning idea would need to deliver the best outcome for customers, our people, and the business."

The first objective was the migration of the Exetel customer base to the Superloop network. A process that happened swiftly and flawlessly, thanks to the wholesale software capabilities of Superloop's Infra-on-Demand platform.

Equally important was integrating two teams to create a combined culture. The proof of success is shown in the number of employees that opted to stay and work together to integrate and optimise the business.

By the time this report is released, Superloop employees will be Brisbane-bound for the first ever all-Australian-employee conference, including representatives from our team in Sri Lanka. The two-day event is designed to align and unite all team members behind a single identity and shared purpose. Employees will hear from the leadership team on strategy, brand, FY23 priorities, and have the opportunity to bond with each other. Concluding the year-long transition and several years of pandemic-related remote working.

PRODUCT & INNOVATION

My Speed Boost

Our first-to-market innovation that gives customers greater flexibility and control

MY SPEED BOOST™
Faster speed on the days you need

In June we launched something completely unique to the Australian market. Something to surprise and delight our customers: My Speed Boost. My Speed Boost is unique in that no other RSP offers customers the ability to instantly upgrade their speed – let alone five times per month, every month, for free!

This demonstrates two things:

1. **We get our customers.**

We know with rising interest rates and inflation, people are looking for ways to stretch their dollar further. We also know the internet is considered an essential service. So, customers expect it to be reliable, uninterrupted, and fast. Now, whether working from home, having visitors stay, handling kids on school holidays, or a special streaming event, they can boost their internet speed for 24 hours, five times per month, every month for free. And if they don't use all their boost days, what's left over is rolled over into their Boost Bank for later.

2. **When we have a great idea, we act fast.**

Credit goes to our Go-to-Market Consumer team for dreaming up this idea, and our development and marketing teams for creating the backend functionality and making customers aware of this latest innovation. This was a testament to their combined skill and ability to deliver, with more than 1,000 customers opting to boost on the day My Speed Boost was launched

And this was just a warm-up… wait until you see what's coming in FY23.

BUSINESS: IXOM

Bringing our strategy to life in Business

Partnering with Ixom to deliver managed services demonstrates our ability to deliver the Superloop strategy

In Q3 Ixom signed a three-year deal with Superloop. Ixom, the water treatment and chemical distribution business with operations across Australia and New Zealand, and more than 1,000 employees, needed a network partner who could provide a full-service connectivity and managed cyber security offering for remote workers.

The solution comes in the form of the Superloop Secure Access Service Edge or SASE. Built using Palo Alto Networks' Prisma Access and Prisma SD-WAN solutions, the cloud-based services architect combines SD-WAN with network security that includes Firewall as a Service (FWaaS), Cloud Secure Web Gateway (SWG), Cloud Access Security Broker (CASB), and Zero Trust Network Access (ZTNA). And we're delivering this comprehensive package to Ixom.

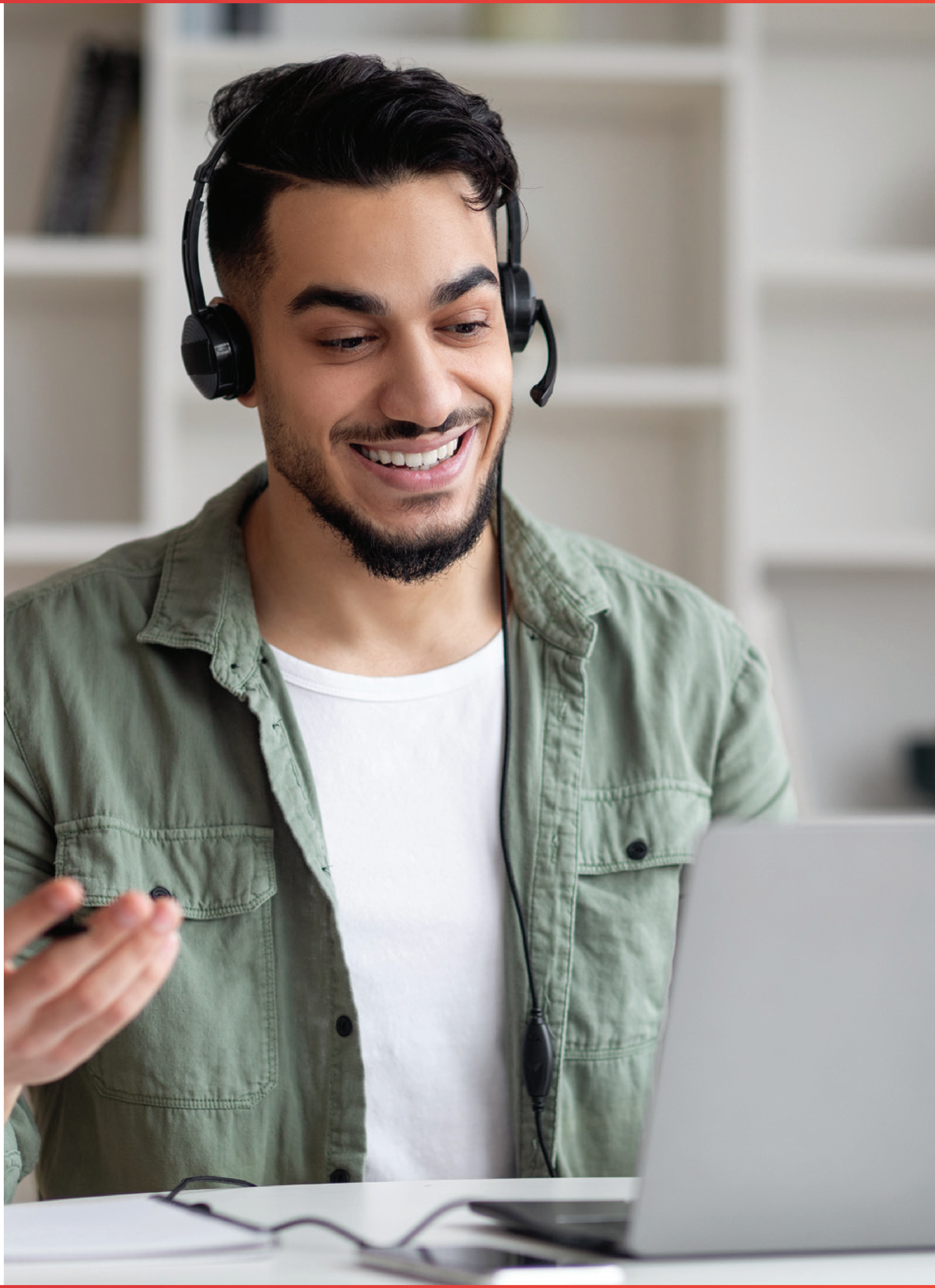
Last year we shared our strategy outlining our intention to be more than a network provider, by extending our service offering to include managed services, and white-label products to help disrupt and challenge the market. Securing the Ixom business is a strong endorsement for this strategy and demonstrates not only the appetite in the business market for this offering, but the confidence in the Superloop network and team to deliver unparalleled security.

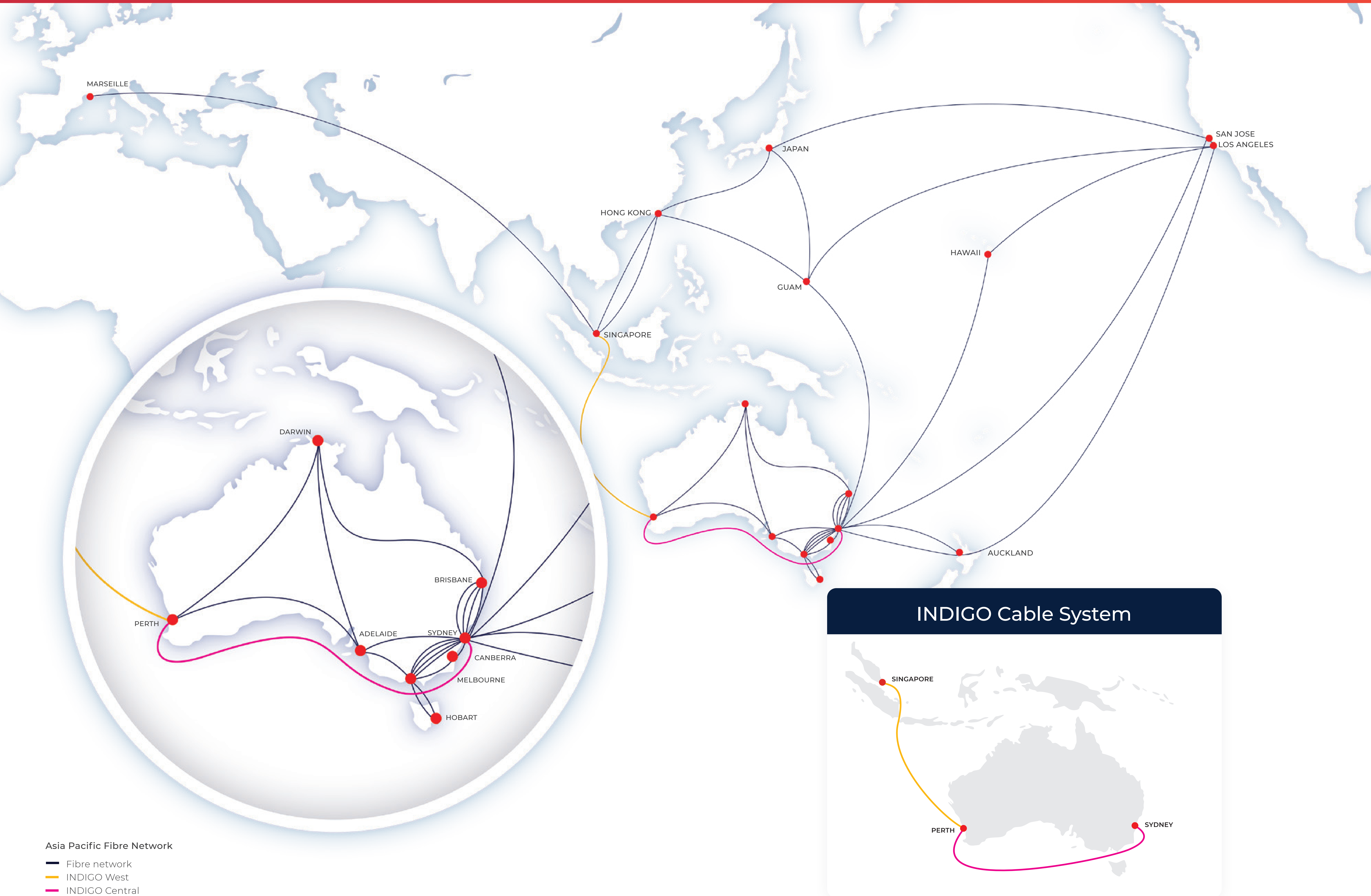
Modern Slavery

In FY22, Superloop continued to make progress on modern slavery. Superloop progressively added a standard modern slavery contractual clause to new contracts for suppliers, to warrant to us that there is no modern slavery in their supply chains. We also added clauses in our customer contracts. We conducted audits with each of our agents providing virtual co-worker services, as to their compliance with local employment laws and whether the payments they provide workers compare no less favourably than benchmarked norms for those occupations in those countries. We also conducted an investigation to understand what happens to our 'E-waste' to check that processing companies are taking appropriate steps to minimise the risk of modern slavery.

Our focus for the 2022/2023 period will be to:

- Establish an executive committee that will have oversight of modern slavery actions to both guide the direction of the initiatives and check the effectiveness of any actions taken.
- Develop and enforce a supplier code of conduct which would consider issues such as modern slavery.
- Develop and issue a modern slavery questionnaire to our top 30% of suppliers by spend.
- Continue to undertake annual salary benchmarking in all the jurisdictions in which we have employees to ensure remuneration is consistent with benchmarked norms for their occupation.
- Look at implementing electronic waste recycling across the company.



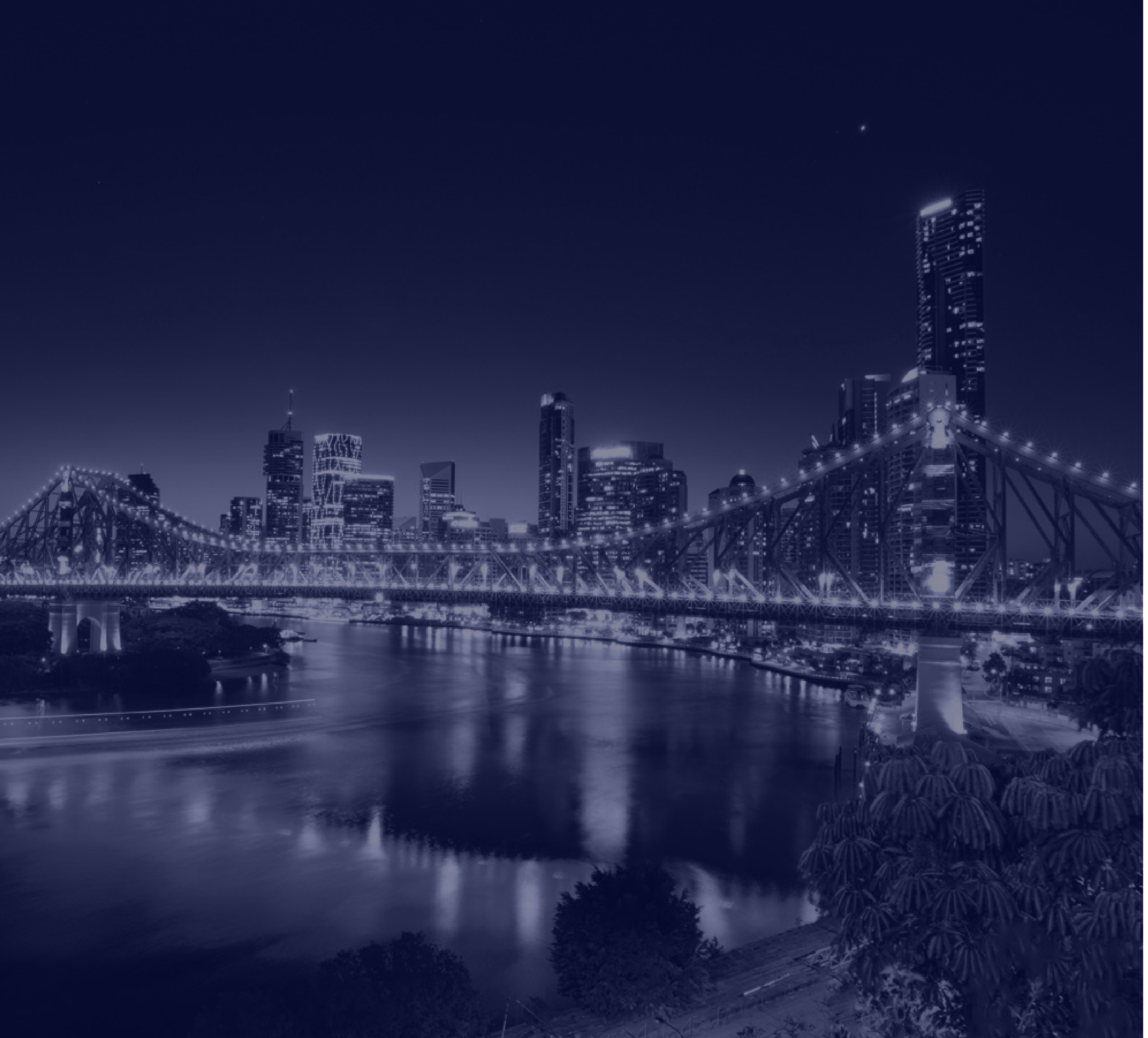


Asia Pacific Fibre Network

- Fibre network
- INDIGO West
- INDIGO Central

Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as 'Superloop' or 'the Group') consisting of Superloop Limited and the entities it controlled at the end of, or during, the year ended 30 June 2022.



