

ASX & MEDIA RELEASE

31 May 2018

Presentation to TOP / TEK Sydney Investment Forum

Attached is a copy of the presentation to be made at the Thorney Opportunities (TOP) and Thorney Technologies (TEK) Sydney Investment Forum session this morning.

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Service Stream Limited

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About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (Code: SSM). The Service Stream Group is a provider of essential network services to the telecommunications, energy and water industries. Service Stream operates out of more than 40 locations nationwide and maintains a workforce of around 1,500 employees and up to 3,000 active contractors. For more information please visit www.servicestream.com.au.

Service Stream Limited

Thorney Opportunities (ASX:TOP) & Thorney Technologies (ASX:TEK)
Sydney Investment Forum Presentation



Bob Grant
Chief Financial Officer

31 May 2018



Agenda

- 1 Company Overview
- 2 Business Operations
- 3 Financial Performance & Outlook
- 4 Q&A



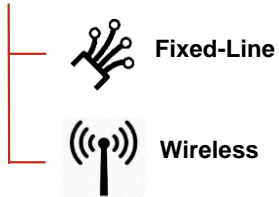
COMPANY OVERVIEW

Company Profile

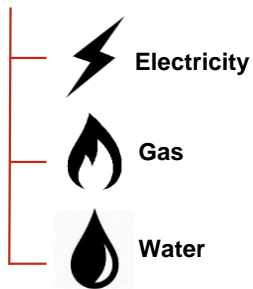
Service Stream Limited (ASX: SSM) is a S&P/ASX 300 company providing **design, construction, installation** and **maintenance** services across essential infrastructure networks within the Telecommunication and Utility sectors.

MARKETS WE OPERATE ACROSS

Telecommunications



Utilities



OPERATIONS AT A GLANCE



26 Offices & Depots

Servicing 75% of Australia's land mass

Workforce of over 5,000

10k+ Tickets of Work per day

100k+ Properties visited per day

35m+ Properties visited per annum

SERVICE STREAM LIMITED (ASX:SSM)

	<u>FY17</u>	<u>1H18</u>
EBITDA	\$48.4m	\$32.1m
Earnings per share	7.78cps	5.45cps
Dividend per share	4.50cps	3.00cps
Net Cash (31-Dec-17)		\$63.6m
Share Price (21-May-18)		\$1.575
Market Capitalisation (21-May-18)		\$567.9m
EV/EBITDA ¹		7.7x
PER ¹		14.4x

¹ based on FY18 consensus earnings

SHARE PRICE PERFORMANCE – 4 YEARS





BUSINESS OPERATIONS

Business Operations

Through our three operating divisions; **Fixed Communications**, **Network Construction** and **Energy & Water**, we work with clients across the telecommunication and utility sectors to provide specialist services associated with the **design, construction, installation** and ongoing **maintenance** of their essential networks



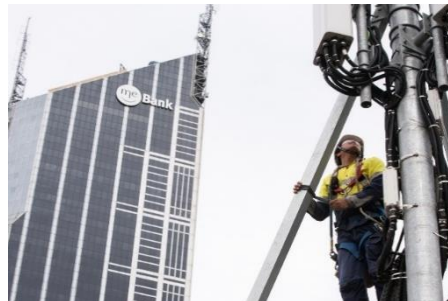
FIXED COMMUNICATIONS

Network operations,
maintenance and minor works



NETWORK CONSTRUCTION

Network engineering, design and
construction



ENERGY AND WATER

Utility asset installation,
inspection and maintenance



Fixed Communications

Service Stream's **Fixed Communications** team specialises in providing design, construction, upgrade and maintenance services across Australia's fixed-line telecommunication networks

Services include:

- ▶ End-user installation and commissioning **Activation**
- ▶ End-user fault diagnosis and rectification **Service Assurance**
- ▶ Network fault diagnosis and rectification **Network Assurance**
- ▶ Network fault prevention **Remediation**
- ▶ Proactive network augmentation and upgrade **Minor Projects**
- ▶ Network asset relocation **Recoverable Works**

Technologies include:

- ▶ Fibre-optic (FTTP, FTTC, FTTN, FTTB)
- ▶ Copper
- ▶ Hybrid-fibre Coaxial (HFC)

Customers include:

- ▶ nbn co
- ▶ Telstra
- ▶ Optus
- ▶ TPG



Network Construction

Service Stream's **Network Construction** team specialises in site acquisition, design, engineering, construction, installation, upgrade and maintenance of wireless & fibre-optic fixed-line telecommunication infrastructure

Services include:

