



SpeedCast International Limited

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Presentation Outline

1. SpeedCast Overview
2. FY 2016 Financial Highlights
3. Harris Caprock Integration
4. Market Growth Trends and Technology Impacts
5. Conclusion and Outlook
6. Questions?



SpeedCast Overview



The global leader in remote communications and IT services

SpeedCast is the world's most trusted provider of fully managed remote communication network and IT services

- **Industry leader:** extensive worldwide footprint of local support, infrastructure and coverage coupled with world-class technology and a strong safety culture
- **Innovator:** able to design, integrate, secure and optimize networks tailored to customer needs
- **Customer focused:** with technology agnostic solutions and support designed to meet the needs of each unique customer installation
- **Highly Skilled People** make the difference in the services SpeedCast provides
- Creating value for our customers **beyond connectivity** to meet evolving customer needs



Service & support wherever you need it – *SpeedCast @ January '17*

5 x 24/7 NOCs
On Key Continents and
Multilingual

40
Sales & Field
Support
Locations

1,100+
Employees

Customers in
100+ Countries

 SpeedCast Sales &
Service Operations

 Teleport
& NOC

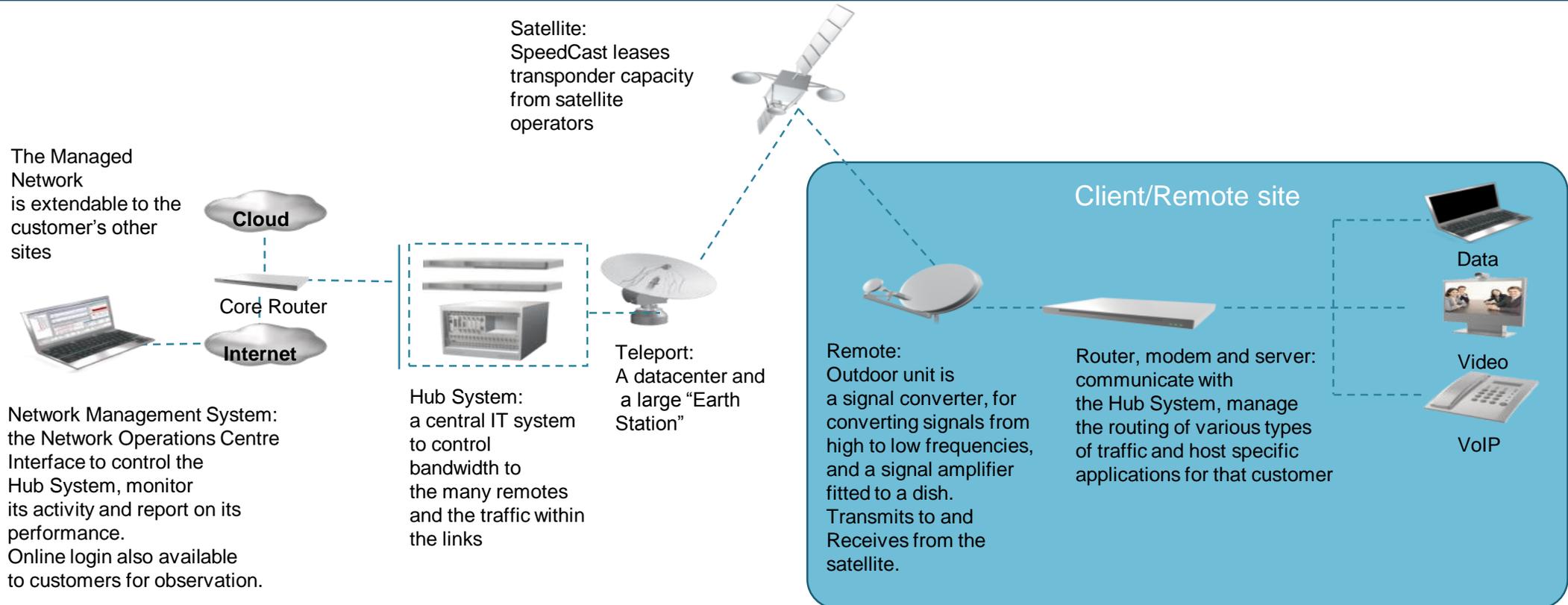
