

Symbio Chairman's AGM Address November '23

Chairman's Address

Turning now to my Chairman's address.

It is fair to say that FY23 was a challenging year for Symbio.

In November last year, we celebrated Symbio's 20th birthday and marked the company's transition from a traditional telecommunications provider into a global, seasoned Software-as-a-Service (SaaS) Operator.

Simultaneously, we navigated a downturn in global economic conditions and a rapid deterioration in demand from some of our largest international customers, coupled with a ramp up in domestic competition. We acted quickly in response to these changing conditions, taking prudent measures to reduce CapEx and OpEx and preserve Symbio's strong balance sheet.

As the year progressed Symbio saw a return to growth with an increase of 11% in numbers on its network as existing CPaaS customers consolidated services, choosing Symbio based on the level of service, trust, and expertise they have come to expect.

The UCaaS acquisition of Intrado's Cloud Communications business saw a 143% increase in seats, adding 60 leading Enterprise and Government customers and approximately 60,000 Cisco collaboration seats, cementing our long-standing partnership with Cisco.

Symbio's Australian and New Zealand based TaaS business continued to perform in line with expectations, with a net increase of 10% to 180,000 services by the end of the financial year.

June of this year also saw the milestone launch of Symbio's Malaysian voice network and the introduction of the South-East Asian Hub, following the model of our Australia & New Zealand Hub. These hubs provide customers with cost-effective, scalable, and high-availability voice coverage across two key regions. By reducing the costs associated with managing multiple interconnections, the Hub model has allowed Symbio customers to expand, connect and thrive in a rapidly digitising region.

On the 1st of August this year, Symbio announced the receipt of an unsolicited acquisition proposal from Superloop to acquire all the shares in Symbio via a scheme of arrangement. The board of Symbio believed there was sufficient commercial merit in the proposal to enter into a due diligence process with Superloop.

Then, on the 29th of September, Symbio received a competing proposal from Aussie Broadband, which the board of Symbio considered to be superior to the Superloop proposal.

After an extended period of due diligence, Aussie Broadband lodged an unconditional offer to acquire all the shares in Symbio. The Symbio Board voted unanimously in favour of Aussie Broadband's proposal on the 31st of October 2023 and recommends shareholders support the scheme, in the absence of a superior proposal and subject to the conclusions of an independent expert report. A scheme implementation agreement has been signed, under which Aussie Broadband will pay \$2.26 in cash and 0.192 Aussie Broadband shares for each Symbio share, representing a total equity value of \$262 million and implying an enterprise value of \$241 million. Symbio is also permitted to pay a dividend to shareholders of up to 35 cents per Symbio share, implying a release of franking credits of up to 15 cents per share.

The offer is set to complete on 28 February 2024, subject to satisfaction of all conditions precedent, including approval by Symbio shareholders at the scheme meeting. Further important detail will be provided in the Scheme Booklet to be provided to Symbio shareholders in coming weeks.

As is evident from the competing bids, Symbio is an attractive proposition - it is profitable, debt free and continues to grow both domestically and abroad. The launch of our Malaysia network and growth in Singapore customers is testament to our success and is underpinned by our strategic ambition of reaching one hundred million numbers by 2030. We have made progress towards this ambitious goal

in the past year by growing our total addressable market while delivering reliable and effective access to our customers as they continue to expand further into Asia.

While Taiwan remains a key investment area for Symbio, with keen interest being expressed by global customers, expansion into this market is paused for now due to the focus on the acquisition process.

As Symbio continues to grow it has recognised the impact its operations have on the environment, society, and governance (ESG) and committed to setting meaningful ESG targets and actions. FY23 saw the completion of Symbio's ESG strategic framework, moving closer towards its long-term goal of Net Zero.

Thanks

In closing, I'd like to thank my fellow Directors for their continued support throughout FY23 and into FY24. Navigating the complexities of successive takeover proposals, whilst maintaining focus on BAU and cost discipline is hard work. Your board has met more than 30 times this calendar year as we continued to strive for the best outcomes for you, our Shareholders,

I would also like to thank the members of the Executive Leadership Team who have been called upon to manage multiple due diligence processes as well as continue to lead the business through a challenging trading year.

I would also like to acknowledge all of the amazing Symbio Staff, who have remained focused on closing deals, working to budget, and continuing the work they are doing in executing Symbio's Vision 2030.

Finally, thank-you to you, our shareholders for your continued support - your belief in the company and what it could achieve has underpinned Symbio's success.