
Strong Jan-April 2020 Trading Result with revenue to \$14.3M up 146% on same period 2019

April 2020:

- **Very healthy monthly April 20 result with total revenue of \$4.0M in a highly challenging macro environment.**
- **Recurring revenue across the group for April up to \$2.3M.**
- **Solutions & Project revenue at \$1.7M for April.**

Jan-April 2020 vs Jan-April 2019:

- **Total revenue growth up 146% to \$14.3M and B2B revenue growth up 216% to \$12.4M.**
- **Recurring revenue growth up 60% to \$8.6M and B2B recurring revenue growth up 92% to \$7.0M.**
- **Solutions & Project revenue growth up to \$5.7M.**

Balance Sheet:

- **\$14.8M in cash and debt capital available for acquisitions and expansion of its Spirit X Digital sales platform.**
- **Capital to be deployed to launch new NBN Business products across 500,000+ locations nationally via the Spirit X Digital sales platform late May.**
- **Backed by CBA with a debt facility of \$10.9M (recently increased).**
- **Recent capital raising of \$9.2M from institutional investors, high net worth individuals and family offices.**

Spirit Telecom (ASX:STI) is pleased to announce a strong revenue & sales trading result for both the month of April and for the Jan-April 20 period on a YOY basis. Spirit continues to demonstrate successful execution of its strategy of product bundling its high-speed Internet, Cloud and IT/MSP services.

The portfolio of products continues to show resilience and growth against the background of a volatile macro-environment. With the recent acquisition of Trident Technology Solutions Spirit has been able to tap into Essential Providers serviced by Trident with Schools and Aged Care providers taking up the Spirit Internet services as a cross-sell. The Spirit Group result is particularly pleasing as Trident's business mix has seasonal flows in the current financial quarter (Q4), which is typically the slowest quarter for Trident only generating 15% of its revenue for the financial year.

Additionally, the Spirit balance sheet is in a very healthy position with a mix of cash and debt of \$14.8M to be deployed for acquisitions and expansion of its Spirit X Digital Sales Platform.

Spirit is also pleased to announce that the Spirit X platform will launch the NBN Enterprise Ethernet range to its Partners and direct customers in late May 2020. The NBN product can reach 500,000+ business locations nationally.

Sol Lukatsky, Spirit's Managing Director said: "we are simply executing to strategy for our customers, who are demanding a bundled High-Speed Internet links & IT services in one offering and it's working. The launch of the NBN EE product will add more than 500,000 locations we can sell into with our Internet and IT services bundles. This is a game changer in terms of organic opportunity for Spirit. Acquisition target opportunities continue to grow with revised valuation expectations of vendors becoming more realistic over the last period. Our balance sheet position of \$14.8M in cash and debt puts us in a very unique position to acquire quality Telco & IT/MSP assets at reduced prices."

For further trading information, company outlook and Spirit X overview, Spirit is inviting all shareholders and investors an opportunity to join its Leadership Team live on a Zoom session this Friday afternoon at 12PM. May 15, 2020 12:00 PM AEST.

Register here: <https://spirit.com.au/may-investor-session2/>

- ENDS -

This announcement is authorised for release to the market by the Board of Directors of Spirit Telecom Limited.

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