DIRECTORS

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

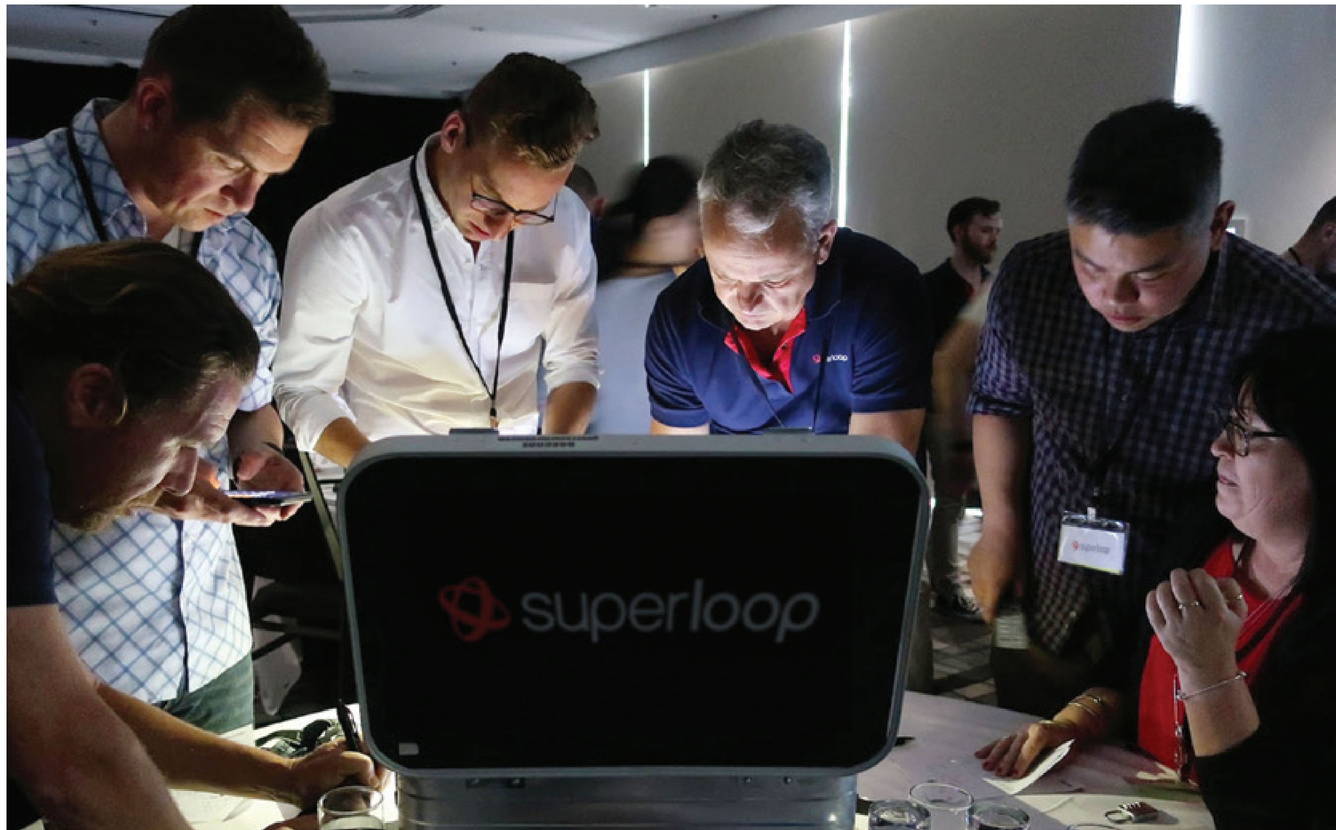
- Peter O'Connell (appointed 2 November 2021)
- Bevan Slattery (ceased 28 October 2021)
- Richard (Tony) Clark
- Vivian Stewart
- Alexander (Drew) Kelton
- Stephanie Lai
- Paul Tyler

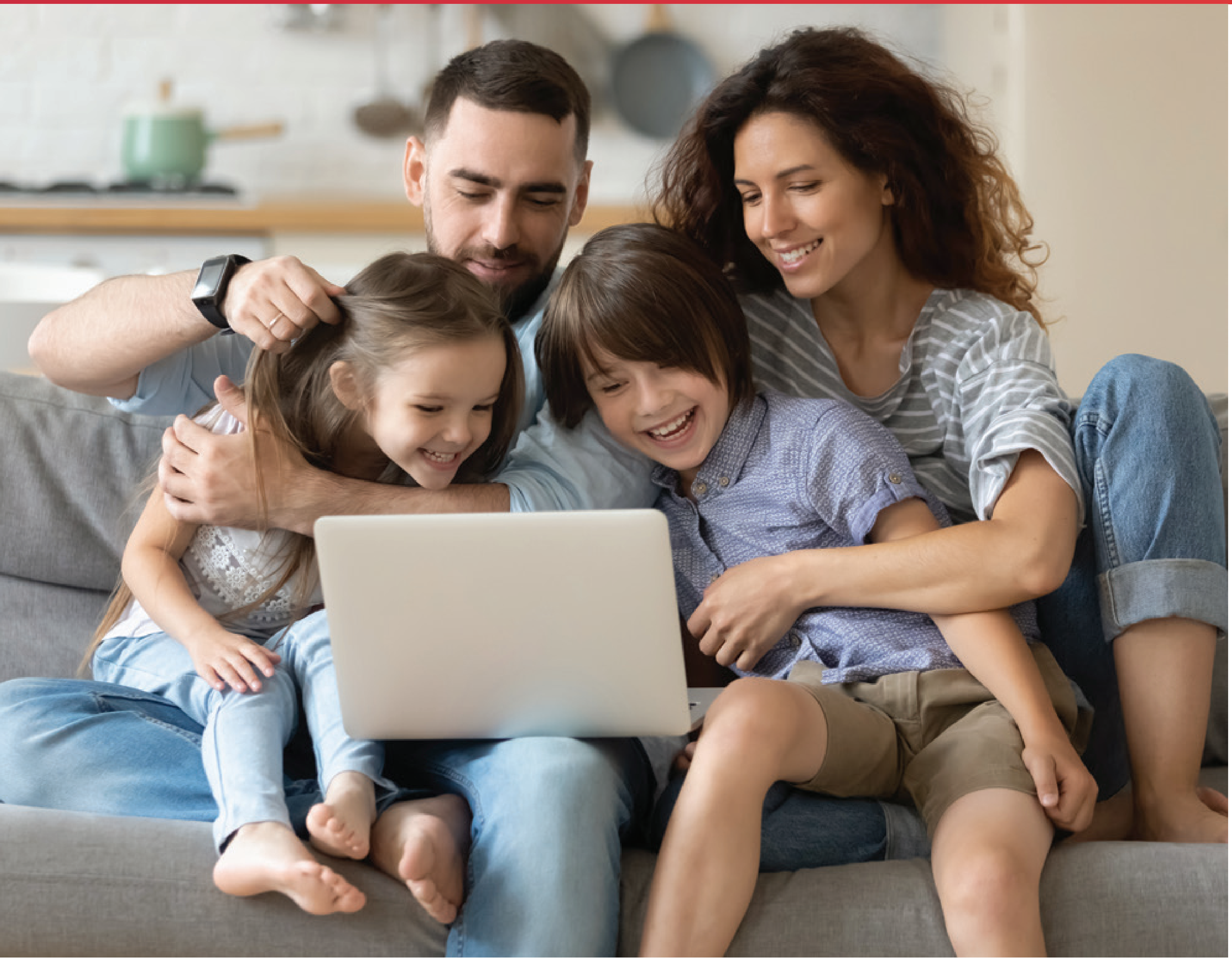
ABOUT SUPERLOOP

Founded in 2014, and listed on the ASX since 2015, Superloop operates in three segments of the market: Consumer, Business and Wholesale connectivity. All segments leverage Superloop's investments in physical infrastructure assets that include fibre, subsea cables, and fixed wireless, as well as Superloop's software platforms. Hundreds of thousands of homes and businesses rely on Superloop, Exetel and the other brands within the Group for their connectivity needs.

PURPOSE AND VISION

Superloop's purpose is to enable better internet for all Australians through offering great products and services and the creation of competition. Superloop aims to lead the challenger internet players (both traditional and non-traditional) in the Australian market to a combined 30% market share by leveraging its secure "Infra-on-Demand" platform and in so doing, will strive to deliver superior capital returns to its investors.





DIRECTORS' REPORT

STRATEGY

Having established a new three year strategy to triple the size of the business in three years in late 2020, FY22 represents the first full year of Superloop's revised strategy. In FY22 significant progress was made in re-orienting the business around a more simplified structure and creating a strong, stable and well capitalised base on which to deliver growth in both revenue and profitability moving forward.

Superloop's network assets are strategically well positioned to capitalise on market dynamics, driven by strong data growth, growth in data centre demand and the need for connectivity services.

Network coverage across Australia, combined with the Indigo subsea cable system, and a standardised scalable suite of connectivity solutions (including broadband and cybersecurity) provide trusted and reliable services to each of the Group's core customer segments.

In the future the Group will continue to focus on monetising its infrastructure assets and increasing utilisation to support its strategic focus of growing the market share of the challenger brands. The Group will continue to invest in connectivity solutions in markets where the Board and Management believe the demand for services will deliver appropriate returns for Shareholders.

CORE OPERATING SEGMENTS

In FY22 the Group has re-oriented its business and financial reporting to focus on three core customer segments.

The Consumer segment serves Australian homes and residential customers with fixed broadband, mobile, voice over IP (VOIP) services, and in-home cyber security. Following the acquisition of Exetel in August of 2021, the Group's products in the Consumer space are delivered to customers on two retail brands – Superloop and Exetel.

The Business segment operates in the three key sub-segments of small business (SMB), medium and large corporate. The Business segment has an ambition to provide an amazing B2B customer experience, simple offerings and excellent delivery.

In the Business segment, the Group offers Internet, Mobile, VOIP, Security, VPN, SASE, Wi-Fi and Fixed Wireless products through both direct and indirect sales channels.

The Wholesale segment predominantly provides products and services to two broad pools of wholesale customers.

1. Large domestic and multinational technology and telecommunication customers who require data and connectivity solutions throughout Australia and from Australia to Singapore on Superloop's Indigo subsea cable; and
2. Domestic internet service providers who require either data and connectivity solutions or a technological interface to the NBN™ through the Superloop Connect platform.
3. White label capability supporting major brands including banks, energy providers, and retailers with an exceptional telco experience.

There are seven broad products (with multiple sub categories) offered through the Wholesale segment which include NBN™ Backhaul, IP Transit, Dark Fibre, Ethernet, NBN™ Enterprise Ethernet, International (Indigo) and Wholesale Aggregation (sometimes referred to as Superloop Connect).

Superloop Connect is a new offering launched in FY22. It is an automated platform that will allow customers to self-serve Service Qualification (SQ) and order services to qualified locations for other Retail Service Providers (RSP's). This platform also enables internal Superloop operations to order and provision services to streamline delivery of Superloop Aggregated Virtual Circuit (AGVC) products to customers.

RESPONSIBLE BUSINESS

Superloop believes that sustainable investment and business practices are aligned with long-term value creation and should not be dilutive to returns. The Group's long-term success depends on meeting the expectations of a variety of stakeholders and enhanced disclosures on non-financial matters is now accepted as the norm for ASX listed entities.

In FY22, with the assistance of external specialists, Superloop began the process of identifying what Environmental, Social and Governance (ESG) considerations are most relevant to the Group. We also invested in additional in-house ESG focused resources to bolster the Group's ability to set criteria and performance metrics which can be reported and measured in the future.

Over the course of FY23 Superloop will engage with a wider variety of stakeholders to better understand what ESG criteria and performance metrics are important to them. Superloop looks forward to providing transparent disclosure on ESG in FY23 and beyond.

FY22 REVIEW OF OPERATIONS

Operating Environment

The NBN™/Connectivity market in which Superloop operates can be characterised as one of strong but rational competition. It remains a highly concentrated market around four major incumbents. In the last 12 months however, challenger brands have increased their market share in total from 8.0% to 12.6% as at 20 June 2022.

Strategic

On the Strategic front, the Group made significant progress on refocusing the business around its three core Australian customer segments, and built significant financial strength and momentum through a number of strategic portfolio transactions, including:

a. The sale of the Hong Kong entity and certain Singapore assets for net proceeds of $125 million;

b. The acquisition of Exetel, a transformational deal for Superloop, predominantly funded by an equity raise of $100 million in June/July 2021. Completion of the transaction occurred 1 August 2021; and

c. The acquisition of the Acurus business for $15 million (up to $35 million including earn outs) to add white label business capabilities and infrastructure. Completion of the transaction occurred on 23 June 2022.

Consumer

FY22 has been a pivotal year for Superloop and the Consumer segment. The acquisition of Exetel along with organic growth from the Superloop brand, saw the total number of consumer broadband subscribers increase from 47k at 30 June 2021 to over 166k at 30 June 2022.

The growth in subscriber numbers led to an increase in consumer revenue of 275.9%, up from $34.8 million in FY21 to $130.9 million in FY22. The Gross Margin contribution from the Consumer segment also increased from $9.6 million in FY21 to $30.7 million in FY22, an increase of 219.6%

Over the last year Superloop's share of the NBN™ residential market has increased from 0.5% as at 31 March 2021, to 1.8% as at 30 June 2022, demonstrating clear subscriber and revenue growth momentum. In FY22, these results have been delivered by:

a. Investing in marketing and promotion to grow brand awareness of the chosen acquisition brand;

b. Delivering customer experiences that create retention and consequently reduce churn in the portfolio;

c. Focusing on growing multi product holdings and Gross Margin per customer; and

d. Creating efficiencies in cost to serve.

DIRECTORS' REPORT

With over 8.4 million homes now on the NBN[1], consumers can switch to challenger providers like Superloop in minutes and get better performance and customer service at a lower price. The Group believes that the macro market environment is set to increase customer switching.

With the network build complete the incremental cost of delivering services to new customers for Superloop is now marginal and the segment is now primed for investment in accelerating profitable customer growth.

Business

In FY22, the acquisition of both Exetel and Acurus has provided the Business segment with increased sales capability, a vastly enhanced product set and new distribution channels. During FY22, the Business segment has rapidly enhanced its ability to drive volumes onto the Superloop network and has momentum in sales and margin expansion.

Revenue in the Business segment increased 176.0% when compared to the prior corresponding period, increasing from $29.3 million in FY21 to $80.5 million in FY22.

The Gross Margin contribution of the Business segment increased 108.2% from $12.2 million in FY21 to $25.3 million in FY22.

Wholesale

The strategic goal of the Wholesale segment is to be the trusted Wholesaler and white label provider of choice for more challenger brands and enable Superloop and those other challenger brands to increase their market share to 30%.

Throughout FY22 growth in the Wholesale segment has been driven by:

a. Opportunities to monetise the Superloop Network Asset (including the Indigo subsea cable) and leveraging the proprietary "Infrastructure-on-Demand" software; and

b. Creation and growth of the Superloop Connect offering for third party ISP's.

The Wholesale segment was not impacted by the Exetel acquisition. Notwithstanding that, revenue in the Wholesale segment (excluding the discontinued operations of Hong Kong and Singapore) grew by 20.8% and was up from $31.7 million in FY21 to $38.3 million in FY22.

[1] NBN Wholesale Market Indicators Report, ACCC

FINANCIAL AND OPERATING PERFORMANCE

FY21 Restatement

Within this financial report the results for the financial year ended 30 June 2021 have been restated from previous financial statements reflecting the reporting of the Hong Kong entity and certain Singapore assets as 'Discontinued Operations'. This restatement has been made in accordance with AASB 108 in order to provide consistency in reporting, and comparability of performance, between FY21 and FY22.

Revenue and Profitability

The Group's revenues (including the discontinued operations) were $262.5 million in FY22 versus $110.7 million in the previous financial year, an increase of 137.1%. Adjusting for the impact of the discontinued operations, the Revenue for the Group in FY22 was $249.7 million compared to $95.9 million in the previous financial year. This growth is the result of the acquisition of Exetel, as well as the organic growth of both the Exetel and Superloop businesses.

On a statutory reported basis, the Group generated earnings before interest, tax, depreciation and amortisation (EBITDA) of $12.7 million compared to $11.4 million in FY21 on a like for like basis. On an underlying basis (adjusting for the inclusion of the discontinued operations, and the add back of transaction costs and share based payments) the EBITDA for the Group was $25.4 million in FY22 compared to $18.6 million in FY21, an increase of 37.1%.

The Group had a full year net loss after tax of $52.6 million including the Discontinued Operations in FY22 (compared to a loss of $32.0 million in FY21). The increase in the net loss after tax was in part a consequence of an impairment of $25.0 million that was booked against the Business segment.

The impairment relates primarily to the Goodwill that was booked to the Balance Sheet from Superloop's previous acquisition of the BigAir business in 2016.

Financial Position

At 30 June 2022, the Group held property, plant and equipment (primarily the construction of its domestic and subsea fibre networks) of $127.3 million, and intangible assets of $302.5 million including rights to access (via Indefeasible Rights to Use (IRU) agreements) network capacity in Australia, and Singapore as well as intangible assets arising from business combinations. Intangible assets include $181.3 million of Goodwill.

During the period, Goodwill increased from $135.0 million to $181.3 million. The increase reflects the additional Goodwill booked from the acquisitions of Exetel ($87.3 million) and Acurus ($19.2 million), which were offset by a $35.0 million derecognition of Goodwill associated with the sale of Hong Kong and select Singapore assets, as well as the $25.0 million impairment that was booked against the Goodwill in the Business segment.

Cash Flow Performance

The Group reported operating cashflows of ($11.5) million compared to $15.1 million in the prior year. The current year result was impacted by significant transaction costs of $7.5 million, tax payments of $3.4 million related to Exetel, an increase of prepayments of $4.4 million, and a clean out of $14.4 million of the prior year trade creditors balance.

The Group generated $7.4 million in investing cash flows compared to an outflow of $15.2 million in FY21. The result in FY22 reflects the net of the proceeds received for the sale of Hong Kong and select Singapore assets offset by the net proceeds paid for the acquisition of Exetel and Acurus. Overall, excluding the impact of Foreign exchange movements, the Group's cash declined by $6.6 million over the course of the year.

MATERIAL BUSINESS RISKS

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

Revenue Growth Underperformance

Superloop is focused on accelerating growth and the monetisation of network assets, by targeting markets of scale, winning and retaining business, considering M&A and capital recycling opportunities and increasing sales and revenue (and thereby increasing utilisation). The speed with which Superloop can achieve revenue growth on its networks in Australia and Singapore is, in the short to medium term, a key factor in the market's valuation of Superloop. The occurrence of anything that adversely affects the sales and revenue growth in those markets, including lower than expected customer demand and aggressive competition, will adversely affect Superloop's growth prospects and/or financial performance.

Impact of COVID-19

The ongoing COVID-19 pandemic has had a significant impact on the Australian and global economy and the ability of businesses to operate. The pandemic continues to evolve, as do the measures and recommendations introduced by governments in the countries where Superloop operates and Superloop's customers and suppliers are located. While Superloop has not experienced significant disruptions to its operations, the impact COVID-19 has had on the student accommodation and hotel sectors has in turn negatively impacted the financial performance of our Guest Wi-Fi platform. Superloop continues to monitor operational and financial implications closely and expects Guest Wi-Fi revenues to gradually recover. It is not possible to predict the length of time our business will be impacted by COVID-19.

Increasing Business Complexity

As Superloop currently conducts business in multiple jurisdictions, Superloop is exposed to a range of multi-jurisdictional risks including risks relating to labour practices, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal, political and regulatory regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which Superloop operates. In particular, the regulatory environment continues to grow as do the direct and indirect costs of compliance and the consequences of non-compliance. Two areas that have seen particular regulatory attention and are pertinent to the growth that Superloop will see in its consumer customer base as a result of the acquisition of Exetel Pty Ltd (completed 31 July 2021) relate to privacy and information governance, and consumer information and rights. In addition, Superloop operates in a number of different sub-market segments within the telecommunications industry, including fibre infrastructure and network solutions, fixed wireless, cloud and managed services, cyber safety, campus broadband and fixed line residential NBN™ services.

Competition and Disruption

Superloop operates in a competitive landscape alongside other owners and operators of telecommunications infrastructure with competing offerings and a geographically diverse presence. The competitive environment continues to evolve and failing to appropriately respond could result in a decline in our financial performance and asset valuations. In addition, demand for technology infrastructure can change rapidly because of technological innovation, new product introductions, declining prices and evolving industry standards, among other factors. The risk of disruption to the Consumer business remains escalated with further significant capital investment in 5G deployment and related spectrum purchases. New solutions and new technology often render existing solutions and services obsolete, excessively costly, or otherwise unmarketable. As a result, the success of Superloop depends on Superloop being able to keep up with the latest technological progress and to develop or acquire and integrate new technologies into its telecommunications infrastructure and offerings. Advances in technology also require Superloop to commit resources to developing or acquiring and then deploying new technologies for use in operations.

Superloop attempts to mitigate these risks through key activities including the following:

- 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; and
- Considering M&A and capital recycling opportunities that can support and accelerate growth, leverage our competitive advantage and deliver enhanced returns on investment.

