

Half Year Results Presentation FY2021

ASX: 5GN
26 February 2021



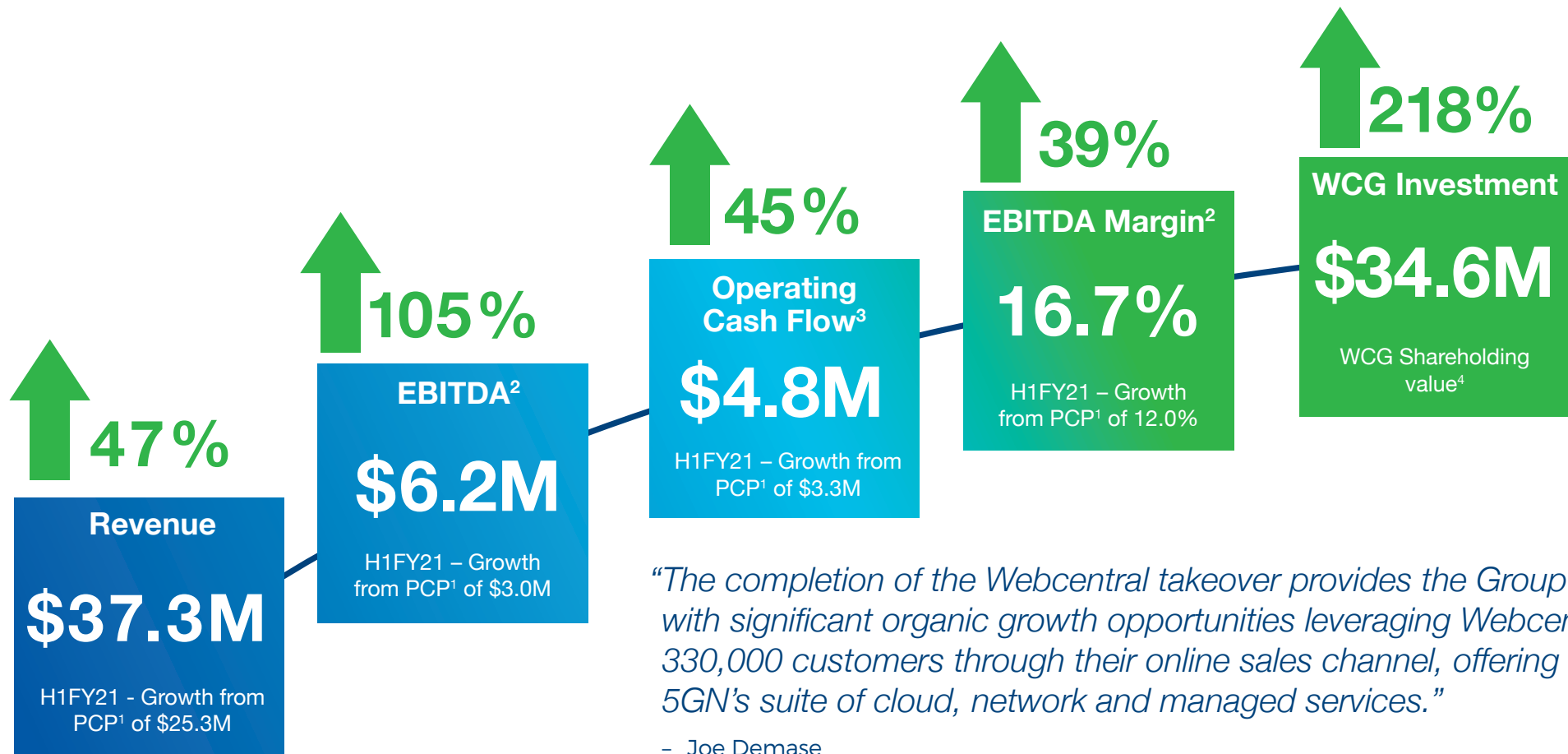
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H1 FY21 Financial Results