- ▶ Design & construction of multi-technology telecommunication networks
- ▶ Site acquisition for greenfield wireless infrastructure
- ▶ Engineering, design, construction & decommissioning of wireless infrastructure ... including LTE base stations, towers and rooftop deployments
- ▶ Upgrade of wireless infrastructure ... including LTE base stations, towers and rooftop deployments
- ▶ Lease management & colocation negotiations
- ▶ Wi-Fi design & installation and satellite earth stations

Technologies include:

- ▶ Fibre-optic (FTTP, FTTC, FTTN, FTTB)
- ▶ Wireless (2G, 3G, 4G, 5G)

Customers include:

- ▶ nbn co
- ▶ Telstra, Vodafone, Nokia, TPG
- ▶ Private wireless network owners



Energy & Water

Service Stream's **Energy & Water** team specialises in providing design, installation, maintenance and customer management services to Australia's electricity, gas and water network owners and retailer service providers

Services include:

- ▶ Meter reading
- ▶ Meter and asset replacement
- ▶ Disconnection/re-connection services
- ▶ Smart-meter network deployments
- ▶ Asset inspection and compliance auditing
- ▶ Commercial and residential solar PV
- ▶ Electric vehicle charge station
- ▶ Battery storage

Technologies include:

- ▶ Electricity
- ▶ Gas
- ▶ Water

Customers include:

- ▶ Network owners
- ▶ Network operators
- ▶ Utility Regulators
- ▶ Utility Retailers



Installation & Maintenance



Design & Installation



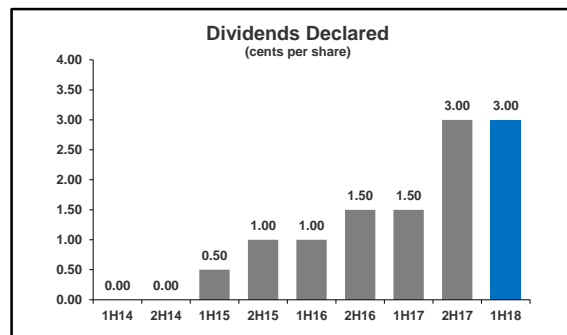
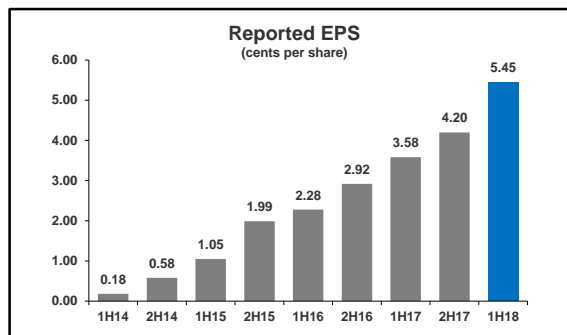
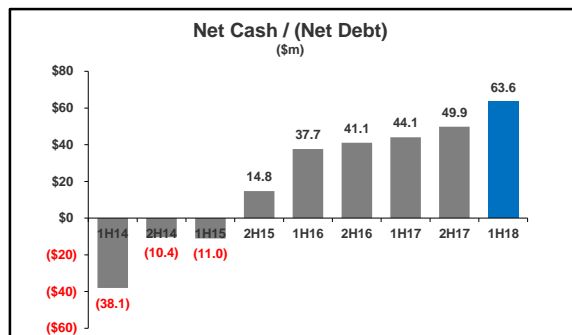
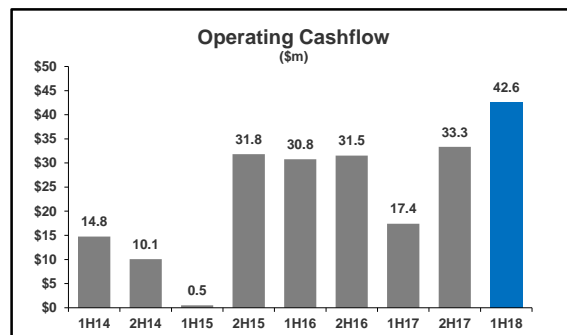
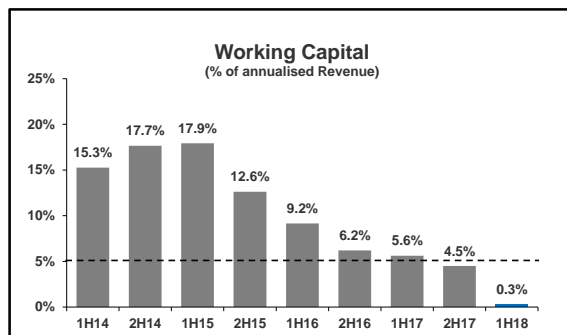
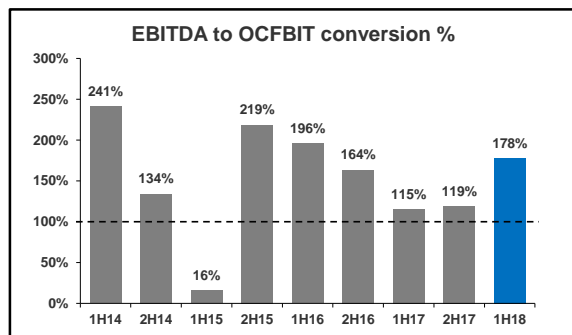
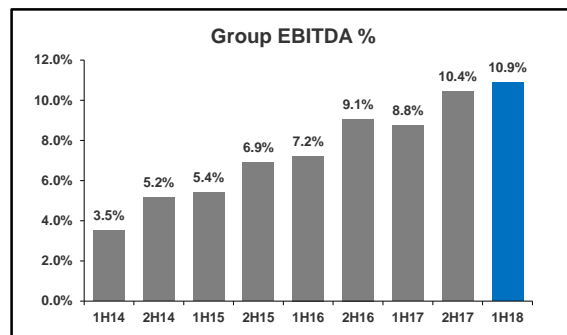
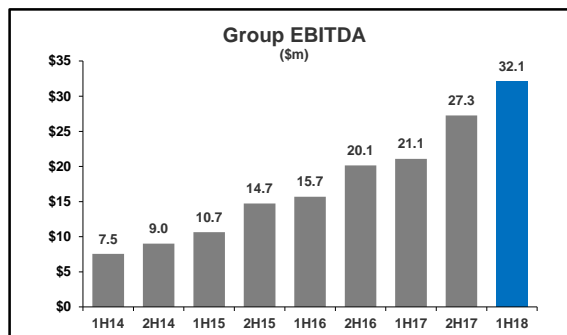
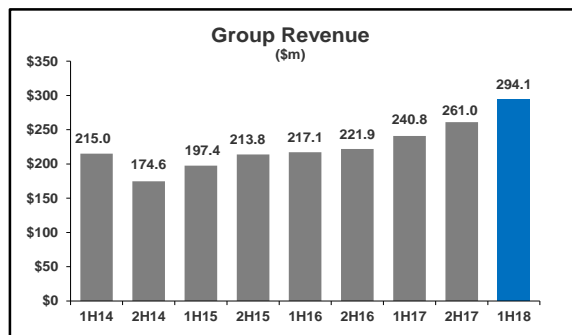
Inspection & Auditing