 Service by Partner

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SpeedCast 

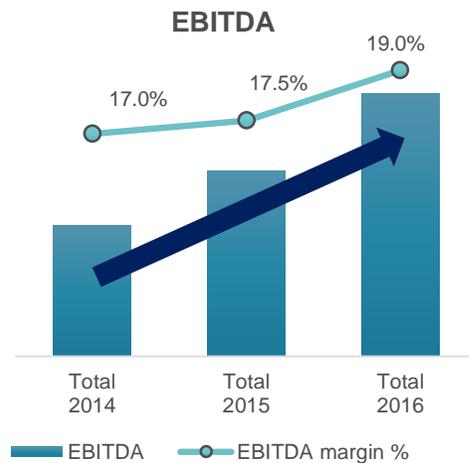
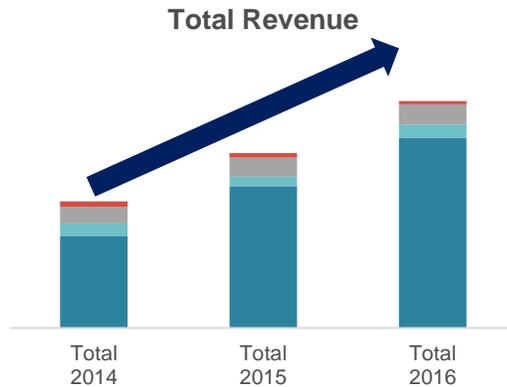
SpeedCast provides the necessary infrastructure and capabilities to turn satellite capacity into a useful network service for a wide range of end users

Illustrative SpeedCast VSAT network setup



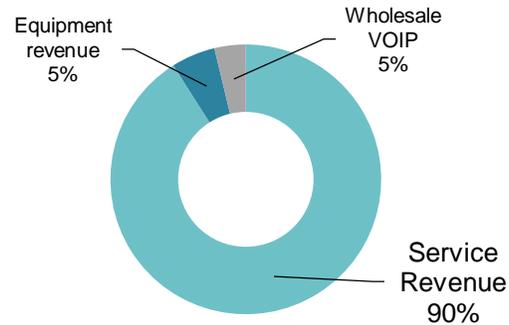
Sound underlying financial characteristics

Growth in Key Financial Metrics



Recurring revenue base

Revenue by type

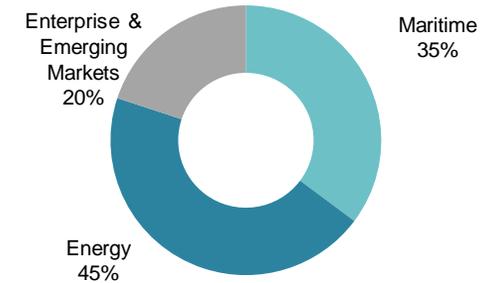


Service revenues (c.90% of total)

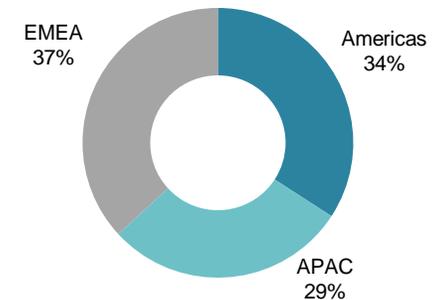
- Recurring revenue base from service and usage based contracts
- 2-3 year average contract length, 3-5 years in some industries
- High renewal rate; Low churn rate. Historical churn rate of approximately 1% per month

Diversification across Industries and Geographically

Revenue by segment



Revenue by geography



Industries with positive underlying growth characteristics

Energy



- SpeedCast is market leader following acquisition of Harris Caprock
- Cyclical industry, currently at a low point in the cycle. Sector recovery momentum building
- Consolidated services requirement, consistent with SpeedCast strategic positioning in the remote communications industry