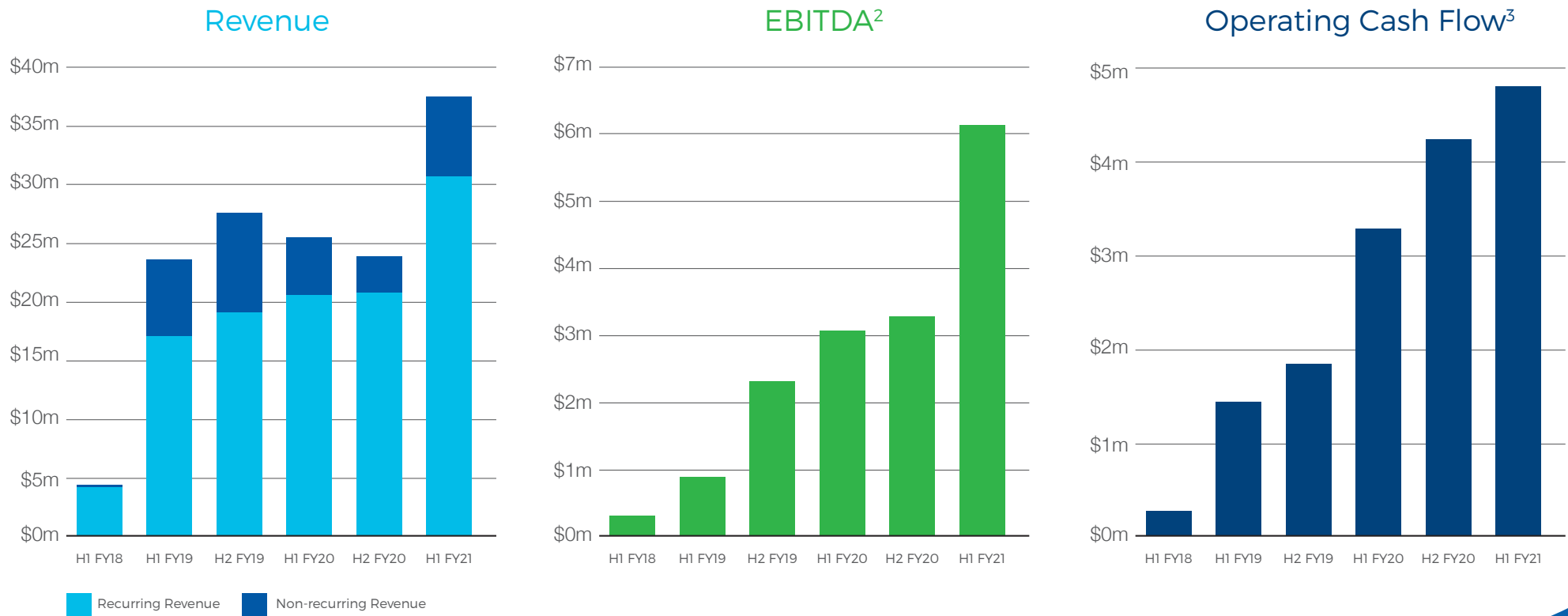
“The completion of the Webcentral takeover provides the Group with significant organic growth opportunities leveraging Webcentral’s 330,000 customers through their online sales channel, offering 5GN’s suite of cloud, network and managed services.”

- Joe Demase
Managing Director

1. Prior Corresponding Period ending 31 December 2019
2. EBITDA before acquisition and non-recurring costs of \$2.4 million and share option costs of \$1.09 million
3. Underlying operating cash flow before transaction costs of \$2.4 million
4. Unrealised gain based on WCG Purchase consideration of \$11.1 million and Market value of 5GN shareholding of \$34.6 million based on closing share price of \$0.50 on 24 February 2021 (ASX:WCG)