FINANCIAL PERFORMANCE & OUTLOOK

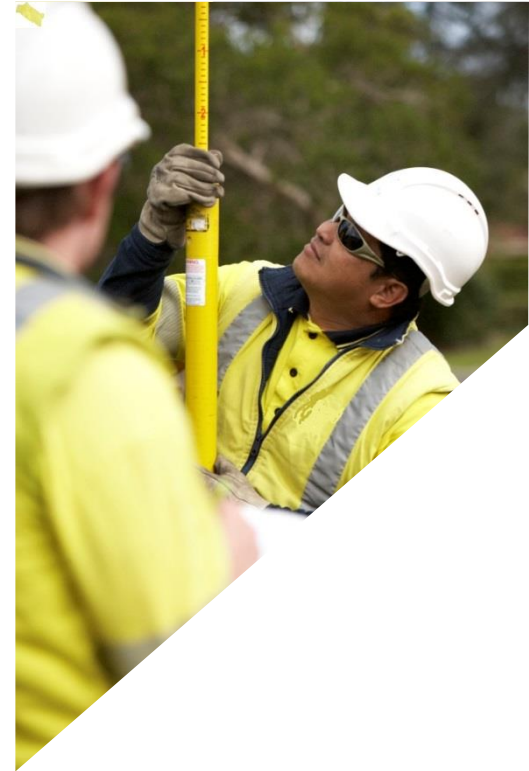
Financial Performance

The last four years have been characterised by the Group delivering consistent growth in profit, underpinned by strong cashflow generation and sound capital management



FY18 Outlook

- Since announcing a share buy-back in February, the Company has acquired and cancelled a total of 4.6 million shares
- We expect operation of the share buy-back to continue
- In February, we confirmed that we expected full-year Group EBITDA to be approximately \$64m





Q&A