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.

Network failure or interruptions can be caused by a variety of events (many outside the control of Superloop), including accidental damage from civil works (cable cuts), intentional damage from vandalism or terrorism and natural disasters such as earthquakes.

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 prevent, test for, monitor and respond to cyber security threats or incidents;
- 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; and
- Maintenance of business interruption insurance.

The availability and lead time for supply of critical customer equipment continues to be an issue. Management continues to actively manage stock levels as far as possible and will continue this practice. The risk trade-off for this practice is the financial impacts of carrying additional stock.

People and Safety

Attracting and retaining talent with the right mix of skills continues to be critical to our ongoing success. A key pillar of our strategy is to attract and retain talent and support our people to reach their potential.

It has been another busy period with prioritisation required between business as usual and projects including the integration of Exetel, the divestment of the Hong Kong and select Singaporean assets and other M&A projects. A positive outcome of the COVID-19 pandemic has been that it has demonstrated that we are able to work and thrive in a remote working model. Many staff have communicated their preference for greater working flexibility, and this has been embraced as a key pillar in attracting and retaining talent.

The safety and wellbeing of our people will always be number one at Superloop, particularly in the wake of the COVID-19 pandemic and its flow on impacts. This is why we have adopted and maintained a conservative approach to the management of COVID-19 related risk. We also continue to mature our workplace health and safety (WHS) management system to not only keep our people safe, but ensure we meet the expectations of our customers.

Integration and Operating Model

The Acurus acquisition presents Superloop with significant growth and cross sell opportunities. While Superloop's operating model is structured to successfully deliver against its strategic objectives, there is a risk the Company may not achieve these anticipated opportunities.

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. To date, significant growth opportunities have been identified which Management continues to focus on for delivery in FY23 and beyond.

Reputation risk

Risks that threaten an organisation's reputation can have significant impacts on its revenue and brand. The speed at which information can now be shared publicly via social media can intensify the impact of this risk. Superloop's governance and risk management framework, 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.

Regulatory Risk

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, privacy, data protection and associated rights of access to customers and regulators.

We continue to actively monitor the evolving regulatory landscape and defend Superloop's and our customers' interests through our memberships to key industry groups and related initiatives.

Funding Risk

While the material capital expenditure associated with Superloop's network build is complete, Superloop's business requires ongoing capital expenditure for the maintenance of telecommunications and IT infrastructure. Superloop requires access to sufficient capital to fund this expenditure. Given the current global and domestic macro-economic conditions, the cost of any future debt is likely to increase.

There is no assurance that additional funds will be available in the future on reasonable terms. Superloop believes the risk is mitigated, to some extent, through the control of capital expenditure requirements, generation of operating cash flows, maintenance of lines of credit on reasonable terms, and access to other forms of capital. Failure to obtain capital on favourable terms may hinder Superloop's business, potentially reducing competitiveness and having an adverse effect on the financial performance, position and growth prospects of Superloop.

Cyber risk, data and information governance

The quantum and sophistication of cyber related risks continues to evolve and increase, evidenced by a number of high profile breaches impacting other businesses in recent years. The Australian Cyber Security Centre has reported that, since Russia's invasion of Ukraine in February 2022, the risk of malicious cyber operations by Russian state sponsored and criminal cyber actors has increased. The threats to critical infrastructure could impact organisations both within and beyond Ukraine. The regulatory environment for information security and privacy is also evolving constantly and becoming increasingly complex, including compliance with a number of mandatory data breach reporting and more recently, the cyber surveillance laws and consumer data rights legislation. Customer requirements and expectations are also becoming more stringent. The management of cyber risk and data represents a key legal, financial, operational, and reputational risk for Superloop. Superloop considers the protection of customer, employee and third party data as a critical business priority and has processes and strategies in place to manage these risks.

Relationships with key intellectual property licensors and technology

Superloop uses intellectual property and technology developed in the course of its business that is owned by Superloop. Superloop also relies on relationships with key intellectual property licensors and technology partners, from whom it licenses the right to use particular intellectual property and technology. Superloop's ability to maintain and manage its fibre optic telecommunications infrastructure is dependent on its ability to use particular intellectual property and technology, and any change in the ability to use intellectual property Superloop relies on may have an effect on Superloop's future financial performance and position.

Socio-political risks

The failure to meet ever-increasing social and community expectations as to responsible corporate conduct presents as a risk for many companies on a number of fronts, including ESG. Recognising the operating environment has changed markedly and stakeholders are seeking to evaluate company performance in a range of areas, Superloop is mitigating this risk by enhancing its activity and disclosures on non-financial, environmental and social sustainability matters.

Adverse socio-political developments in jurisdictions in which Superloop operates, may impede the ability to carry out stable business operations. Sri Lanka (where Superloop employs both professional and contact centre staff) continues to be impacted by hyperinflation and rolling power outages which is giving rise to civil unrest and social instability.

The move of the Colombo office to a building with power backup has reduced the risk of service outages from the rolling power outages that continue in the region.

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.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

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

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

DIVIDENDS

No dividend has been declared or paid in respect of the 2022 or 2021 financial years.

ENVIRONMENTAL REGULATION

The Group is not subject to any significant environmental laws.

INDEMNIFICATION OF OFFICERS

The Company's Constitution provides that to the extent permitted by law, the Company indemnifies each current and former director or secretary of the Company and/or its related bodies corporate on a full indemnity basis against all losses, liabilities, costs, charges and expenses incurred by the officer as an officer of the Company or a related body corporate.

The current and former directors and secretary of the Company, as well as a number of executives, are also party to a customary deed of insurance, access and indemnity.

During FY22, the Company paid a premium in respect of a contract insuring the directors and officers of the Company against any liability that may arise from the carrying out of their duties and responsibilities to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the deductible or premium.

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 23 to the financial statements.

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 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 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 dollars, 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 59.

Information on directors

BEVAN SLATTERY

Chair & Non-Executive Director
(until 28 October 2021)

Appointed Director: 28 April 2014

Appointed Chair: 11 March 2020

Chief Executive Officer:
23 February 2016 to 30 June 2018

Resigned: 28 October 2021

Experience and Expertise

Bevan Slattery is the founder and a former Chair and Non-Executive Director of Superloop. He also served as Executive Chair until June 2017 and Chief Executive Officer until 30 June 2018.

Bevan, one of Australia's leading entrepreneurs, has founded some of the nation's biggest technology success stories. Starting as a co-founder of PIPE Networks, Australia's largest Internet Exchange and third largest metropolitan fibre network provider, Slattery sold the company to TPG in 2010.

Subsequently, he founded NEXTDC, Asia's most innovative data centre-as-a-service provider; Megaport, the global leading elastic interconnection provider; Cloudscene, the world's largest platform for searching cloud and connectivity services; Biopixel, Australia's leading production service provider for natural history and animal behavioural sequences; Superloop; SubPartners, a submarine cable operator and Indigo Cable investor; SUBCO, an independent specialist submarine cable development group with 9,800km of submarine cable infrastructure currently under construction between Perth and Oman as part of the Oman Australia Cable system; and HyperOne, expected to become Australia's first hyperscale fibre optic network and the largest private, independent digital infrastructure project in Australia's history.

Slattery's entrepreneurial success is highlighted in having listed five companies on the Australian Securities Exchange and received many industry awards including EY Champion of Entrepreneurs Award in 2016, National Charles Todd Medal, and the Pearcey Foundations Benson.

Other current Directorships of Listed Entities

» Megaport Limited (ASX: MP1) - Appointed 27 July 2015

Former Directorships of Listed Entities in last 3 years

» Superloop Limited (ASX: SLC)

Special Responsibilities

Nil

PETER O'CONNELL

Independent Chair & Non-Executive Director

Appointed: 02 November 2021

Experience and Expertise

Peter was most recently CEO and Managing Director of Amaysim, which he co-founded in 2010, having previously held senior executive or board roles at Optus Communications, BellSouth, Commander Communications, Eircom (Ireland's national carrier) and Meteor (an Irish mobile operator).

He is the founder of Hargrave Consultants, an advisory firm for the Technology and Telecommunications sectors and was previously a partner at major Australian law firms Minter Ellison and Gilbert & Tobin. Peter is a Director and co-founder of Tiger and Bear advisory group.

Peter was a member of the team responsible for the formation of Optus, has served on a number of boards for private and public companies in the energy, telecommunications and technology verticals and is also the Chair of Australian fintech company, Padua, and Chair of energy reduction and decarbonisation specialist Crowley Carbon.

Other current Directorships of Listed Entities

Nil

Former Directorships of Listed Entities in last 3 years

Nil

Special Responsibilities

Nil

PAUL TYLER

Chief Executive Officer & Executive Director

Appointed: 1 October 2020

Appointed Executive Director: 1 September 2020

Experience and Expertise

Paul brings several decades of experience and a distinguished international reputation for transforming and leading businesses in the IT and Telecommunications sector. Born and raised in Australia, Paul was most recently the Chief Customer Officer of NBN™ Co building their enterprise, business and government segments from near infancy. As well as holding senior roles in Telstra including Group Managing Director of both Telstra Business and Telstra International, Paul had a long career with Nokia holding executive roles in various countries across Australia, Europe and Asia, most recently based in Singapore as the President of Nokia in the Asia Pacific region.

An experienced public company director (ASX and NYSE), Paul graduated with an Executive MBA from UCD – National University of Ireland, a Bachelor of Electrical Engineering – University of New South Wales and 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

Nil

Special Responsibilities

Nil

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 co-founder of Cinenet Systems Pty Ltd and Cospective Pty Ltd.

Tony has a wealth of digital media industry knowledge and experience. 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 Scientific & Technical Achievement Award 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 and Ausfilm, and is an active member of 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

- Chair of the Remuneration and Nomination Committee (Appointed: 26 March 2020)

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 Chair 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, where he also leads the M&A and IR functions and special projects.

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.

Prior to Bigtincan, he 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

Nil

Special Responsibilities

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

STEPHANIE LAI

Independent Non-Executive Director

Appointed: 11 March 2020

Experience and Expertise

Stephanie Lai has over 20 years' experience as a Chartered Accountant and is a former M&A partner of Deloitte and KPMG.

Stephanie has significant experience providing due diligence and advisory services, including forecast reviews to listed entities, sovereign wealth funds, wealth managers and private equity. Stephanie has advised on numerous transactions (acquisitions /divestments, debt/ equity raisings and IPOs), across a range of industries (infrastructure, property, banking, insurance, wealth management, retail and transport) and markets (Australia, UK, Europe, Asia and the US).

Stephanie is an experienced Chair of listed Audit and Risk Committees. She is a Non-Executive Director and Chair of the Audit and Risk Committee of Future Generation Investment Company Limited (ASX:FGX), HomeCo Daily Needs REIT (ASX:HDN) and HealthCo Healthcare and Wellness REIT (ASX:HCW)

Stephanie holds a Bachelor of Business (University of Technology Sydney) and is a Graduate of the Australian Institute of Company Directors and the Institute of Chartered Accountants (Australia and New Zealand).

Other current Directorships of Listed Entities

- Future Generation Investment Company Limited (ASX: FGX) - Appointed March 2019
- HMC Funds Management Limited, responsible entity of HomeCo Daily Needs REIT Limited (ASX:HDN) - Appointed October 2020
- HealthCo Healthcare and Wellness REIT - (ASX:HCW) - Appointed August 2021

Former Directorships of Listed Entities in last 3 years

Nil

Special Responsibilities

- Chair of the Audit Committee (Appointed: 26 March 2020)
- Member of the Risk Management Committee
- Member of the Remuneration and Nomination Committee

ALEXANDER (DREW) KELTON

Non-Executive Director

Appointed: 1 April 2021
(Executive Director from 23 Nov 2018 to 31 Mar 2021)

Experience and Expertise

Drew Kelton is a global business leader and professional board director. With over 40 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

- Zoom2u Technologies Limited (ASX:Z2U) - Appointed 30 July 2021

Former Directorships of Listed Entities in last 3 years

- Megaport Limited (ASX:MP1) - Resigned 1 June 2019

Special Responsibilities

- Member of the Audit Committee
- Member of the Risk Management Committee

INFORMATION ON DIRECTORS

TINA OOI

General Counsel & Company Secretary

Appointed: 23 August 2021

Experience and Expertise

Tina Ooi is the General Counsel and Company Secretary for Superloop. Tina is responsible for Company Secretarial, Legal, Risk and Compliance at Superloop.

Tina joins Superloop with more than 25 years of experience in senior governance roles in industries including energy and financial services, most recently as General Counsel and Company Secretary of ME Bank, a role she also held at Jemena/Zinfra. Ms Ooi has also held senior legal, company secretarial, and regulatory roles at Equity Trustees Ltd, Alinta Ltd, United Energy Ltd and Freehills.

A member of the Australian Institute of Company Directors, Tina holds a Bachelor of Law (Hons)/Bachelor of Commerce (Hons) from the University of Melbourne.

RONNIE LAKE

Head of Risk & Company Secretary

Appointed: 28 May 2021

Resigned: 12 June 2022

Experience and Expertise

Ronnie Lake joined Superloop in July 2018 as Head of Risk. Ronnie has broad risk and governance experience having worked across several sectors including consulting.

Appointed Company Secretary in May 2021, Ronnie held that role until he left the organisation in June 2022.

Ronnie holds a science related undergraduate and postgraduate degree, a Graduate Certificate of Executive Leadership from the University of Queensland and a Graduate Certificate in Applied Risk Management from the Governance Institute of Australia. Ronnie is also a member of Australian Institute of Company Directors and the Governance Institute of Australia.

Meeting 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 Committee: Audit		Meeting of Committee: Risk Management		Meeting of Committee: Remuneration and Nomination	
	A	B	A	B	A	B	A	B
Bevan Slattery[1]	5	7	N/A	N/A	N/A	N/A	N/A	N/A
Peter O'Connell[2]	12	12	N/A	N/A	N/A	N/A	N/A	N/A
Tony Clark	19	19	N/A	N/A	N/A	N/A	6	6
Stephanie Lai	19	19	6	6	4	4	6	6
Vivian Stewart	19	19	6	6	4	4	5	6
Alexander (Drew) Kelton	18	19	6	6	4	4	N/A	N/A
Paul Tyler	19	19	N/A	N/A	N/A	N/A	N/A	N/A

[1] Bevan Slattery resigned as a Chair & Non-Executive Director on 28 October 2021
[2] Peter O'Connell was appointed as Chair & Non-Executive Director on 2 November 2021.
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,

On behalf of the board, we are pleased to present Superloop's Remuneration Report for FY22.

In FY22 significant progress has been made in re-orienting the business around a more simplified structure and creating a strong, stable and well capitalised base on which to deliver growth in both revenue and profitability moving forward.

Since assuming the position of CEO & Managing Director of Superloop in October of 2020, Paul Tyler has established a new Accelerated growth strategy with the aim of tripling the size of the business in 3 years. Paul has in parallel, refreshed and bolstered the executive team, adding 100+ years of industry experience. Combined, the executive team has positioned the Group to capitalise on market dynamics, driven by strong data growth, growth in data centre demand and the need for connectivity services.

As Chair, I am pleased to report that in FY22 the Remuneration and Nomination Committee have continued to evolve the remuneration framework for the Group and the Committee will continue to oversee the development 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.

During the year, options were granted to executives under the Executive Option Plan and in accordance with contractual entitlements. In addition to this, we were pleased to extend participation in equity-based remuneration to some non-executive members of the Superloop team.

The following Remuneration report sets out the principles and outcomes of the Group Remuneration framework for FY22.

Yours sincerely,

Tony Clark

Chair, Remuneration and Nomination Committee

Superloop Limited

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 2022 (FY22), 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 Key Management Personnel. The term "Key Management Personnel" refers to the Chief Executive Officer and those executives with responsibility for planning, directing and controlling the activities of the Group.

During the year, and following the completion of the Exetel acquisition in August 2021, the Group and the Executive team was re-organised and refocused around the three customer facing segments of Consumer, Business and Wholesale. In addition previous group wide responsibilities around product, network and operations were split amongst new and existing executives to create more in depth management focus. As a consequence the assessment of those executives that meet the criteria of having a responsibility for "planning, directing and controlling the activities of the Group" has changed.

In this report, the disclosure around KMP covers the following individuals.

Directors

Name	Position
Peter O'Connell	Non-Executive Chair (appointed 2 November 2021)
Bevan Slattery	Chair & Non-Executive Director (resigned 28 October 2021)
Tony Clark	Independent Non-Executive Director
	Chair of the Remuneration and Nomination Committee
Vivian Stewart	Independent Non-Executive Director
	Chair of the Risk Management Committee
	Member of the Audit Committee
	Member of the Remuneration and Nomination Committee
Stephanie Lai	Independent Non-Executive Director
	Chair of the Audit Committee
	Member of the Risk Management Committee
	Member of the Remuneration and Nomination Committee
Alexander (Drew) Kelton	Non Executive Director
	Member of the Audit Committee
	Member of the Risk Management Committee

Key Management Personnel

Name	Position
Paul Tyler	Chief Executive Officer (CEO)
	Executive Director
Lidia Valenzuela	Group Chief Financial Officer (resigned 31 August 2021)
Luke Oxenham	Group Chief Financial Officer (appointed 01 September 2021)

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 Key Management Personnel 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;
- Key Management Personnel remuneration arrangements, including the Company's equity-based incentives;
- The annual assessment of Board and Key Management Personnel 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 Key Management Personnel; 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/investors.

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 Key Management Personnel 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/investors.

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 additional remuneration where a Director performs work or services considered over and above their work in their capacity as a Director of Superloop.

Fees paid to Non-Executive Directors in FY22 were $458,804 (FY21 $340,334).

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

3.2 NON-EXECUTIVE DIRECTOR FEES

The fees paid to the Directors for the FY22 period are outlined in Section 6.

The current Directors fees per annum including statutory superannuation, effective 1 July 2022, following an independent review, are:

Chair	$ 180,000
Non-Executive Director	$ 100,000
Committee Chair	$ 20,000
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 KEY MANAGEMENT PERSONNEL REMUNERATION POLICY

Superloop's Key Management Personnel 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.

Key Management Personnel 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 (STI) that provide a reward for performance against annual performance targets; and
- Long term incentives (LTI) that provide a securities-based reward for performance against indicators of long-term shareholder value creation, vesting over a three to four year period.

The following considerations are taken into account when formulating Key Management Personnel remuneration packages:

- Fixed remuneration is set with reference to market benchmarking and practice;
- Financial targets on which incentives are based are suitably challenging and must meet a budget and business plan; 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.