Maritime



- SpeedCast is market leader in VSAT communications following acquisition of Harris Caprock
- VSAT penetration driving growth in Merchant Shipping. Current penetration estimated at c.25%
- Strong volume growth fundamentals in Cruise segment

Enterprise & Emerging Markets ('EEM')



- Diversified segment. Includes Government, Telecommunications, Mining, NGOs, Media and Aviation
- Mining & Government spending expected to increase
- Cellular backhaul in LATAM and Africa driving growth
- Fragmented industry. Limited global competitors

Investment value creation strategy

■ Growth

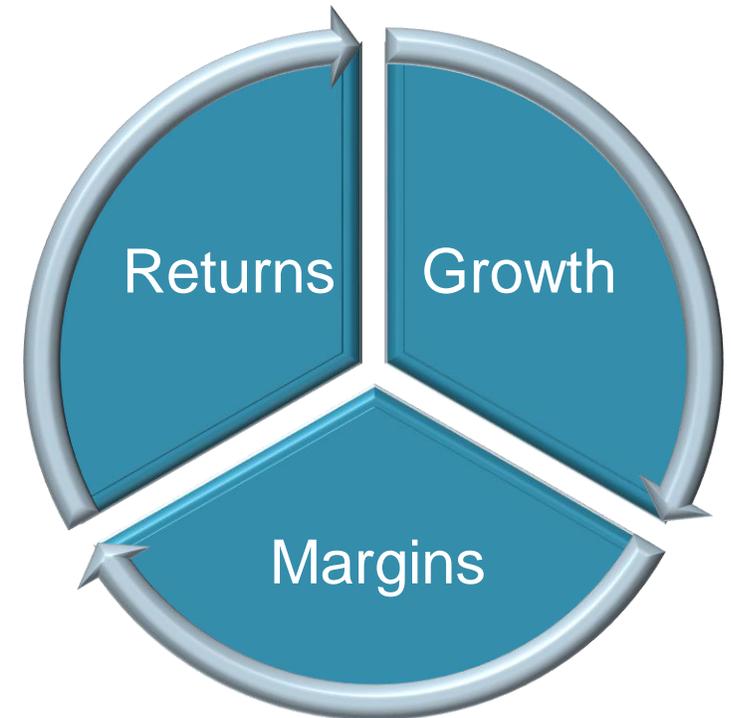
- ▶ Organic revenue growth
 - Increasing demand for connectivity
 - Positive underlying fundamentals in industries served by SpeedCast
- ▶ Revenue synergies from acquisitions (new markets/services)

■ Margins

- ▶ Expansion in margin % from operating leverage & scale
- ▶ Bandwidth cost savings benefits from oversupply

■ Returns

- ▶ Strong cash flow generation (FCF > EPS); Low capex requirements
- ▶ Ability to de-leverage balance sheet quickly
- ▶ Fragmented market creating opportunities for further accretive M&A transactions