In addition to the above, the Board has the discretion to award other incentives related to ad-hoc strategic initiatives where it deems it would represent an appropriate alignment of executives and the creation of shareholder value.

4.2 SHORT TERM INCENTIVE (STI) POLICY AND PROCEDURE

The short term incentive policy provides incentives for Key Management Personnel 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.

For FY22 the CEO was eligible to earn a target of $350,000 in short term incentives, with some potential for above target outcomes up to 150% of this amount. Other Key Management Personnel have a target award between 20% and 30% of their annual fixed remuneration.

Performance metrics and weightings

Assessment of performance for the CEO and CFO is against financial metrics including:

- Underlying EBITDA (40%);
- Revenue (25%);
- Synergies from strategic deals (25%); and
- People Engagement (10%)

The short term incentive structure is considered appropriate during the Company's current phase of growth. Key Management Personnel 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 Key Management Personnel'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 FY22

The table below contains the value of accruals for the Short Term Incentives (excluding transaction bonus) related to the FY22 year.

Name	Fixed Remuneration	Target Incentive	Accrued Incentive
Paul Tyler	$750,000	$350,000	$367,500
Luke Oxenham	$400,000	$87,500	$84,000

No Short term incentive was accrued or paid to the outgoing CFO, Lidia Valenzuela.

4.3 LONG TERM INCENTIVE (LTI) POLICY AND PROCEDURE

The purpose of the long term incentive policy is to align Key Management Personnel 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 either three or four 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 Executive Directors, incentives may be awarded in cash. Other Key Management Personnel can be awarded LTIs of up to 40% of their annual fixed remuneration.

Performance metrics and weightings

Vesting of current long term incentives for the CEO is dependent upon satisfaction of specific KPIs that had to be met in respect to relevant financial targets set. Vesting for current long term incentives for other KMP is based on tenure and ongoing employment at the relevant vesting date. The long term incentive structure is considered appropriate as it aligns Key Management Personnel with generating long term shareholder value and acts as an inducement to retain Key Management Personnel.

Cessation of employment

If a Key Management Personnel's employment terminates prior to the end of the measurement period, all unvested 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.

Performance Rights are subject to the terms and conditions as set out in the Employee Rights Plan. The holders of the Performance 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.

As at 30 June 2022, there were nil Performance Rights on issue (FY21: 115,000).

Executive Option Plan

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

The Board may designate a Director, Employee or Consultant as an Eligible Participant for the purposes of the Executive Option Plan. 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 Key Management Personnel and 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 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, any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise year for the options.

Where employment or consultancy ends on or before an Exercise Date, the options will lapse. In the case where the employment ends as a result of death or disability, the Options will lapse 90 days after the date of death or disability. Except in the event of death or disability, when employment ends during an Exercise Period the Expiry Date will be adjusted by up to 60 days.

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 2022, 684,250 options were issued to the Key Management Personnel under the Executive Option Plan and at the date of this report there were a total of 4,684,250 options on issue to the named Key Management Personnel under the Executive Options Plan.

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 Tyler entered into an Employment Agreement with Superloop which commenced on 1 October 2020. The term is ongoing until terminated by Superloop or 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 Tyler 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 KEY MANAGEMENT PERSONNEL

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

Name	Duration of Contract	Notice Period	Termination Payments[1]
Luke Oxenham[1]	No fixed term	3 months	3 months

[1] Base salary payable if the Company terminates the Executive without notice or without cause.

6. REMUNERATION

The tables below outline the remuneration received by Key Management Personnel 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 benefit	Long-term employee benefits			
		Salary / Fees $	STI $	Transaction Bonus[4] $	Other benefits[5] $	Total $	Super-annuation $	LTI $	Long Service Leave $	Total Remuneration Package (TRP) $	% of TRP linked to performance %
Executive Directors											
Paul Tyler	2022	726,432	367,500	360,000	-	1,453,932	23,568	174,278	-	1,651,778	32.80%
	2021	606,921	-	-	-	606,921	18,078	137,063	-	762,062	-
Non-Executive Directors											
Peter O'Connell[1]	2022	90,559	-	-	-	90,559	9,056	-	-	99,615	-
	2021	-	-	-	-	-	-	-	-	-	-
Tony Clark	2022	63,927	-	-	-	63,927	6,393	-	-	70,320	-
	2021	63,927	-	-	-	63,927	6,073	-	-	70,000	-
Vivian Stewart	2022	82,192	-	-	18,182	100,374	10,037	-	-	110,411	-
	2021	82,192	-	-	-	82,192	7,808	-	-	90,000	-
Stephanie Lai	2022	82,192	-	-	36,364	118,556	11,856	-	-	130,412	-
	2021	78,387	-	-	-	78,387	7,447	-	-	85,834	-
Drew Kelton	2022	82,500	-	-	-	82,500	-	-	-	82,500	-
	2021	376,233	-	-	35,308	411,541	1 6,271	-	-	427,811	-
Non-Executive Directors											
Bevan Slattery[2]	2022	18,265	-	-	-	18,265	1,827	-	-	20,092	-
	2021	54,795	-	-	-	54,795	5,205	-	-	60,000	-
Greg Baynton[3]	2022	-	-	-	-	-	-	-	-	-	-
	2021	34,500	-	-	-	34,500	-	-	-	34,500	-
TOTAL - 2022	2022	1,146,067	367,500	360,000	54,546	1,928,113	62,737	174,278	-	2,165,128	25.02%
TOTAL - 2021	2021	1,296,955	-	-	35,308	1,332,263	60,882	137,063	-	1,530,208	8.96%

[1] Peter O'Connell commenced with Superloop on 2 November 2021 as Non-Executive Director.
[2] Bevan Slattery ceased as Non-Executive Director on 28 October 2021.
[3] Greg Baynton ceased as Non-Executive Director on 18 November 2020.
[4] During FY22 the Group paid a Transaction Bonus to the CEO on the successful completion of the Exetel Acquisition.
[5] Additional fees paid for performing work considered over & above in the capacity of Director.

Key Management Personnel

Fees and remuneration received by Key Management Personnel:

		Short-term employee benefits					Post employment benefit	Long-term employee benefits			
		Salary / Fees $	STI $	Transaction Bonus[4] $	Other Benefits[5] $	Total $	Super-annuation $	LTI $	Long Service Leave $	Total Remuneration Package (TRP) $	% of TRP linked to performance %
Key Management Personnel											
Luke Oxenham[1]	2022	345,059	84,000	-	495	429,554	21,604	35,631	-	486,789	24.58%
	2021	-	-	-	-	-	-	-	-	-	-
Former Key Management Personnel											
Lidia Valenzuela[2]	2022	81,608	-	-	38,199	119,807	5,892		-	125,699	-
	2021	321,221	-	-	7,089	328,310	21,694	13,726	-	363,730	3.77%
Adrian Martin[3][4]	2022	-	-	-	-	-	-	-	-	-	-
	2021	119,377	-	-	216,450	335,827	2,177	4,250	-	342,254	1.24%
Paul Smith	2022	-	-	-	-	-	-	-	-	-	-
	2021	277,302	-	-	999	278,301	21,694	12,530	-	312,525	4.01%
Dean Tognella[3]	2022	-	-	-	-	-	-	-	-	-	-
	2021	275,512	-	-	-	275,512	18,079	34,471	-	328,062	10.51%
Mehul Dave[3]	2022	-	-	-	-	-	-	-	-	-	-
	2021	124,294	-	-	-	124,294	9,039	8,273	-	141,606	5.84%
TOTAL - 2022	2022	426,667	84,000	-	38,694	549,361	27,496	35,631	-	612,488	19.53%
TOTAL - 2021	2021	1,117,706	-	-	224,538	1,342,244	72,683	73,250	-	1,488,177	4.92%

[1] Luke Oxenham commenced as Group Chief Financial Officer on 1 September 2021.
[2] Lidia Valenzuela resigned as Group Chief Financial Officer on 31 August 2021. Other amount includes termination payment.
[3] No longer KMP from FY22 per the assessment of Executives which is defined as responsibility for planning, directing and controlling the activities of the Group.
[4] Adrian Martin ceased as Group Executive, Wholesale on 01 October 2021.
[5] Includes the net movement of annual leave entitlement balance, commission, or termination payments if applicable

REMUNERATION REPORT

7. PERFORMANCE OUTCOMES

The following table outlines the performance of the Company over the 2022 financial year and the previous periods. Since listing on the Australian Securities Exchange with an initial share price of $1.00 in June 2015, Superloop Limited's share price was 0.72 at 30 June 2022.

Year ended 30 June	2022 $	2021 $	2020 $	2019 $	2018 $	2017 $
Net profit / (loss)	$(61,532,388)	$(31,963,930)	$(41,087,857)	$(72,057,460)	$1,315,981	$(1,239,792)
Dividends declared*	-	-	-	-	-	0.01
Share price at start of year	$0.93	$0.99	$1.54	$2.52	$2.56	$2.35
Share price at end of year	$0.72	$0.93	$0.99	$1.54	$2.52	$2.56

* Dividend was declared in FY17 but paid in FY18.

During the year, there were no Performance Rights issued to Key Management Personnel in accordance with the Employee Rights Plan.

8. SUMMARY OF SHARES HELD BY KEY MANAGEMENT PERSONNEL

The table below outlines the movement in shareholdings by Key Management Personnel from 1 July 2021 to 30 June 2022.

	Opening balance 1 July 2021	Received as part of remuneration	Additions	Disposals	Other movements[1]	Closing balance 30 June 2022
Directors						
Bevan Slattery[1]	64,332,074	-	-	-	(64,332,074)	-
Drew Kelton	114,993	-	-	-	-	114,993
Tony Clark	566,079	-	-	-	-	566,079
Vivian Stewart	599,243	-	-	-	-	599,243
Stephanie Lai	109,243	-	148,000	-	-	257,243
Paul Tyler	110,241	-	120,700	-	-	230,941
Total	**65,831,873**	**-**	**268,700**	**-**	**(64,332,074)**	**1,768,499**

[1] Individual was not a KMP as at 30 June 2022

The Company's Securities Trading Policy is designed to ensure that any trading in Superloop's securities is in accordance with the law and it prohibits all Directors and Key Management Personnel 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 options held by Key Management Personnel during the year:

	Opening balance 1 July 2021	Received as part of remuneration	Exercised	Other movements	Closing balance 30 June 2022	Vested and exercisable	Vested during the year
Key Management Personnel							
Paul Tyler[1]	4,000,000	334,250	-	-	4,334,250	1,000,000	1,000,000
Luke Oxenham	-	350,000	-	-	350,000	-	-
Total	**4,000,000**	**684,250**	**-**	**-**	**4,684,250**	**1,000,000**	**1,000,000**
Key Management Personnel							
Lidia Valenzuela[2][4]	240,271	-	-	(240,271)	-	-	-
Adrian Martin[2][5]	61,650	-	-	(61,650)	-	-	-
Dean Tognella[3]	500,000	-	-	(500,000)	-	-	-
Mehul Dave[3]	120,000	-	-	(120,000)	-	-	-
Paul Smith[3]	222,924	-	-	(222,924)	-	-	-
Total	**1,144,845**	**-**	**-**	**(1,144,845)**	**-**	**-**	**-**

[1] Includes Options issued on 18 November 2020.
[2] Individual was not a KMP as at 30 June 2022 and their options were forfeited.
[3] No longer KMP from FY22 per the assessment of Executives which is defined as responsibility for planning, directing and controlling the activities of the Group.
[4] Lidia resigned as Group Chief Financial Officer on 31 August 2021. Other amount includes termination payment.
[5] Adrian Martin ceased as Group Executive, Wholesale on 01 October 2021.

10. SUMMARY OF PERFORMANCE RIGHTS HELD BY KEY MANAGEMENT PERSONNEL

No Performance Rights were held by Key Management Personnel during the year.

11. SHARES UNDER OPTION OR PERFORMANCE RIGHTS

Details of unissued shares or interest under Option for all staff including KMP 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 June 2022	75,000	Ordinary	$0.92	24 June 2023	24 June 2027
24 June 2022	75,000	Ordinary	$1.00	24 June 2024	24 June 2027
24 June 2022	75,000	Ordinary	$1.08	24 June 2025	24 June 2027
24 June 2022	75,000	Ordinary	$1.17	24 June 2026	24 June 2027
20 December 2021	25,000	Ordinary	$0.98	20 December 2022	20 December 2026
20 December 2021	25,000	Ordinary	$0.98	20 December 2023	20 December 2026
20 December 2021	25,000	Ordinary	$0.98	20 December 2024	20 December 2026
20 December 2021	25,000	Ordinary	$0.98	20 December 2025	20 December 2026
10 November 2021	12,500	Ordinary	$0.98	10 November 2022	10 November 2026
10 November 2021	12,500	Ordinary	$0.98	10 November 2023	10 November 2026
10 November 2021	12,500	Ordinary	$0.98	10 November 2024	10 November 2026
10 November 2021	12,500	Ordinary	$0.98	10 November 2025	10 November 2026
1 September 2021	515,014	Ordinary	$0.98	1 September 2022	1 September 2026
1 September 2021	515,014	Ordinary	$0.98	1 September 2023	1 September 2026
1 September 2021	515,014	Ordinary	$0.98	1 September 2024	1 September 2026
1 September 2021	515,014	Ordinary	$0.98	1 September 2025	1 September 2026
18 November 2020	1,000,000	Ordinary	$1.11	1 October 2022	1 October 2023
18 November 2020	1,000,000	Ordinary	$1.22	1 October 2023	1 October 2024
18 November 2020	1,000,000	Ordinary	$1.34	1 October 2024	1 October 2025
18 November 2020	1,000,000	Ordinary	$1.47	31 December 2020	21 December 2023
1 September 2020	450,000	Ordinary	$1.25	1 September 2021	1 September 2022
1 September 2020	211,393	Ordinary	$1.26	1 September 2021	1 September 2025
1 September 2020	211,393	Ordinary	$1.39	1 September 2022	1 September 2025
1 September 2020	211,393	Ordinary	$1.53	1 September 2023	1 September 2025
1 September 2020	211,393	Ordinary	$1.68	1 September 2024	1 September 2025
12 February 2020	64,356	Ordinary	$1.11	1 September 2020	1 September 2025
12 February 2020	64,356	Ordinary	$1.22	1 September 2021	1 September 2025
12 February 2020	64,356	Ordinary	$1.34	1 September 2022	1 September 2025
12 February 2020	64,356	Ordinary	$1.47	1 September 2023	1 September 2025
24 August 2018	105,000	Ordinary	$2.00	15 September 2018	15 September 2022
24 August 2018	105,000	Ordinary	$2.00	15 September 2019	15 September 2022
24 August 2018	105,000	Ordinary	$2.00	15 September 2020	15 September 2022

No options expired during the year. At the date of this report there were 8,378,052 Options on issue.

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 Performance 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

Paul Tyler
Chief Executive Officer & Director
26 August 2022

Auditor's Independence Declaration

Deloitte Touche Tohmatsu
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Australia

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The Board of Directors
Superloop Limited
Level 1, 545 Queen Street
Brisbane QLD 4000

26 August 2022

Dear Directors

Auditor's Independence Declaration to 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 report of Superloop Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Tendai Mkwananzi
Partner
Chartered Accountants

Financial Report

30 June 2022

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 1, 545 Queen 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 22, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 26 August 2022. 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 2022

	Note	30 June 2022 $'000	30 June 2021 Restated[1] $'000
Continuing operations			
Revenue	5	248,212	95,684
Other income	5	1,519	198
Total revenue and other income		**249,731**	**95,882**
Direct costs		(168,191)	(53,039)
Employee benefits expense		(40,127)	(22,221)
Share based payments expense		(381)	(447)
Professional fees		(2,310)	(2,511)
Marketing costs		(8,256)	(1,258)
Administrative and other expenses		(10,325)	(4,436)
Transaction costs	27	(7,483)	(551)
Total expenses		**(237,073)**	**(84,463)**
Earnings before interest, tax, depreciation, amortisation and foreign exchange gains / losses (EBITDA)		**12,658**	**11,419**
Depreciation and amortisation expense		(44,397)	(37,794)
Impairment expense	13	(25,057)	-
Interest expense	6	(3,964)	(3,169)
Foreign exchange (losses) / gains	7	(639)	6,032
Loss before income tax		**(61,399)**	**(23,512)**
Income tax expense	8	(133)	(93)
Loss for the year from continuing operations		**(61,532)**	**(23,605)**
Discontinued operations			
Profit / (loss) for the year from discontinued operations	26	8,906	(8,359)
Loss for the year after tax attributable to the owners of Superloop Limited		**(52,626)**	**(31,964)**
Other comprehensive income / (loss), net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations		3,611	(7,363)
Fair value gain / (loss) arising on hedging instruments during the period		-	(532)
Total other comprehensive income / (loss), net of income tax		**3,611**	**(7,895)**
Total comprehensive loss for the year attributable to the owners of Superloop Limited		**(49,015)**	**(39,859)**
Loss per share for loss attributable to the ordinary equity holders of the Group:			
From continuing operations	*Note*	*Cents*	*Cents*
Basic loss per share	*32*	*(12.76)*	*(6.40)*
Diluted loss per share	*32*	*(12.76)*	*(6.40)*
From continuing and discontinued operations			
Basic loss per share	*32*	*(10.91)*	*(8.66)*
Diluted loss per share	*32*	*(10.91)*	*(8.66)*

[1]The comparative information is restated on account of discontinued operations (Note 26).

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

Consolidated Statement of Financial Position

As at 30 June 2022

	Note	30 June 2022 $'000	30 June 2021 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	83,133	89,724
Trade and other receivables	10	22,119	14,823
Other current assets	11	11,862	6,363
		117,114	**110,910**
Assets held for sale		989	-
Total Current Assets		**118,103**	**110,910**
NON-CURRENT ASSETS			
Property, plant and equipment	12	127,271	219,397
Intangible assets	13	302,471	223,584
Other non-current assets	11	5,826	1,020
Deferred tax assets	14	-	7,102
Total Non-Current Assets		**435,568**	**451,103**
TOTAL ASSETS		**553,671**	**562,013**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	43,060	18,165
Employee benefits	17	4,833	2,345
Deferred revenue	18	5,037	4,437
Interest-bearing loans and borrowings	16	4,812	4,449
Total Current Liabilities		**57,742**	**29,396**
NON-CURRENT LIABILITIES			
Employee benefits	17	525	773
Deferred revenue	18	16,364	34,886
Interest-bearing loans and borrowings	16	53,219	62,556
Deferred tax liabilities	14	9,606	2,593
Total Non-Current Liabilities		**79,714**	**100,808**
TOTAL LIABILITIES		**137,456**	**130,204**
NET ASSETS		**416,215**	**431,809**
EQUITY			
Contributed equity	19	623,967	590,927
Reserves	20	4,317	325
Other equity		(3,327)	(3,327)
Accumulated losses		(208,742)	(156,116)
TOTAL EQUITY		**416,215**	**431,809**

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

FINANCIAL REPORT

Consolidated Statement of Changes in Equity

For the year ended 30 June 2022

For the year ended 30 June 2022	Contributed equity $'000	Reserves $'000 (Note 20)	Other equity $'000 (Note 1C (ii))	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2021	**590,927**	**325**	**(3,327)**	**(156,116)**	**431,809**
Loss for the year	-	-	-	(52,626)	**(52,626)**
Reserves write-back on Hong Kong disposal	-	2,797	-	-	**2,797**
Other comprehensive income for the year	-	814	-	-	814
Total comprehensive income / (loss) for the year	**-**	**3,611**	**-**	**(52,626)**	**(49,015)**
Dividends paid	-	-	-	-	**-**
Share based payments	-	381	-	-	**381**
Issue of ordinary share capital	34,297	-	-	-	**34,297**
Share issue costs	(1,257)	-	-	-	**(1,257)**
Balance at 30 June 2022	**623,967**	**4,317**	**(3,327)**	**(208,742)**	**416,215**

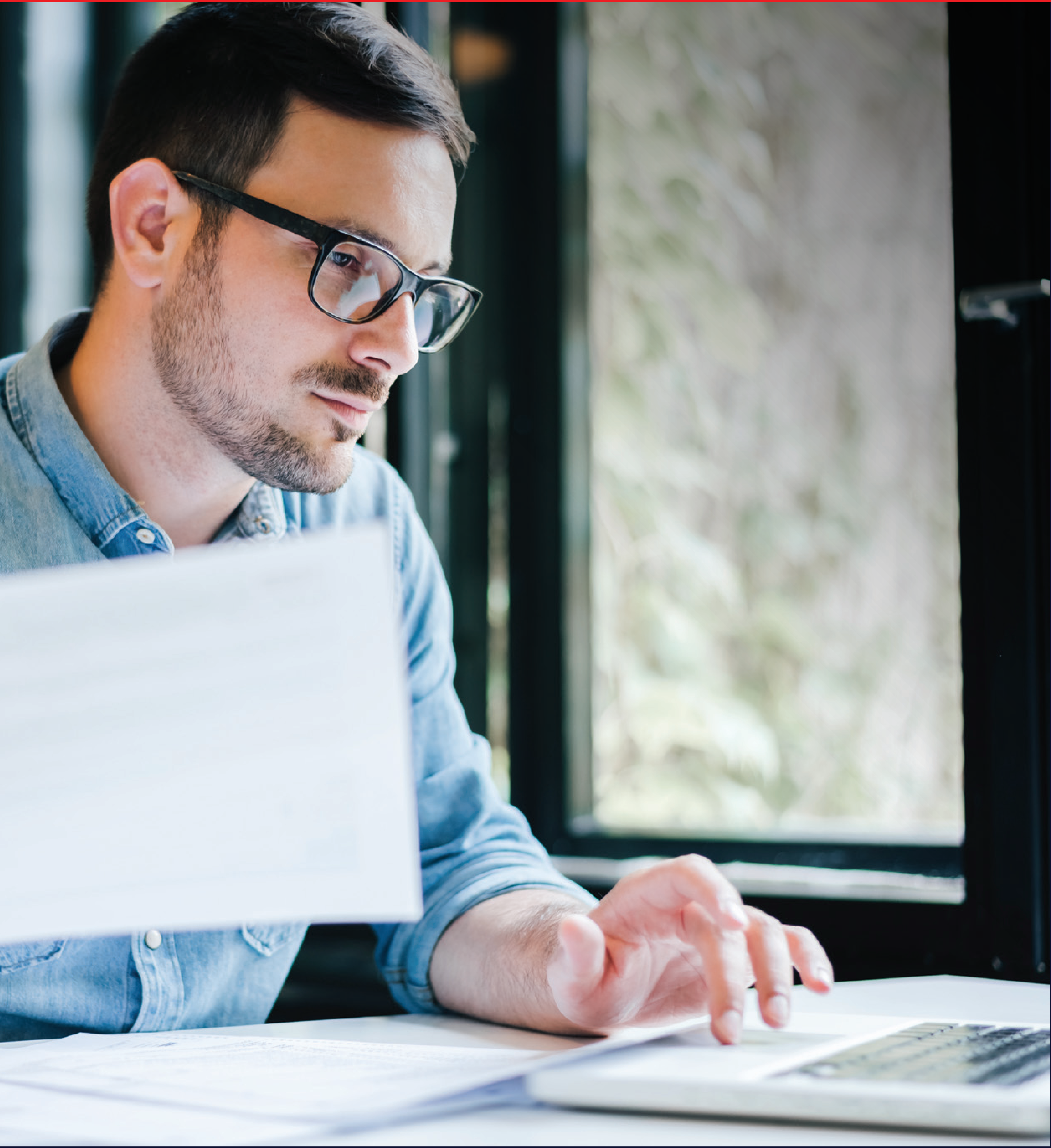
For the year ended 30 June 2021	Contributed equity $'000	Reserves $'000 (Note 20)	Other equity $'000 (Note 1C (ii))	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2020	**514,505**	**7,773**	**(3,327)**	**(124,152)**	**394,799**
Loss for the year	-	-	-	(31,964)	**(31,964)**
Other comprehensive loss for the year	-	(7,895)	-	-	**(7,895)**
Total comprehensive income / (loss) for the year	**-**	**(7,895)**	**-**	**(31,964)**	**(39,859)**
Dividends paid	-	-	-	-	**-**
Share based payments	-	447	-	-	**447**
Issue of ordinary share capital	78,816	-	-	-	**78,816**
Share issue costs	(2,394)	-	-	-	**(2,394)**
Balance at 30 June 2021	**590,927**	**325**	**(3,327)**	**(156,116)**	**431,809**

Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	Note	30 June 2022 $'000	30 June 2021 $'000
OPERATING ACTIVITIES			
Receipts from customers		280,788	117,507
Payments to suppliers and employees		(281,378)	(102,387)
Transaction costs		(7,483)	-
Income taxes (paid) / received [1]		(3,399)	-
Net cash (outflow) / inflow from operating activities	29	(11,472)	15,120
INVESTING ACTIVITIES			
Acquisition of subsidiary		(99,783)	-
Net proceeds from disposal of subsidiary and select SG assets	26	125,000	-
Interest received		173	10
Payments for property, plant and equipment		(13,477)	(9,635)
Payments for intangible assets		(5,519)	(5,135)
Proceeds received for sale of PPE & intangible assets		996	100
Deferred consideration payments		-	(500)
Net cash inflow / (outflow) from investing activities		7,390	(15,160)
FINANCING ACTIVITIES			
Proceeds from issues of shares		21,297	78,816
Transaction costs paid in relation to issue of shares		(1,257)	(2,394)
Share based payment		-	-
Lease payments		(4,924)	(5,636)
Proceeds from borrowings (net of fees)		24,823	62,023
Repayment of borrowings		(41,386)	(57,469)
Interest paid		(2,536)	(2,581)
Net cash (outflow) / inflow from financing activities		(3,983)	72,759
Net (decrease) / increase in cash and cash equivalents held		(8,065)	72,719
Cash and cash equivalents at the beginning of the year	9	89,724	17,090
Foreign exchange movement in cash		1,474	(85)
Cash and cash equivalents at the end of the year	9	83,133	89,724

[1] Relates to payments made to the Australian Tax Office for income tax payable by Exetel as at the date of acquisition. Refer to Note 25.



Notes to the Consolidated Financial Report

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the 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 Group 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 2021 to 30 June 2022. The prior year covers the period 1 July 2020 to 30 June 2021. Comparative information has been applied consistently to all periods presented herein.

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.

iii. Early adoption of standards issued, but not effective

The Group has not elected to apply any pronouncements before their operative date in the financial year beginning 1 July 2021.

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.

Based on forecast profitability from operating activities and available funding capacity under the Group's debt facilities, the directors are of the opinion that no material uncertainties exist in relation to events or conditions which cast doubt on the Group's ability to continue as a going concern.

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.

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 elected to update segment reporting for this financial year as detailed under Note 4.

E. REVENUE RECOGNITION

Rendering of Services

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 and services.

Revenue is recognised for the major business activities as follows:

i. Long term capacity revenue

Long term capacity arrangements (including 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 the 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 take 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 Wholesale segment.

ii. Services

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

iii. 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

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

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 Contract assets as current and non-current.

iv. Wholesale Aggregation (Superloop Connect)

The Group's Wholesale Aggregation product "Superloop Connect" was launched in September of 2021 and is an automated platform that will allow customers to self-serve SQ and order services to qualified NBN locations. The intention behind the platform is to make full use of the Superloop Network capability and coverage to make products and services available to customers through an integrated self service platform.

The Group has determined that under this contract there are two separate performance obligations. The first being arranging for the delivery of Access Virtual Circuit (AVC) services provided by the NBN, and the second being the delivery of AGVC services provided by the Group on its owned Network.

The Group has determined that in relation to the performance obligation of arranging the AVC services for customers on the Superloop Connect product, it is acting as an agent.

Consequently, in relation to the AVC services it arranges, the Group only recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the NBN.

The Group has determined that for the delivery obligation of the AGVC services, it is acting as principal and as such will account for the revenue of these services over time.

Sale of Goods

i. 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.

ii. Other Revenue

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 Rebate - The Group applies AASB 120 Accounting for Government Grants and Disclosure of Government Assistance in accounting for the Research & Development (R&D) Tax Offset. 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 Group recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The amount of the allowance for expected credit loss is recognised in the Consolidated Statement of Profit or Loss and Other 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 Profit or Loss and Other 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 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 benefit 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 balance sheet 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

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 other comprehensive income or directly in equity.

J. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historical cost less depreciation and any impairment identified. 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 Profit or Loss and Other 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	3-25 years
Communication 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 Profit or Loss and Other Comprehensive Income.

K. 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.

L. 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.

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.

Customer relationships, brands & trademarks

Customer relationships have been valued on acquisition using a multi-period excess earnings approach. The fair value is calculated using an income based technique to forecast expected earnings and discount the expected cash flows.

Customer brands (including trademarks) are valued using the relief from royalty method utilising evidence based median royalty rates from comparable assets.

Other intangibles

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

M. LEASES

When the Group leases an asset, a 'right-of-use asset' is recognised for the leased item and a lease liability is recognised for any lease payments due at the lease commencement date. The right-of-use asset is initially measured at cost, being the present value of the lease payments paid or payable, plus any initial direct costs incurred in entering the lease and less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of the lease term. The lease term is the non-cancellable period of the lease plus any periods for which the Group is 'reasonably certain' to exercise any extension options.

Lease liabilities are initially measured at the value of the lease payments that are not paid at the commencement date and are discounted using the incremental borrowing rates of the applicable Group entity (the rate implicit in the lease is used if it is readily determinable). Only fixed lease payments for the term of the lease are included in the lease liability.

After initial recognition, the lease liability is recorded at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate (e.g. an inflation related increase) or if the Group's assessment of the lease term changes; any change in the lease liability as a result of these changes also results in a corresponding change in the recorded right-of-use asset.

N. 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 loss recognised for Goodwill is not reversed in subsequent periods.

O. 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.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

P. BORROWINGS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in Consolidated Statement of Profit or Loss and Other Comprehensive Income and reclassified to profit or loss when the qualifying asset affects profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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 Profit or Loss and Other 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.

Q. EMPLOYEE BENEFITS

ii. 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 the provision for employee benefits. In June 2020 the Group met the eligibility requirements to receive the Government JobKeeper allowance, this allowance has been offset against employee benefits expense and for the period ended 30 June 2021 the total amount included in the Consolidated Statement of Profit or Loss and other Comprehensive Income was $2.5 million.

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.

R. 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.

S. FOREIGN EXCHANGE

The financial statements are presented in Australian dollars, which is the Group's presentation currency.

i. 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.

ii. 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.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

T. 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 32).

i. 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.

U. 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.

V. 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.

W. 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.

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.

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.

X. PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Superloop Limited, disclosed in Note 35 has been prepared on the same basis as the consolidated financial statements.

2. Application of new and revised accounting standards

At the date of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 17 Insurance Contracts and AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts	1 January 2023
AASB 2014-10 Amendments to AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128, AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections, AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections	1 January 2025
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 January 2023
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 June 2022
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
AASB 2022-1 Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information	1 January 2023

Management has evaluated the impact of the above Standards on the financial statements and have determined that there will be no impact on the initial application of the above Standards.

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.

i. Impairment Testing

In assessing impairment of Goodwill, other tangible and indefinite life intangible assets, in accordance with accounting policy outlined in Note 13, 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 13.

The identification of cash generating units ("CGU") is an area of significant judgement, given the interdependence of the services and offerings. During the year the Group revised the CGU's to Consumer, Business and Wholesale.

With the change to the CGU's and reporting segments, in order to complete the impairment testing analysis, it is also necessary to re-allocate shared COGS, Network assets and intangible assets to the new CGU's.

AASB 136 Impairment of Assets acknowledges that some or all of the COGS, Assets and Goodwill may not be readily assignable to a specific CGU. In this case the Standard provides that those items may be allocated to the CGUs on a 'reasonable and consistent basis.'

The allocation framework adopted by the Group in conducting the impairment testing in FY22 is:

a. Segment Specific – Where costs, assets or Goodwill can be separately identified and allocated specifically to a CGU, they will be allocated to that CGU.

b. Shared Costs, Assets and Goodwill – In relation to costs, assets or Goodwill that are not separately identifiable and/or relate to more than one CGU (i.e., Fibre cable of fixed wireless towers that carry traffic for customers in all three segments) COGS have been allocated on an estimated network usage and Assets on the basis of the CGU's estimated relative value.

During FY22, and as a consequence of the disposal of the Hong Kong entity and certain select Singapore Assets, the Group has derecognised $35.1 million of Goodwill. The amount of Goodwill that has been derecognised reflects the relative value of the discontinued operations.

ii. Deferred tax recoverability

Deferred tax assets are recognised to the extent that their utilisation is probable. The utilisation of deferred tax assets will depend on whether it is possible to generate sufficient taxable income in the respective tax type and jurisdiction. Various factors are used to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plans, and tax planning strategies.

iii. Revenue recognition

The Group's construction and other complex 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 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.

In respect of the Group's Wholesale Aggregation product (Superloop Connect). The Group has determined that in relation to the performance obligation of arranging the AVC services for wholesale customers in the Superloop Connect product, it is acting as an agent. Consequently, in relation to the AVC services it arranges, the Group only recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

iv. Useful life of assets

The economic life of property, plant and equipment, and intangible assets is a critical accounting estimate, with the ranges outlined in Note 1(J) and Note 1(L), respectively. 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 at least at each reporting period. Should the actual lives of these component parts be significantly different this would impact the depreciation and amortisation charge recognised.

v. 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.

vi. 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. 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(J) and 1(L).

4. Segment information

A. DESCRIPTION OF SEGMENTS

Description of segments

With the recent acquisition of Exetel and in consideration of management's approach in assessing the performance of the Group, the operating segments were changed during the period to three "market led" customer segments being Wholesale, Business and Consumer.

Wholesale

The Wholesale segment is defined by large scale telecommunications, data and technology customers who purchase various connectivity services to support their core business services, as well as Retail Internet Service Providers who do not have access to a connectivity network of their own. The products sold in the Wholesale segment include NBN Access, NBN Enterprise Ethernet, Internet Access & IP Transit, Australian Intercapital Capacity, Dark Fibre, Fixed Wireless Access, International Ethernet, Wavelength and international (including 'Indigo') subsea cable capacity.

Business

The Business segment is defined by small, medium and large corporate customers who purchase connectivity services to facilitate their core business. The products sold in the Business segment include NBN TC2 and Enterprise Ethernet, Internet Access, Dark Fibre, Fixed Wireless Access, Third Party Access, Mobile 4G, SD-WAN, Security, VoIP and Managed Wi-Fi.

Consumer

The Consumer segment is defined by customers who purchase basic internet and mobile phone products for domestic residential use.

The operations of the Group are reported in these segments to Superloop's Executive Management team (chief operating decision maker). 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).

B. SEGMENT INFORMATION PROVIDED TO EXECUTIVE MANAGEMENT

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

Operating Segments for year ended 30 June 2022	Wholesale $'000	Business $'000	Consumer $'000	TOTAL $'000
Continuing operations				
Revenue and other income	38,325	80,522	130,884	249,731
Direct costs	(12,806)	(55,231)	(100,154)	(168,191)
Gross Margin	**25,519**	**25,291**	**30,730**	**81,540**
Operating expenses				(53,143)
Transaction Costs				(7,483)
Marketing costs				(8,256)
Depreciation and amortisation	(7,769)	(18,312)	(18,316)	(44,397)
Impairment expense (Goodwill)				(25,057)
Interest, FX & other				(4,603)
Loss before income tax				**(61,399)**
Income tax expense (continuing operations)				(133)
Discontinued operations				
Profit for the year from discontinued operations	8,906	-	-	8,906
Loss after tax attributable to the owners of Superloop Limited				**(52,626)**

Operating Segments as at 30 June 2022	Wholesale $'000	Business $'000	Consumer $'000	TOTAL $'000
Non-current assets				
Property, plant and equipment	32,513	41,727	53,031	127,271
Intangible assets excluding Goodwill (includes indefeasible rights to use)	37,663	38,772	44,724	121,159
Goodwill	55,312	43,794	82,206	181,312
Total	**125,488**	**124,293**	**179,961**	**429,742**

Australia represents 98% of revenue for the period from continuing operations on a geographical segment basis, and there is no reliance on any significant customers.