FY 2016 Financial Highlights



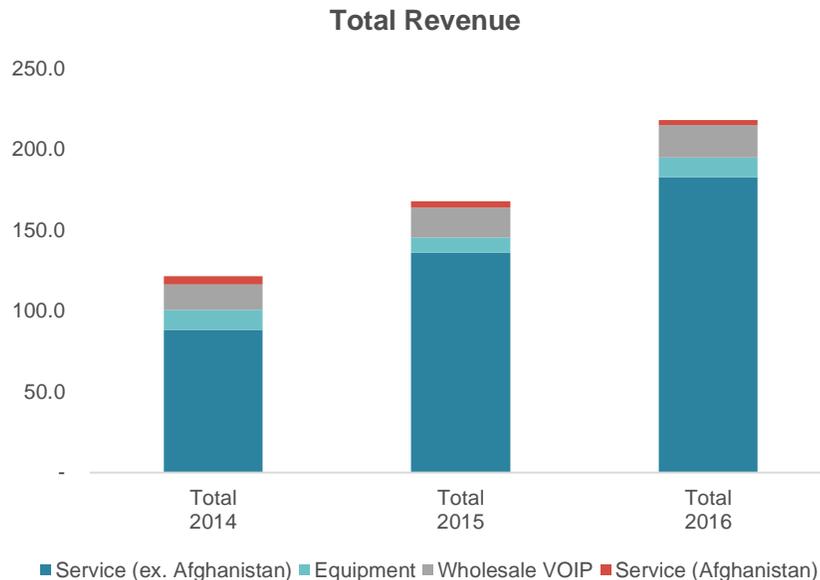
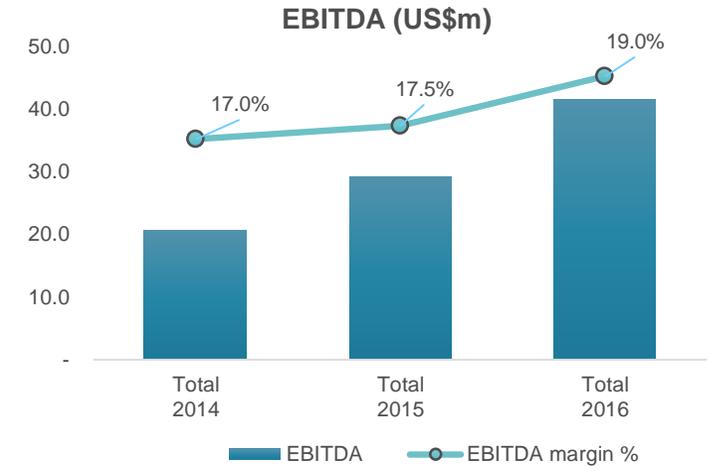
FY 2016 financial highlights – *sustained growth*

Group Revenue
US\$218.0m **↑ 30%**

Service Revenue¹
US\$182.7m **↑ 34%**

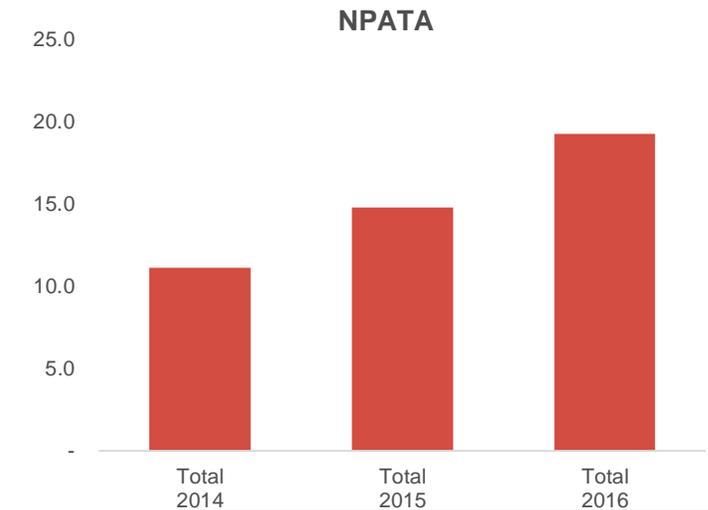
EBITDA²
US\$41.5m **↑ 42%**

EBITDA Margin²
↑ 150bps



NPATA²
US\$19.2m **↑ 30%**

NPATA per Share²
13.5 cps **↑ 9%**



¹ Service Revenue excludes Afghanistan.

² Underlying- Underlying financial results are intended to exclude items which are non-recurring in nature, such as acquisition-related transaction costs, integration costs and restructuring costs.

A successful FY 2016, re-positioning the group as the global market leader

- **Key strategic bolt on acquisitions completed and transformational acquisition of Harris Caprock**
- **Continued successful integration of previous acquisitions realising revenue and cost synergies**
- **Growth**
 - ▶ Growth in all key financial metrics
 - ▶ SpeedCast continued to grow in tough market conditions, outperforming many of our competitors and peers who experienced declines in 2016
- **Operational performance**
 - ▶ EBITDA margin % and core Service Margin % continue to climb
 - ▶ Good operating and free cash flow generation
 - ▶ NPATA per share growth



Harris Caprock Integration



Integration road map, Phase 1 & 2 activities completed



1

Between signing and closing (estimated 90 days)