Operating Segments for year ended 30 June 2021	Wholesale $'000	Business $'000	Consumer $'000	TOTAL $'000
Continuing operations				
Revenue and other income	31,727	29,333	34,822	95,882
Direct costs	(10,647)	(17,183)	(25,209)	(53,039)
Gross Margin	**21,080**	**12,150**	**9,613**	**42,843**
Operating expenses				(29,615)
Transaction Costs				(551)
Marketing costs				(1,258)
Depreciation and amortisation	(3,876)	(15,220)	(18,698)	(37,794)
Interest, FX & other	-	-	-	2,863
Loss before income tax				**(23,512)**
Income tax expense (continuing operations)				(93)
Discontinued operations				
Loss for the year from discontinued operations	(8,359)	-	-	(8,359)
Loss after tax attributable to the owners of Superloop Limited				**(31,964)**

Operating Segments as at 30 June 2021	Wholesale $'000	Business $'000	Consumer $'000	TOTAL $'000
Non-current assets				
Property, plant & equipment	57,763	78,462	83,172	219,397
Intangible assets excl. Goodwill (includes indefeasible rights to use)	20,952	38,368	29,200	88,520
Goodwill	53,444	51,420	30,200	135,064
Total	**132,159**	**168,250**	**142,572**	**442,981**

5. Revenue

	30 June 2022 $'000	30 June 2021 $'000
Revenue from ordinary activities		
Rendering of Services	246,528	95,684
Sale of Goods	1,684	-
	248,212	**95,684**
Other income		
Interest income	147	10
Gain on sale of assets	424	100
Other income	948	88
Total revenue and other income	**249,731**	**95,882**

The transaction price allocated to unsatisfied performance obligations at 30 June 2022 are as set out below.

	30 June 2022 $'000	30 June 2021 $'000
Long term capacity contracts	19,137	36,810
Other	2,264	2,513
	21,401	**39,323**

The total future revenue from the Group's contracts with customers with performance obligations not satisfied at 30 June 2022 is $21.4 million (FY21: $39.3 million) of which $5.0 million (FY21: $4.4 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 Group's 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 11 years.

6. Interest expense

	30 June 2022 $'000	30 June 2021 $'000
Interest on borrowings	(3,964)	(3,169)
Total interest expense	**(3,964)**	**(3,169)**

The Group incurs interest on the drawn amount of its debt facility (refer to Note 16).

7. Foreign exchange gains / (losses)

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

	30 June 2022 $'000	30 June 2021 $'000
Net foreign exchange (losses) / gains for the year	(639)	6,032
Total net foreign exchange (losses) / gains	**(639)**	**6,032**

8. Income tax expense

	30 June 2022 $'000	30 June 2021 $'000
(a) Income tax recognised in profit or loss		
In respect of the current year	-	-
In respect of prior years	-	-
Total current tax	-	-
Deferred tax		
In respect of the current year	(133)	(93)
In respect of prior years	-	-
Total deferred tax	(133)	(93)
Total income tax benefit/(expense)	(133)	(93)
(b) The income tax expense for the year can be reconciled to the accounting loss as follows:		
Loss from continuing operations before income tax expense	(61,399)	(23,512)
Tax (expense) / credit at the Australian tax rate of 30%	18,420	7,053
Non-deductible acquisition costs	(2,269)	(153)
Non-deductible Goodwill impairment	(7,517)	-
Non-deductible entertainment expenses	(28)	(20)
Non-deductible share based payments	(114)	(134)
Effect of different tax rates of subsidiaries operating in other jurisdictions	49	(947)
Deferred taxes arising from unused tax losses and unused tax credits not recognised in the current year	(8,674)	(5,892)
Total income tax benefit/(expense)	(133)	(93)

9. Cash and cash equivalents

	30 June 2022 $'000	30 June 2021 $'000
Cash at bank and on hand	42,436	7,185
Short term deposits	40,697	82,539
Total cash and cash equivalents	**83,133**	**89,724**

10. Trade and other receivables

				30 June 2022
	Note	Current $'000	Non-current $'000	Total $'000
Trade receivables: Superloop	(A)	18,732	-	**18,732**
Trade receivables: Exetel and Acurus	(A)	4,990	-	**4,990**
Allowance for expected credit losses	(B)	(2,351)	-	**(2,351)**
Net trade receivables		**21,371**	**-**	**21,371**
Other receivables		748	-	**748**
Total		**22,119**	**-**	**22,119**

				30 June 2021
	Note	Current $'000	Non-current $'000	Total $'000
Trade receivables: Superloop	(A)	14,730	-	**14,730**
Trade receivables: Exetel and Acurus	(A)	-	-	**-**
Allowance for expected credit losses	(B)	(301)	-	**(301)**
Net trade receivables		**14,429**	**-**	**14,429**
Other receivables		394	-	**394**
Total		**14,823**	**-**	**14,823**

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 credit loss because there has not been a significant change in credit risk and the amounts are still considered recoverable.

Age of trade receivables that are not impaired	30 June 2022 $'000	30 June 2021 $'000
0 - 30 days	18,598	10,586
31 - 60 days	1,258	1,256
61 - 90 days	115	181
90 days plus	1,400	2,406
Total	21,371	14,429

B. AGING OF ALLOWANCE FOR EXPECTED CREDIT LOSS ("LOSS ALLOWANCE")

As at 30 June 2022, the Group had a loss allowance of $2.4 million (2021: $0.3 million). Superloop applies the AASB 9 simplified approach to measure expected credit loss ("ECL") which uses a lifetime expected loss allowance for all trade receivables.

Age of trade receivables that are not impaired	30 June 2022 $'000	30 June 2021 $'000
0 – 60 days	1,247	15
60 – 90 days	53	3
90 days plus	1,051	283
Total past due and impaired	**2,351**	**301**

Movement in credit loss allowance	30 June 2022 $'000	30 June 2021 $'000
Balance at beginning of the year	301	424
Impairment losses recognised on receivables	(296)	(297)
Allowance for expected credit losses	2,346	174
Balance at end of the year	**2,351**	**301**

11. Other assets

Movement in credit loss allowance	30 June 2022 $'000	30 June 2021 $'000
CURRENT		
Prepayments	6,979	4,723
Contract assets	4,883	1,640
Total other assets – current	**11,862**	**6,363**
NON-CURRENT		
Other non-current assets	262	370
Contract assets	5,564	650
Total other assets – non-current	**5,826**	**1,020**

12. Property, plant and equipment

	30 June 2022 $'000	30 June 2021 $'000
Carrying amounts of:		
Assets in the course of construction	464	1,871
Network assets	75,903	171,086
Communication assets	38,084	40,833
Other assets	12,820	5,607
Total	**127,271**	**219,397**

	Assets in the course of construction $'000	Network assets $'000	Communication assets $'000	Other assets $'000	Total $'000
Cost or valuation:					
Balance at 30 June 2020	**1,866**	**205,466**	**84,179**	**7,386**	**298,897**
Additions	5,087	1,498	5,831	6,208	18,624
Transfers	(5,051)	2,166	2,687	198	-
Disposals	-	(786)	(23,278)	(8,002)	(32,066)
Movement in foreign exchange	(31)	(8,010)	(332)	(81)	(8,454)
Balance at 30 June 2021	**1,871**	**200,334**	**69,087**	**5,709**	**277,001**
Additions	9,566	2,037	3,317	8,615	23,535
Additions through business combination	-	-	70	2,364	2,434
Transfers	(10,999)	2,466	7,605	928	-
Disposals	-	(119,378)	(704)	(943)	(121,025)
Movement in foreign exchange	26	3,452	189	(310)	3,357
Balance at 30 June 2022	**464**	**88,911**	**79,564**	**16,363**	**185,302**
Accumulated depreciation and Impairment:					
Balance at 30 June 2020	**-**	**(26,125)**	**(34,088)**	**(7,040)**	**(67,253)**
Reclassifications	-	3,256	(5,021)	1,765	-
Depreciation charge	-	(8,415)	(12,451)	(2,890)	(23,756)
Disposals	-	787	23,277	8,002	32,066
Movement in foreign exchange	-	1,249	29	61	1,339
Balance at 30 June 2021	-	(29,248)	(28,254)	(102)	(57,604)
Depreciation charge	-	(7,336)	(14,059)	(4,172)	(25,567)
Disposals	-	24,939	980	417	26,336
Movement in foreign exchange	-	(1,363)	(147)	314	(1,196)
Balance at 30 June 2022	**-**	**(13,008)**	**(41,480)**	**(3,543)**	**(58,031)**
Carrying value at 30 June 2022	**464**	**75,903**	**38,084**	**12,820**	**127,271**
Carrying value at 30 June 2021	**1,871**	**171,086**	**40,833**	**5,607**	**219,397**

Property, plant and equipment includes $16.5 million carrying value of leased assets. A "right-of-use" asset is recognised for leased items, with a lease liability recognised for lease payments due. "Right-of-use" asset additions during FY22 totalled $11.0 million.

Right-of-use asset	Communication assets $'000	Other assets $'000	Total $'000
Carrying value at 30 June 2020	5,286	1,380	6,666
Additions	3,112	6,083	9,195
Depreciation charge	(3,166)	(2,150)	(5,316)
Movements in foreign exchange	-	(12)	(12)
Carrying value at 30 June 2021	5,232	5,301	10,533
Additions through business combination	-	797	797
Additions	3,283	7,719	11,002
Depreciation charge	(2,915)	(2,865)	(5,780)
Disposals	-	(21)	(21)
Movements in foreign exchange	-	(4)	(4)
Carrying value at 30 June 2022	5,600	10,927	16,527

13. Intangible assets

	30 June 2022 $'000	30 June 2021 $'000
Carrying amounts of:		
Assets being developed	1,219	3,181
Rights and licences	59,373	53,835
Software	17,980	2,654
Customer acquisition costs & other intangible assets	-	4,759
Customer relationships, brands and trademarks	42,587	24,091
Goodwill	181,312	135,064
Total intangible assets	302,471	223,584

	Assets being developed $'000	Rights & licence $'000	Software $'000	Customer acquisition costs & other intangible assets $'000	Customer relationships, brands & trademarks $'000	Goodwill $'000	Total $'000
Cost or valuation:							
Balance as at 30 June 2020	1,785	72,215	13,394	8,539	62,531	178,319	336,783
Additions	3,009	2,571	375	831	-	-	6,786
Transfers	(1,613)	-	909	704	-	-	-
Disposals	-	-	(4,742)	(808)	(4,085)	(43,255)	(52,890)
Movement in foreign exchange	-	(1,947)	-	(19)	-	-	(1,966)
Balance as at 30 June 2021	3,181	72,839	9,936	9,247	58,446	135,064	288,713
Additions through business combination	-	8,447	12,728	-	32,408	106,448	160,031
Additions	4,759	15,454	-	-	-	-	20,213
Reclassifications	77	-	230	(9,247)	-	-	(8,940)
Transfers	(6,798)	1,691	5,107	-	-	-	-
Disposals	-	(17,318)	-	-	-	(35,143)	(52,461)
Movement in foreign exchange	-	1,152	-	-	-	-	1,152
Balance as at 30 June 2022	1,219	82,265	28,001	-	90,854	206,369	408,708
Accumulated amortisation and impairment:							
Balance as at 30 June 2020	-	(12,331)	(8,027)	(4,033)	(29,124)	(43,255)	(96,770)
Disposals	-	-	4,742	808	4,085	43,255	52,890
Amortisation charge	-	(6,882)	(3,997)	(1,267)	(9,316)	-	(21,462)
Movement in foreign exchange	-	209	-	4	-	-	213
Balance as at 30 June 2021	-	(19,004)	(7,282)	(4,488)	(34,355)	-	(65,129)
Reclassifications	-	-	-	4,488	-	-	4,488
Disposals	-	4,170	-	-	-	-	4,170
Amortisation charge	-	(7,649)	(2,741)	-	(13,912)	-	(24,302)
Impairment charge	-	-	-	-	-	(25,057)	(25,057)
Movement in foreign exchange	-	(409)	2	-	-	-	(407)
Balance as at 30 June 2022		(22,892)	(10,021)	-	(48,267)	(25,057)	(106,237)
Carrying value at 30 June 2022	1,219	59,373	17,980	-	42,587	181,312	302,471
Carrying value at 30 June 2021	3,181	53,835	2,654	4,759	24,091	135,064	223,584

Intangible Assets includes the following carrying values of leased assets recorded as "right-of-use" asset for the leased items as follows:

Right-of-use asset	Rights and licences $'000
Carrying value at 30 June 2021	-
Additions	1,440
Depreciation charge	-
Movements in foreign exchange	-
Carrying value at 30 June 2022	1,440

Goodwill has been allocated for impairment testing purposes to the following operating segments, which represent the lowest level within the Group at which the Goodwill is monitored for internal management purposes. The operating segments are comprised of cash-generating units or groups of cash-generating units.

	30 June 2022 $'000	30 June 2021 $'000
Wholesale	55,312	53,444
Business	43,794	51,420
Consumer	82,206	30,200
Total Goodwill	**181,312**	**135,064**

Goodwill and intangible assets with an indefinite useful life are not subject to amortisation and are assessed for impairment at least annually, or whenever an indication of impairment arises.

An impairment loss relating to Goodwill is recognised for the amount by which the carrying amount of a group of cash-generating units exceeds their recoverable amount. The recoverable amount for each group of cash-generating units is determined based on the higher of fair value in use less costs of disposal or value in use. An impairment loss recognised for Goodwill is not reversed in subsequent periods.

Management applies judgement to identify cash-generating units and groups of cash-generating units. Recoverable amounts and impairment assessment is determined using a value in use calculation. Value in use calculations require judgements to be made in relation to cash flow forecasts and projections, terminal value growth rates and discount rates.

The forecast cash flows are based on the financial year ending 30 June 2023 budget with the cash flows beyond the budget period projected over 5 years using annual growth rates for each product within each cash-generating unit based on historical earnings growth, current and forecast trading conditions and business plans.

For the impairment analysis conducted at 30 June 2022, the range of cash flow inputs have been determined as follows:

Revenue growth rates for years 1-5 of the value in use model are based on most recent past performance, management's expectations of market development, the expected expansion of market share and the inclusion of new product capabilities such as the Wholesale aggregation on white label products. Specifically, the model revenue growth rates for each segment are:

» Wholesale segment - a range from 7% to 26%,

» Business segment - a range from 4% to 23%; and

» Consumer segment - a range from 15% to 25%.

The forecast Gross Margin reflects the above revenues and a commensurate change in the associated cost of goods sold which reflect volume based increases (in the case of NBN product resale), anticipated price increases in other products, offset by cost savings that are delivered through ongoing leverage of the Group's purchasing power.

Operating Costs reflect the fixed costs of the CGUs, which do not vary significantly with sales volumes or prices, and also include management forecasts for these and other corporate costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost-saving measures. The annual increase in operating costs over years 1-5 in the value in use model range from 3% to 23%.

Annual Capital Expenditure reflects the expected cash costs in the CGUs for hardware and software that is developed to maintain the Network and support customer growth initiatives. The growth in Capital expenditure per year is not expected to be material and is based on an annual capital expenditure envelope of around $20m per annum.

A Terminal Value Growth rate is applied beyond the financial projection period and a post-tax discount rate 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. Management have used the following key assumptions in determining the recoverable amount of each group of cash-generating units to which Goodwill has been allocated:

	Terminal value growth rate		Discount rate	
	30 June 2022	30 June 2021[1]	30 June 2022	30 June 2021[1]
Consumer	3.00%	N/A	10.50%	N/A
Business	3.00%	N/A	11.50%	N/A
Wholesale	2.75%	N/A	10.50%	N/A

[1] The table above does not contain values for FY21 due to the fact that the CGU's applied in FY22 have been revised during the course of the year. In the prior year the CGU's were Connectivity, Broadband and Services. The Terminal Value Growth Rates for the CGU's in FY21 were 2.9% for Connectivity, 2.5% for Broadband and 0% for Services. The WACC applied in FY21 was 11.3% for all CGU's.

For the Business segment, impairment testing indicated that the carrying amount exceeded the recoverable amount at 30 June 2022, resulting in an impairment of $25.0 million to Goodwill. No other impairment loss on Goodwill has been identified.

During FY22, and as a consequence of the disposal of the Hong Kong entity and certain select Singapore Assets, the Group has derecognised $35.1 million of Goodwill. The amount of Goodwill that has been derecognised reflects the relative value of the discontinued operations.

For the Consumer and Wholesale segments, the Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of these group of CGUs to which Goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of the CGU's is based would not cause the individual or aggregate carrying amounts to exceed the individual or aggregate recoverable amounts of the related CGUs.

Due to current market conditions at the year-end, the Directors believe that appropriate sensitivities to include in the sensitivity analysis included a reduction in the terminal value growth rate by 1.0%, or a 1.0% increase in the post-tax discount rate for each of these cash-generating unit and groups of cash-generating units.

Whilst all of these sensitivities would reduce the headroom between the value in use and the carrying value of the CGU's, under all of these scenarios, the carrying value of these CGU's would remain below their estimated value in use.

With regards to the Business segment, a reduction in the terminal growth rate by 1% or a 1% increase in the post-tax discount rate would result in the carrying amount of the CGU reducing by $10.1 million and $9.3 million respectively.

14. Deferred tax

	Note	30 June 2022 $'000	30 June 2021 $'000
Recognised deferred tax assets / (liabilities) attributed to:			
Employee benefits		1,592	924
Expenses deductible in future periods		9,369	4,081
Tax credits from tax losses		12,490	13,549
Deferred revenue		871	2,908
Future deduction of share issue costs		849	915
Customer acquisition and equipment installations costs		(1,653)	(1,567)
Property, plant and equipment and intangible assets		(33,124)	(16,301)
Total deferred taxes		**(9,606)**	**4,509**
Net DTA/DTL by jurisdiction:			
Deferred tax assets		-	7,102
Deferred tax (liabilities)		(9,606)	(2,593)
Total deferred taxes		**(9,606)**	**4,509**

At the reporting date, the Group has unused tax losses of $161.1 million (FY21: $154.5 million) available for offset against future profits. A deferred tax asset of $12.5 million (FY21: $13.5 million) has been recognised in respect of $41.6 million (FY21: $56.6 million) of such losses. No deferred tax asset has been recognised in respect of the remaining $119.5 million (FY21: $97.9 million). Deferred tax assets are recognised where it is considered probable that they will be recovered against taxable profits in the future.

15. Trade and other payables

	30 June 2022 $'000	30 June 2021 $'000
Trade payables: Superloop	2,603	14,953
Trade payables: Exetel and Acurus	10,187	-
Other payables	4,295	1,016
Accrued expenses	13,164	2,021
Current tax liabilities	3,686	175
Deferred consideration	1,000	-
Contingent consideration	8,125	-
Total trade and other payables	**43,060**	**18,165**

16. Interest-bearing loans and borrowings

The Group had interest bearing loans and borrowings as at 30 June 2022 of $58.0 million (30 June 2021: $67.0 million). The average effective interest rate on bank borrowing is approximately 3.1% (2021: 2.89%) per annum and rates are determined as based on the leverage ratio tiered rate table plus the bank bill swap rate applicable to the term to maturity.

The Group has a $96.9 million three year revolving facility with Westpac, HSBC and ANZ maturing on 29 June 2024. The facility can be used for working capital, capital expenditures and permitted acquisitions. 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 $3.2 million have been issued under the facility.

The Group utilises an equipment vendor to provide funding for network equipment, entering into three year fixed rate instalment payment agreements. At 30 June 2022, there was nil funding liability outstanding under this arrangement (30 June 2021: $1.4 million). In terms of the Consolidated Statement of Cash Flows, 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 2022 $'000	30 June 2021 $'000
Current			
Equipment financing		-	1,386
Lease liability		4,812	3,063
Total current interest-bearing loans and borrowings		**4,812**	**4,449**
Non-current			
Lease liability		12,903	7,808
Revolving debt facility drawn (net of transaction costs)	(A)	40,316	54,748
Total non-current interest-bearing loans and borrowings		**53,219**	**62,556**
Total interest-bearing loans and borrowings		**58,031**	**67,005**
Total revolving debt facility limit		96,900	92,200
Less bank guarantees issued under the facility		(3,199)	(1,095)
Less amounts drawn (before transaction costs)		(41,269)	(56,269)
Revolving debt facility available		**52,432**	**34,836**

(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.

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	30 June 2021 $'000	Financing inflows	Financing outflows	Non-cash movement	30 June 2022 $'000
Bank loans (Note 16)	56,134	25,000	(41,386)	568	40,316
Total liabilities from financing activities	**56,134**	**25,000**	**(41,386)**	**568**	**40,316**

	30 June 2020 $'000	Financing inflows	Financing outflows	Non-cash movement	30 June 2021 $'000
Bank loans (Note 16)	51,580	61,777	(57,469)	246	56,134
Total liabilities from financing activities	**51,580**	**61,777**	**(57,469)**	**246**	**56,134**

17. Employee benefits

	30 June 2022 $'000	30 June 2021 $'000
Current	4,833	2,345
Non-current	525	773
Total employee benefits	**5,358**	**3,118**

The employee benefits represent accrued annual leave and long service leave entitlements.

18. Deferred revenue

	30 June 2022 $'000	30 June 2021 $'000
Deferred revenue	19,137	36,810
Deferred installation fees	2,264	2,513
Total deferred revenue	**21,401**	**39,323**
Current	5,037	4,437
Non-current	16,364	34,886
Total deferred revenue	**21,401**	**39,323**

Deferred revenue includes long-term capacity arrangements (rights-of-use ('IRU') agreements) which provide 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 obligation is met.

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

	30 June 2022 $'000	30 June 2021 $'000
Opening balance	**39,323**	**43,202**
Additions through business combination	4,130	-
Additions	3,528	5,263
Disposals	(20,230)	-
Revenue recognised	(5,350)	(9,142)
Closing balance	**21,401**	**39,323**

The employee benefits represent accrued annual leave and long service leave entitlements.

19. Contributed equity

A. SHARE CAPITAL

	30 June 2022 Number of shares	30 June 2021 Number of shares	30 June 2022 $'000	30 June 2021 $'000
Fully paid ordinary shares	486,807,489	450,614,343	638,228	603,931
Total share capital	**486,807,489**	**450,614,343**	**638,228**	**603,931**
Less: Issue costs			(14,261)	(13,004)
Contributed equity	**486,807,489**	**450,614,343**	**623,967**	**590,927**

B. MOVEMENTS IN ORDINARY SHARE CAPITAL

Date	Details	Number of shares	Issue Price $	Value $
30-Jun-20	**Balance**	**365,866,416**		**525,115,055**
17-Jun-21	Accelerated Entitlement Offer	32,059,755	0.93	29,815,572
17-Jun-21	Share placement	52,688,172	0.93	49,000,000
30-Jun-21	**Balance**	**450,614,343**		**603,930,627**
6-Jul-21	Accelerated Entitlement Offer	22,797,291	0.93	21,201,481
30-Jul-21	Exetel acquisition	9,900,990	1.01	10,000,000
27-Sep-21	Vesting of performance rights	87,400	0.95	83,030
22-Mar-22	Vesting of performance rights	13,800	0.91	12,558
24-Jun-22	Acurus acquisition	3,393,665	0.884	3,000,000
30-Jun-22	**Balance**	**486,807,489**		**638,227,695**

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 the 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.

	30 June 2022 $'000	30 June 2021 $'000
Total borrowings (as per Note 16)	58,031	67,005
Less: cash and cash equivalents	(83,133)	(89,724)
Net debt / (surplus cash)	(25,102)	(22,719)
Total equity	416,215	431,809
Gearing ratio	-6.0%	-5.3%

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 Consolidated Statement of Financial Position. Excluding lease liabilities and net borrowing transaction costs, the gearing ratio was -6.0% as at 30 June 2022 (FY21: -5.3%).

20. Reserves

	30 June 2022 $'000	30 June 2021 $'000
Share based payments	1,701	1,320
Foreign currency translation reserve[1]	2,616	(995)
Total reserves	**4,317**	**325**

[1] 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.

21. Dividends

No dividends were paid or declared in FY22 (FY21: Nil).

22. Key management personnel disclosures

A. KEY MANAGEMENT PERSONNEL COMPENSATION

	30 June 2022 $	30 June 2021 $
Short term employee benefits	2,477,474	2,674,508
Post employment benefits	90,233	133,565
Other Long-term employee benefits	-	-
Share based payments	209,909	210,313
Total key management personnel compensation	**2,777,616**	**3,018,386**

Detailed remuneration disclosures are provided in the Remuneration Report.

B. SHARE BASED PAYMENTS

Long term incentives - share options

During the year, Key Management Personnel and other employees of the Group participated in long-term incentive schemes. Total expense arising from share based payment transactions in the year to 30 June 2022 was $380,508 (FY21: $447,146).

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options are exercisable at a price equal to the average quoted market price of the Company's shares on the date of grant. The vesting period varies from 1 to 4 years. Options are considered expired if they remain unexercised from vesting to options expiration date. Options are forfeited if the employee leaves the Group before the options vesting date unless the Board deems otherwise.

Details of the share options outstanding during the year are as follows:

	30 June 2022		30 June 2021	
	Number of share options	Weighted average exercise price $	Number of share options	Weighted average exercise price $
Outstanding at beginning of the year	4,000,000	$1.29		
Granted during the year	684,250	$0.98	4,000,000	$1.29
Forfeited during the year	-	-		
Exercised during the year	-	-		
Expired during the year	-	-	-	-
Outstanding at the end of the year	**4,684,250**	**$1.24**	**4,000,000**	**$1.29**
Exercisable at the end of the year	**1,000,000**	**$1.11**		

There were no share options exercised during the period.

The options outstanding at 30 June 2022 had a weighted average exercise price of $1.24, and a weighted average remaining contractual life of 1.6 years. In FY22, options were granted to KMP on 01 September 2021. The aggregate of the estimated fair values of the options granted to KMP on those dates is $0.2 million. In FY21, options were granted on 18 November 2020. The aggregate of the estimated fair values of the options granted is $0.4 million. The inputs into the options black-scholes model used by the Group are as follows:

	30 June 2022	30 June 2021
Weighted average share price	$1.00	$1.00
Weighted average exercise price	$1.11	$1.29
Expected volatility	40.00%	40.00%
Expected life	3.25 years	3.25 years
Risk-free rate	3.77%	1.52%
Expected dividends yields	0.00%	0.00%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous 5 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

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 28.

23. 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 2022 $	30 June 2021 $
Deloitte and related network firms *		
Audit or review of financial reports:		
- Group	554,300	371,050
- Subsidiaries	24,520	37,410
Other assurance and agreed-upon procedures under other legislation or contractual arrangements	8,660	17,356
Other services:		
- Due Diligence Services	-	399,780
Total remuneration of Deloitte Touche Tohmatsu	**587,480**	**825,596**

* The auditor of Superloop Limited is Deloitte Touche Tohmatsu

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.

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.

24. 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 2022 $'000	30 June 2021 $'000
Property, plant and equipment	4,119	2,102
Total capital commitments	**4,119**	**2,102**

Capital commitments relate to contractual commitments associated with network expansion.

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.

25. Controlled entities acquired

Exetel Pty Ltd and its controlled entities ("Exetel")

On 1 August 2021, Superloop Limited acquired 100% of Exetel Pty Ltd and its controlled entities for a total consideration of $118.9 million, paid as $108.9 million in cash and $10.0 million in Superloop Limited shares issued at $1.01 per share. The acquisition accelerates the monetisation of Superloop's infrastructure assets and is expected to deliver annualised cost synergies of $5 million per year. During the period, the fair value of assets acquired and the liabilities assumed has been assessed and the effect on the financial statements has been summarised below. The Goodwill of $87.3 million represents the residual value of the purchase price over the fair value of the identifiable assets and liabilities.

As at 30 June 2022, Superloop has finalised the fair values of the assets and liabilities acquired. Details of the acquisition are:

	Fair value $'000
a) Identifiable assets acquired and liabilities assumed	
Cash	18,914
Receivables	3,955
Property, plant and equipment	2,434
Intangibles	43,429
Other assets	2,939
Payables	(16,605)
Current tax liability	(3,480)
Deferred tax liability	(12,190)
Provisions and other liabilities	(7,780)
Net identifiable assets acquired	**31,616**
b) Consideration transferred	
Cash paid	108,910
Shares issued	10,000
Consideration transferred	**118,910**
c) Goodwill on acquisition	
Consideration transferred	118,910
Less: net identifiable assets acquired	(31,616)
Goodwill on acquisition	**87,294**
d) Net cash outflow on acquisition	
Consideration paid in cash	108,910
Less: cash and cash equivalent balances acquired	(18,914)
Net cash outflow on acquisition	**89,996**

Goodwill arose on the acquisition of Exetel due to the expected synergies obtained from combining the businesses. These assets could not be separately recognised from Goodwill because they are not capable of being separated from the Group and sold, transferred, licensed, rented or exchanged, either individually or together with any related contracts. None of the Goodwill is expected to be deductible for income tax purposes.

Impact of the acquisition on the results of the Group

Loss before tax for the period ended 30 June 2022 includes profit before tax of $11.7 million attributable to Exetel. Revenue for the period ended 30 June 2022 includes $133.2 million in respect of Exetel.

Had the acquisition of Exetel been effected on 1 July 2021, the revenue of the Group from the continuing operations for the period ended 30 June 2022 would have been $262.2 million, and the loss for the year after tax from continuing operations would have been $61.7 million. The Directors of the Group consider these "pro forma" numbers to represent an approximate measure of the performance of the combined group and to provide a reference point for comparison in future years.

Acurus Pty Ltd and its controlled entities ("Acurus")

On 23 June 2022, Superloop Limited acquired 100% of Acurus Pty Ltd and its controlled entities for a total consideration of $26.0 million, paid as $10.1 million in cash and $3.0 million in Superloop Limited shares issued at $0.884 per share and $9.1 million in deferred and contingent cash consideration. The acquisition accelerates the monetisation of Superloop's infrastructure assets. During the period, the fair value of assets acquired and the liabilities assumed has been assessed and the effect on the financial statements has been summarised below. The Goodwill of $19.2 million represents the residual value of the purchase price over the fair value of the identifiable assets and liabilities.

As at 30 June 2022, Superloop is continuing to receive the information required to assess the fair values of the assets and liabilities acquired. Accordingly the values identified below are provisional as at the reporting date. Details of the acquisition are:

	Provisional fair value $'000
a) Identifiable assets acquired and liabilities assumed	
Cash	265
Receivables	860
Other Assets	326
Intangibles	10,153
Payables	(5,700)
Deferred tax liability	(2,795)
Net identifiable assets acquired	**3,109**
b) Consideration transferred	
Cash paid	10,139
Shares issued	3,000
Deferred and contingent consideration	9,125
Consideration transferred	**22,264**
c) Goodwill on acquisition	
Consideration transferred	22,264
Less: net identifiable assets acquired	(3,109)
Goodwill on acquisition	**19,155**
d) Net cash outflow on acquisition	
Consideration paid in cash	10,139
Less: cash and cash equivalent balances acquired	(265)
Net cash outflow on acquisition	**9,874**

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

26. Discontinued operations

On 17 October 2021, the Group entered into a sale agreement to dispose of Superloop Hong Kong Pte Ltd and select assets for Superloop Singapore Pte Ltd. The disposal was effected in order to drive greater shareholder returns by redeploying funds into more strategically aligned assets with higher growth opportunities. The disposal was completed on 29 April 2022, on which date control of Superloop Hong Kong Pte Ltd and select assets for Superloop Singapore Pte Ltd passed to the acquirer.

The results of the discontinued operations, which have been included in the profit for the year were as follows:

	30 June 2022 $'000	30 June 2021 $'000
Revenue	12,713	14,828
Other income	42	14
Total revenue and other income	**12,755**	**14,842**
Direct costs	(4,565)	(5,447)
Employee benefits expense	(1,379)	(1,313)
Professional fees	(10)	(56)
Marketing costs	(8)	(7)
Administrative and other expenses	(1,878)	(1,821)
Total expenses	**(7,840)**	**(8,644)**
Earnings before interest, tax, depreciation, amortisation and foreign exchange gains / losses (EBITDA)	**4,915**	**6,198**
Depreciation and amortisation expense	(7,360)	(8,580)
Interest expense	(2)	(4)
Foreign exchange (losses) / gains	2,453	(5,329)
Profit / (loss) before income tax	**6**	**(7,715**
Income tax benefit/(expense)	556	(644)
Profit / (loss) for the year from discontinued operations before gain on disposal	**562**	**(8,359)**
Net gain on disposal (excluding Goodwill derecognition)	46,606	-
Goodwill derecognised on discontinued operations	(35,144)	-
Income tax expense	(3,118)	-
Profit / (loss) for the year after tax for the year attributable to the owners of Superloop Limited	**8,906**	**(8,359)**

A gain of $46.6 million arose on the disposal of Superloop Hong Kong Pte Ltd and select Superloop (Singapore) Pte Ltd assets, being the difference between the proceeds of disposal and the carrying amount of the subsidiary's net assets. The disposal is consistent with the Group's long-term policy to focus its activities on the Group's other businesses. As a consequence of the disposal of the Hong Kong entity and certain select Singapore Assets, the Group derecognised $35.1 million of Goodwill. The amount of Goodwill that has been derecognised reflects the relative value of the discontinued operations.

Cash flow information

	30 June 2022 $'000	30 June 2021 $'000
Net cash inflow from operating activities	1,562	3,692
Net cash inflow/(outflow) from investing activities	369	(1,500)
Net cash (outflow)/inflow from financing activities	(52)	10,376

The net assets of Superloop (Hong Kong) Limited & Superloop (Singapore) Pte Ltd and the net consideration received at 29 April 2022 were as follows:

	29 April 2021 $'000
Net assets disposed	125,741
Foreign currency translation reserve write back	2,797
	128,538
Total consideration	140,000
Net gain on disposal (including Goodwill derecognition)	**11,462**
Consideration received	140,000
Less: cash for acquisition of Intangibles	(15,000)
Net cash inflow arising on disposal	**125,000**

27. Transaction costs

In the course of strategic merger and acquisition activity, the Group incurs costs associated with the acquisition and disposal of entities or assets, and the subsequent integration or separation of those entities or assets into or from the remainder of the Group's operations. In FY21, the transaction costs relate specifically to the acquisition of Exetel Pty Ltd which completed on 01 August 2021. In FY22 transaction costs have been incurred in relation to:

a. The acquisition of Exetel Pty Ltd which completed on 01 August 2021;

b. The disposal of the Superloop Hong Kong entity and certain select Singapore Assets which was agreed on 21 October 2021 and completed on 29 April 2022; and

c. The acquisition of Acurus Pty Ltd which was agreed on 24 May 2022 and completed on 23 June 2022.

The components of the transaction costs for each of FY21 and FY22 which have been included in the income statement in accordance were as follows:

	30 June 2022 $'000	30 June 2021 $'000
Adviser Fees	(4,775)	(551)
Integration - Network	(1,114)	-
Integration - Operational	(337)	-
Termination Charges	(622)	-
Employee Retention	(635)	-
Total Transaction Costs	**(7,483)**	**(551)**

Notes: Description of Costs included in Transaction Costs

(1) Adviser Fees relate to external legal and professional fees incurred relating to the transaction.

(2) Network Integration costs relate to costs associated with the migration of customers and services onto the Superloop network.

(3) Operational Integration costs relate to costs associated with the migration and integration of systems, processes, software and brands on the Superloop operational platform and includes the costs of the internal acquisitions department as well as general administrative costs associated with the transaction.

(4) Termination Charges relate to costs associated with employee, consultant and other external provider contracts that were terminated due to a duplication of services as a consequence of a transaction.

(5) Employee Retention – During FY22 the Group paid a Transaction Bonus to certain executives contingent upon and related to the successful completion of the Exetel Acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

28. Related party transactions

On 28 October 2021, Bevan Slattery resigned as a Chair & Non-Executive Director of the Group. The following is a summary of the transactions with related parties for the financial year.

Shared services agreement with Capital B

The Group has entered into a shared services agreement with Capital B Pty Ltd (Capital B), a company controlled by the former Chair of Superloop (retired 28 October 2021). Under the agreement, Capital B and Superloop provide certain services to/from the Group (e.g. administrative and information technology services) on an as needed basis and provided on arm's length terms. Either party may terminate the agreement for convenience on 60 days' written notice. During FY22, fees earned from Capital B totalled $1,000,000 (FY21: $nil). Net receivable by the Company in relation to the consulting services provided was $1,000,000 (FY21: $nil).

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 former Chair of Superloop (retired 28 October 2021) is the Chair and significant shareholder of Megaport. The agreements are on the same terms as other agreements between Superloop and unrelated customers and the fees are at competitive market rates. During FY22, net fees earned from Megaport totalled $1,036,718 FY21: $830,672). Net receivables from Megaport at 30 June 2022 is $53,731 (FY21: $81,541).

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. During FY22, fees earned from Rising Sun Pictures totalled $90,920 (FY21: $77,880). Net receivables from Rising Sun Pictures at 30 June 2022 is $nil (FY21: $12,980).

Consulting services provided to APX Partners Pty Ltd

The former Chair of Superloop (retired 28 October 2021) is the founder and a shareholder of APX Partners Pty Ltd. APX Partners Pty Ltd is 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 (completed in May 2019). In addition to the above, the Group provides adhoc consulting services to APX Partners Pty Ltd. During FY22, fees earned from APX Partners Pty Ltd totalled $45,438 (FY21: $592,261). Net receivables from APX Partners Pty Ltd at 30 June 2022 is $nil (FY21: $nil).