- Meetings with key managers and determination of the global organisational structure
- Preparation of synergies plan
- Analysis and design of high level integration plan and preparation of work streams, Project Management team, Steering Committee
- Re-branding plan
- Analysis of product offerings



2

First 60 days

- Meetings with key strategic energy and maritime customers
- Employees “All Hands” meeting
- Presentation and implementation of new organisation
- Detailed integration and synergy plan finalised and launched
- Refresh management initiatives

3

60-180 days

- Implementation of integration and synergy plan
- Initial network consolidation initiatives
- Re-branding

4

> 180 days

- Continued implementation of longer term integration projects:
 - IT, Service management, Network consolidation

Phase 1 & 2 activities

- Closed on 1 January 2017, earlier than expected
- Integration work-streams identified and internal leaders and teams engaged. Cap Gemini appointed to provide advice and support integration activities
- New organisation structure developed and announced in mid Jan-17
- Global functional and sales meetings in February 2017, including inaugural meeting of Top 70 Leaders
- High level of staff engagement activity during Q1 by management and leadership team
- Numerous meetings with key strategic energy and maritime customers held in Q1 2017 to ensure customer needs are being met and to build on existing client relationships
- Detailed synergies plan and timeline developed in conjunction with Cap Gemini integration consultants.

Integration at full speed - 15 work streams

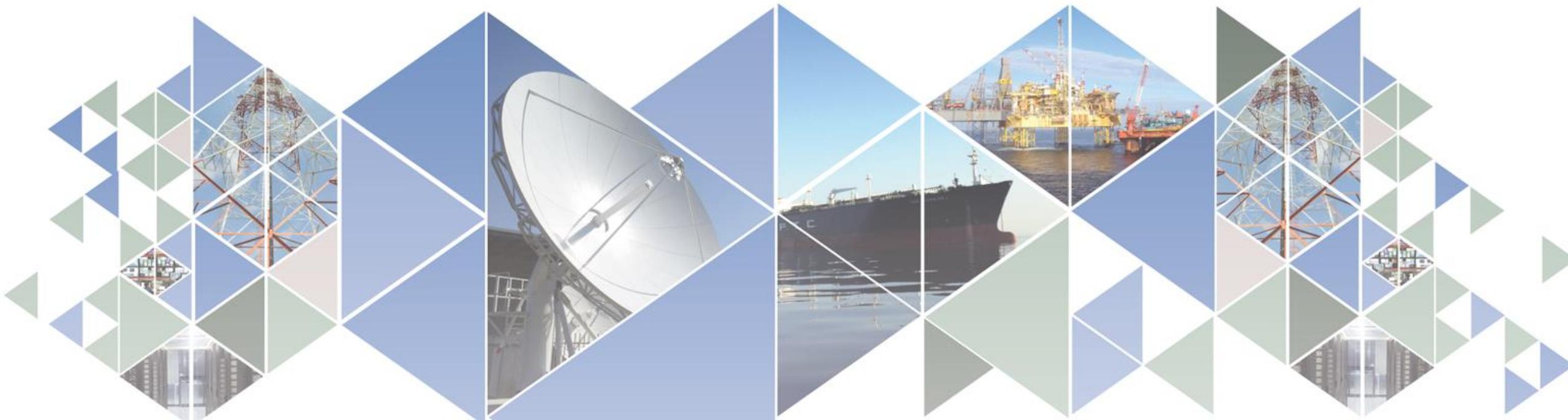


- **Project charters have been developed for each work stream** – containing the objectives, priorities, guidelines, anticipated benefits, team members, high level planning with key activities, timelines and milestones, risks & mitigations
- Across the work streams, there are **102 roles of which 54 are taken by legacy SpeedCast and 48 by legacy Harris Caprock employees**, resulting in the **right balance**
- **Integration Program** involves numerous weekly interactions, meetings and conf calls in and across work streams, with high energy, enthusiasm, commitment, buy in and support from both management and staff from both legacy organizations

Integration progressing well and on track

1	<p>Between signing and closing (estimated 90 days)</p> <ul style="list-style-type: none">▪ Meetings with key managers and determination of the▪ Preparation of synergies plan▪ Analysis and design of high level integration plan and Project Management team, Steering Committee▪ Re-branding plan▪ Analysis of product offerings	<p>60-180 days Post Closing and > 180 days</p> <ul style="list-style-type: none">• Acceleration of planned integration activities. Status of activities to deliver \$15M of planned savings in 2017 well progressed. \$9M of savings already executed.• Initial phase of network consolidation activities well underway including optimisation of idle bandwidth across the group.• Engagement with strategic bandwidth suppliers commenced. No savings from bandwidth pricing included in synergies forecast.• Ongoing engagement with customers to ensure optimal service delivery for their needs• New re-branding completed and announced at Satellite conference in Washington DC on March 6th• Initial revenue synergies resulting from consolidation of Harris Caprock and SpeedCast services identified• ERP migration planned for completion in Q4 2017• Migration of transactional accounting activities from Harris Corporation and regional consolidation well underway
2	<p>First 60 days</p> <ul style="list-style-type: none">▪ Meetings with key strategic energy and maritime customers▪ Employees “All Hands” meeting▪ Presentation and implementation of new organisation▪ Detailed integration and synergy plan finalised and launched▪ Refresh management initiatives	
3	<p>60-180 days</p> <ul style="list-style-type: none">▪ Implementation of integration and synergy plan▪ Initial network consolidation initiatives▪ Re-branding	
4	<p>> 180 days</p> <ul style="list-style-type: none">▪ Continued implementation of longer term integration projects:<ul style="list-style-type: none">- IT, Service management, Network consolidation	

Market Growth Trends & Technology Impacts



Increasing Demand for Connectivity

Business Needs

- Monitoring
- Analytics
- Remote Access
- Navigation
- Regulatory Compliance

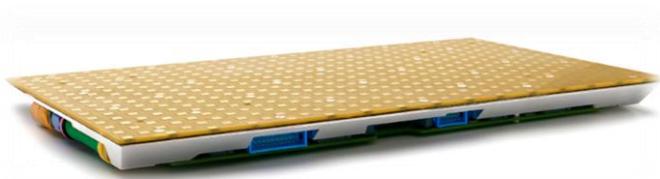
Crew & Passenger Needs

- News & Entertainment
- Training
- Communication: Email, Voice, Video
- Social Media



Future Technological impacts

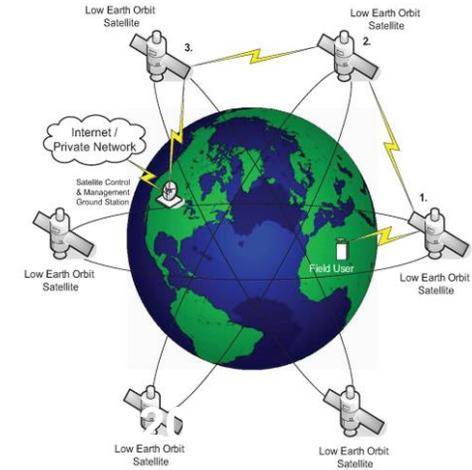
Flat Panel Antennas



Internet of Things



Latency Plummetts with New LEO (Low Earth Orbit) Constellations



Explosive Growth in Applications



Cybercrime



Conclusion and Outlook



Vision accomplished ahead of schedule

- ✓ Top 3 global player
- ✓ Top 3 Maritime service provider
- ✓ Top 3 Energy service provider

SpeedCast is focused in 2017 on strengthening its leadership position through efficient integration, operational excellence and organic growth, on driving value creation through innovation and on defining a new vision



Conclusion and outlook

- **History of year on year growth across all key financial metrics**
- **Positive underlying fundamentals in industries served by SpeedCast, e.g. Energy, Maritime, Government and Telecommunications**
- **Increasing demand for connectivity will underpin long-term growth, supported by technology developments**
- **Acquisition of Harris Caprock has positioned SpeedCast as the global leader in remote communications and IT services**
- **Integration activities progressing well. On track to deliver \$15M of cost synergies in 2017; and \$24M in 2018**
- **Current 2017 market consensus is in line with management's expectations**

Questions?