Customer agreement with Fiber Sense Pty Ltd

Superloop entered into a customer agreement in June 2018 with a former associate entity 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. During FY22, services received amounted to $5,218 (FY21: $5,949). Net payable to Fiber Sense Pty Ltd at 30 June 2022 totalled $nil (FY21: net payable $496).

Supplier agreement with Subco

Superloop has entered into a supplier agreement for the provision of connectivity services with Subco. The former Chair of Superloop (retired 28 October 2021) is the founder/Director of Subco. During FY22, payments made to Subco totalled to $412,500 (FY21: $825,000). Net payable to Subco at 30 June 2022 is $nil (FY21: $nil).

PROVISION OF SERVICES TO / FROM RELATED PARTIES

	30 June 2022 $'000	30 June 2021 $'000
SALES OF GOODS / SERVICES		
Revenue earned from related parties	2,273,683	1,591,495
AMOUNTS PAID TO RELATED PARTIES		
Provision of services to Superloop	412,500	921,631
BALANCE OUTSTANDING AT THE END OF THE YEAR		
Receivables	1,053,731	112,000
Trade and other payables	-	17,975

29. Reconciliation of loss after income tax to net cash flow from operating activities

	30 June 2022 $	30 June 2021 $
Profit / (loss) for the year after income tax	**(52,626)**	**(31,964)**
Adjustments for:		
Depreciation and amortisation	51,758	46,373
Impairment	25,057	-
Share based payments expense	381	447
Interest income	(173)	(10)
Interest expense	3,964	3,173
Foreign exchange gain / (losses)	(1,815)	705
Gain on disposal of operations and assets	(11,538)	(100)
Change in operating assets and liabilities		
(Increase) / decrease in trade debtors	(3,212)	(132)
(Increase) / decrease in prepayments and other receivables	(4,470)	1,941
(Decrease) / increase in trade creditors and other payables	(14,217)	(1,294)
(Decrease) / increase in deferred revenue	(3,676)	(3,879)
(Decrease) / increase in provisions	(36)	(684)
(Decrease) / increase in tax related balances	(869)	445
Net cash (outflows) / inflows from operating activities	**(11,472)**	**15,120**

30. Non-cash transactions

During the year, the Group entered into a number of intangible IRU non-cash investing activities which are not reflected in the consolidated statement of cash flows FY22: $0.3 million (FY21: $1.6 million).

31. 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 9 "Cash and cash equivalents" and Note 10 "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 15 "Trade and other payables" and Note 16 "Interest-bearing loans and borrowings". For the Trade and other payables and interest-bearing loans and borrowings, 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 $'000
30 June 2022				
Financial liabilities measured at fair value				
Deferred consideration	-	1,000	-	1,000
Contingent consideration	-	8,125	-	8,125
Derivative financial liabilities	-	-	-	-
Total financial liabilities	-	9,125	-	9,125
30 June 2021				
Financial liabilities measured at fair value				
Deferred consideration	-	-	-	-
Contingent consideration	-	-	-	-
Derivative financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

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$/HK$, SG$/US$ and A$/LKR. Because a proportion of Superloop's payments for inventory and construction work are made or are expected to be made in foreign currency, primarily US dollars, movements in exchange rates impact on the amount paid for assets, inventory and construction work. Also, because a proportion of Superloop's revenues and profits are earned in Singapore and Hong Kong, movements in exchange rates impact on the translation of account balances in Superloop's Singapore and Hong Kong operations. Therefore, movements in exchange rates, particularly the A$/US$ rate, the A$/SG$, A$/HK, SG$/US$ and A$/LKR 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, none of which were open as at 30 June 2022.

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 9), and the Group's interest-bearing liabilities. The Group mitigates potential exposure to a movement in interest rates via the use of a derivative interest rate swap when required.

iv. Sensitivity

At 30 June 2022, if interest rates had increased by 100 basis points or decreased by 100 basis points from the year end rates, and the cash balances remained constant for the year along with all other variables, profit before tax for the year would be impacted $488k 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 2022 $'000	30 June 2021 $'000
AA rated	83,133	89,724
A+ rated	-	-
BBB+ rated	-	-
TOTAL	83,133	89,724

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

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 2022, the Group had $22.1 million customer trade receivables (refer Note 10).

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 re-financed senior debt facility and equity raise completed July 2021, together with cash flows from operations, and proceeds from the sale of the Hong Kong entity and certain select Singapore assets provides sufficient capital to fund its expected working capital requirements for at least the next 12 months.

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
30 June 2022					
Trade and other payables	43,060	-	-	43,060	43,060
Interest-bearing borrowings	5,856	55,259	-	61,115	58,031
Total non-derivatives	48,916	55,259	-	104,175	101,091
30 June 2021					
Trade and other payables	18,165	-	-	18,165	18,165
Interest-bearing borrowings	4,449	68,357	-	72,806	67,005
Total non-derivatives	22,614	68,357	-	90,971	85,170

32. Earnings per share

A. EARNINGS PER SHARE

	30 June 2022 Cents	30 June 2021 Cents
Total basic earnings / (loss) per share attributable to the ordinary equity holders of the Group	(10.91)	(8.66)
Continuing operations	(12.76)	(6.40)
Discontinued operations	1.85	(2.26)

B. DILUTED EARNINGS PER SHARE

	30 June 2022 Cents	30 June 2021 Cents
Total diluted earnings / (loss) per share attributable to the ordinary equity holders of the Group	(10.91)	(8.66)
Continuing operations	(12.76)	(6.40)
Discontinued operations	1.85	(2.26)

C. RECONCILIATIONS OF EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	30 June 2022 $'000	30 June 2021 $'000
Basic Earnings Per Share		
Earnings / (loss) attributable to the ordinary equity holders of the Group used in calculating basic losses per share	(52,626)	(31,964)
Continuing operations	(61,532)	(23,605)
Discontinued operations	8,906	(8,359)
Diluted Earnings Per Share		
Earnings / (loss) from continuing operations attributable to the ordinary equity holders of the Group	(52,626)	(31,964)
Continuing operations	(61,532)	(23,605)
Discontinued operations	8,906	(8,359)

D. WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

	30 June 2022 Number of shares	30 June 2021 Number of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	482,348,909	369,117,021
Effects of dilution from:		
Performance rights	-	-
Share options	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	482,348,909	369,117,021

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.

33. Subsidiaries

	Country of incorporation	Class of shares	30 June 2022 %	30 June 2021 %
Superloop (Australia) Pty Ltd[1]	Australia	Ordinary	100%	100%
Superloop (Singapore) Pte Ltd	Singapore	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%
BigAir Group Pty Ltd[1][2]	Australia	Ordinary	100%	100%
Clever Communications Australia 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%
CyberHound Pty Ltd[1]	Australia	Ordinary	100%	100%
bvSubPartners Pty Ltd[1]	Australia	Ordinary	100%	100%
SubPartners Pte Ltd	Singapore	Ordinary	100%	100%
Nuskope Pty Ltd[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%
Superloop Broadband Pty Ltd[1]	Australia	Ordinary	100%	100%
Exetel Pty Ltd[1][2]	Australia	Ordinary	100%	
Exetel Communications (Private) Ltd	Sri Lanka	Ordinary	100%	
Acurus Holdings Pty Ltd	Australia	Ordinary	100%	
Acurus Pty Ltd	Australia	Ordinary	100%	
Acurus Networks Pty Ltd	Australia	Ordinary	100%	
Acurus Solutions Pty Ltd	Australia	Ordinary	100%	
Tomi Broadband Pty Ltd	Australia	Ordinary	100%	

[1] These wholly-owned subsidiaries are members of the Australian tax-consolidated group.
[2] These entities along with Superloop Limited are party to the deed of cross guarantee, Pursuant to the ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (ASIC Instrument), for the principal purpose of enabling these entities to take advantage of relief from the requirements of the Corporations Act to prepare and lodge afinancial report.

34. Events occurring after the reporting period

Subsequent to the reporting date, Superloop Limited announced its intention to undertake an on-market share buy-back for a maximum of 48,680,748 ordinary shares, representing 10.0% of the Company's issued share capital.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

35. 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 2022 $'000	30 June 2021 $'000
ASSETS		
Current assets	40,529	83,080
Non-current assets	439,019	537,452
TOTAL ASSETS	479,548	620,532
LIABILITIES		
Current liabilities	9,328	1,386
Non-current liabilities	149,022	63,669
TOTAL LIABILITIES	158,350	65,055
EQUITY		
Contributed equity	623,967	590,927
Dividends paid	(1,050)	(1,050)
Reserves	(1,626)	1,320
Accumulated losses	(300,093)	(35,720)
TOTAL EQUITY	321,198	555,477
Profit / (loss) for the year	(264,373)	(10,035)
Total comprehensive profit / (loss) for the period	(264,373)	(9,954)

A. CONTINGENT LIABILITIES OF SUPERLOOP LIMITED (PARENT ENTITY)

As at 30 June 2022, Superloop Limited did not have any contingent liabilities.

Directors' Declaration

In the directors' opinion:

a. the financial statements and notes set out on pages 62 to 109 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 2022 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(b) 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.

Paul Tyler
Chief Executive Officer & Director
26 August 2022

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 2022, 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:

» Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

» 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 & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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.

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 the 30 June 2022 the Group's goodwill balance totals $181 million as disclosed in Note 13. 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; › terminal growth rates; 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 and challenging the Group's identified CGUs and groups of CGUs and the allocation of goodwill to the carrying value of the CGUs and groups of CGUs based on our understanding of the Group's business. This evaluation included performing an analysis of the Group's internal management 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 annual 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 Notes 3 and 13 to the consolidated financial statements.
Acquisition of Exetel Pty Ltd and its controlled entities ("Exetel") On 1 August 2021, the Group acquired 100% of Exetel for total consideration of $118.9 million, consisting of $108.9 million in cash and $10 million in Superloop Limited shares. The acquisition has been accounted for using the acquisition method as provided by AASB3 Business Combinations. Identifiable intangible assets of $43 million were recognised with $87 million of goodwill also being brought to account. The identification and valuation of intangible assets, including valuation techniques applied require significant judgement.	Our procedures included, but were not limited to: » Reviewing the executed agreements to obtain an understanding of the transaction; » Evaluating the appropriateness of the identification of identifiable intangible assets; » In conjunction with our valuation specialists, challenging the key assumptions and valuation techniques used by management in the valuation of intangible assets; » Testing the mathematical accuracy of the purchase price allocation and resulting recognition of goodwill; and » Assessing the appropriateness of the disclosures in Note 25 to the consolidated financial statements.

Deloitte.

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 2022, 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 express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information 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, 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.
- 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, actions taken to eliminate threats or safeguards applied.

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 45 to 57 of the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Superloop Limited, for the year ended 30 June 2022, 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

Tendai Mkwananzi

Partner
Chartered Accountants
Brisbane, 2 September 2022

ASX Additional Information

The following shareholder information was applicable as at 31 August 2022.

(A) DISTRIBUTION OF EQUITY SECURITIES

The Company has one class of shares on issue, fully paid ordinary and escrow shares.

Holding	Number of Investors	Number of Securities	%
1 to 1,000	1,972	1,008,498	0.21
1,001 to 5,000	2,577	7,029,606	1.45
5,001 to 10,000	1,243	9,369,507	1.93
10001 to 100000	2,241	61,762,119	12.73
100001 and Over	189	406,065,759	83.68
Total	**8,222**	**485,235,489**	**100.00**
Unmarketable Parcels	1,340	441,600	0.21

(B) EQUITY SECURITY HOLDERS

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

	Holding	Issued Shares	Percentage of issued shares
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	86,019,908	17.73
2	BEVAN ANDREW SLATTERY	60,625,389	12.49
3	NATIONAL NOMINEES LIMITED	59,100,419	12.18
4	CITICORP NOMINEES PTY LIMITED	49,486,392	10.20
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,740,119	5.92
6	ARGO INVESTMENTS LIMITED	22,541,176	4.65
7	WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	9,441,536	1.95
8	UBS NOMINEES PTY LTD	9,069,595	1.87
9	ANNETTE ELIZABETH LINTON	7,920,792	1.63
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,579,235	1.36
11	BNP PARIBAS NOMS PTY LTD	6,152,692	1.27
12	WOODROSS NOMINEES PTY LTD	5,356,145	1.10
13	BRISPOT NOMINEES PTY LTD	3,770,239	0.78
14	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	2,417,647	0.50
15	NEWECONOMY COM AU NOMINEES PTY LIMITED	2,384,822	0.49
16	WIDE HORIZONS PTY LTD	1,980,198	0.41
17	JMRF PTY LTD	1,639,730	0.34
18	PARKER THOMPSON HOLDINGS PTY LTD	1,639,730	0.34
19	CS FOURTH NOMINEES PTY LIMITED	1,027,989	0.21
20	MR DENNIS JAY JOLLEY	950,000	0.20
	Total	366,843,753	75.60
	Balance of register	118,391,736	24.40
	Grand total	485,235,489	485,235,489

ASX ADDITIONAL INFORMATION

(C) SUBSTANTIAL HOLDERS

	Holding	Issued Shares	Percentage of issued shares
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	86,019,908	17.73
2	PERENNIAL VALUE MANAGEMENT LIMITED	60,625,389	12.49
3	NATIONAL NOMINEES LIMITED	59,100,419	12.18
4	CITICORP NOMINEES PTY LIMITED	49,486,392	10.20
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,740,119	5.92

(D) UNQUOTED EQUITY SECURITIES

Options: A total of 8,428,052 unlisted options are on issue

Performance Rights: 2,181,458 Executive Performance Rights and 1,066,000 General Performance Rights are on issue

(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.

(F) ON-MARKET BUY-BACK

Superloop has announced an on-market share buy-back on 4 July 2022 for a maximum of 48,680,748 ordinary shares, representing 10.0% of the Company's issued share capital. The buy back period started 19 July 2022 and the proposed end date is 30 June 2023.

CORPORATE DIRECTORY

DIRECTORS

Peter O'Connell

Independent Chair and
Non-Executive Director

Richard Anthony (Tony) Clark

Non-Executive Director

Vivian Stewart

Non-Executive Director

Stephanie Lai

Non-Executive Director

Alexander (Drew) Kelton

Non-Executive Director

CHIEF EXECUTIVE OFFICER

Paul Tyler

COMPANY SECRETARY

Tina Ooi

REGISTERED OFFICE

Superloop Limited

Level 1, 545 Queen 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

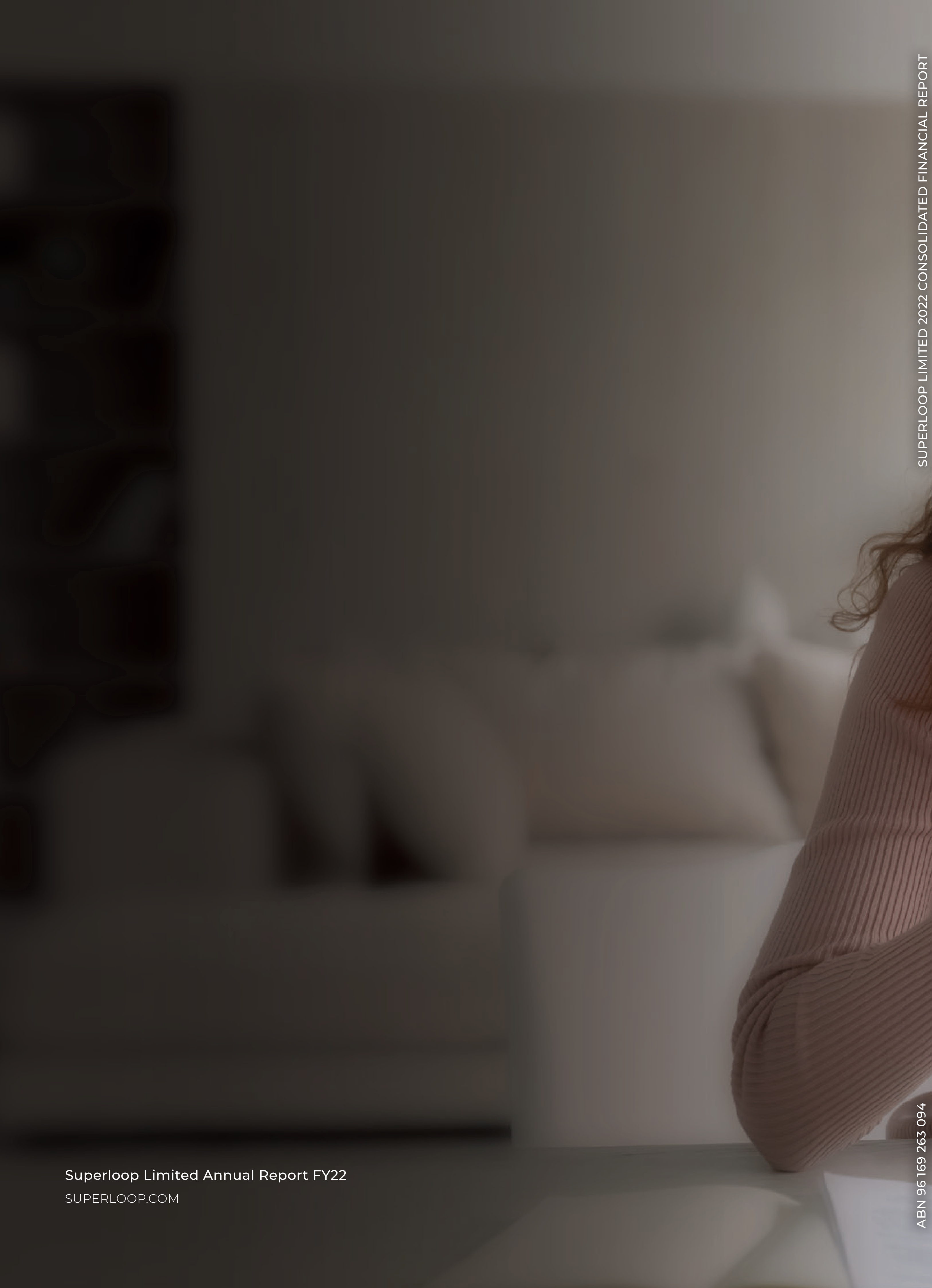
Telephone: (within Australia):
1300 554 474
Facsimile: (02) 9287 0303

SECURITIES EXCHANGE LISTING

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

COMPANY WEBSITES

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



Superloop Limited Annual Report FY22

SUPERLOOP.COM

SUPERLOOP LIMITED 2022 CONSOLIDATED FINANCIAL REPORT

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