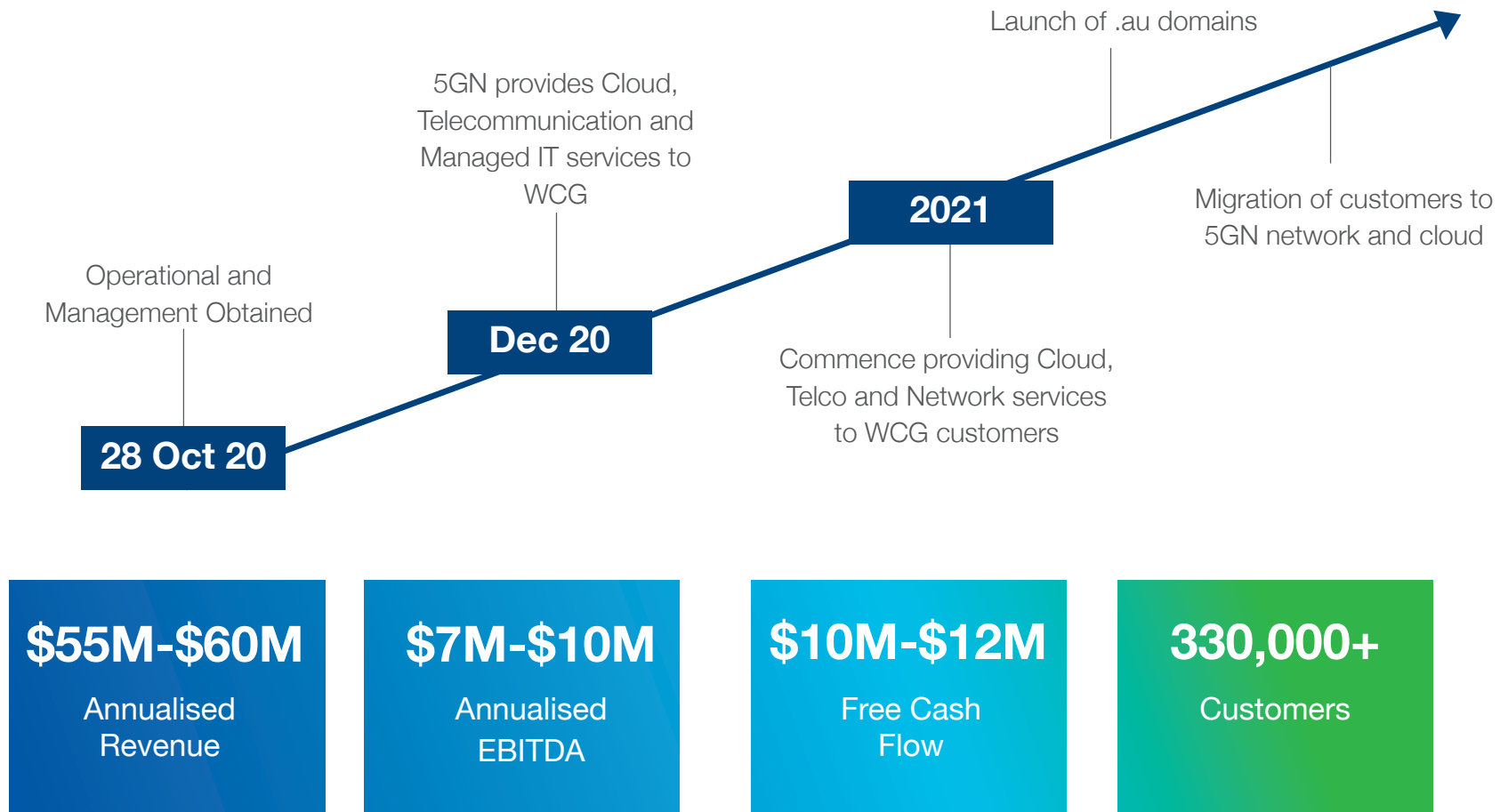
Strong Growth in Revenue, EBITDA and Operating Cash Flow

- Revenue growth 47% over PCP¹ driven by 7% 5GN organic growth on recurring revenue, strong hardware sales and Webcentral contribution
- 105% EBITDA growth over PCP¹
- Continued strong operating cash flow performance



1. Prior Corresponding Period ending 31 December 2019
 2. Underlying EBITDA before non-recurring costs
 3. Underlying operating cash flow before non-recurring costs

Webcentral Group - Growth Opportunity



Profit & Loss

	1H FY20	1H FY21	Change
	\$m	\$m	%
Revenue	25.4	37.3	47%
Gross Profit	14.7	21.3	109%
<i>Gross Margin</i>	<i>58%</i>	<i>57%</i>	
Other Income	-	1.0	-
EBITDA pre non-recurring costs	3.0	6.2	105%
<i>EBITDA margin</i>	<i>12%</i>	<i>17%</i>	
Non-operating items	(0.5)	(2.9)	478%
EBITDA after non-recurring costs	2.7	3.4	29%
Depreciation and amortisation	(2.3)	(4.5)	97%
Net interest	(0.7)	(1.0)	44%
Profit before tax	(0.3)	(2.1)	515%
Tax expense	-	0.0	-
Net profit after tax	(0.3)	(2.1)	503%

- \$37.3M Revenue, 47% growth
- \$6.2M EBITDA, 105% growth
- 16.7% EBITDA margin, 28% growth

Cash Flow

Cash Flow Statement \$m	H1 FY20	H1 FY21	Change
Receipts	28.1	41.0	12.9
Payments	(24.2)	(35.2)	(11.0)
Net Interest Paid	(0.6)	(1.0)	(0.4)
Underlying Operating Cash Flow	3.3	4.8	1.5
Acquisition and transaction costs	-	(2.4)	(2.4)
Operating Cash Flows	3.3	2.4	(0.9)
Net Cash - Acquisitions/Disposals	(3.2)	(2.3)	0.9
Property, Plant and Equipment	(1.3)	(2.4)	(1.1)
Other investing cashflows	-	(0.7)	(0.7)
Investing Cash Flows	(4.5)	(5.4)	(0.9)
Proceeds from issue of shares & options	0.7	38.8	38.1
Net repayment of Borrowings	(2.7)	(48.0)	(45.3)
Dividends Paid	(0.6)	(1.0)	(0.4)
Transaction Costs	(0.0)	(2.1)	(2.1)
Financing Cash Flows	(2.6)	(12.3)	(9.7)
Net Cash Flows	(3.8)	(15.3)	(11.5)

- \$4.8M Underlying Operating Cash Flow
- 45% increase on prior corresponding period
- Capex related to 5GN fibre build roll out and cloud infrastructure investment \$1.1M

Balance Sheet

Balance Sheet \$m	30 Jun 20	31 Dec 20	Change
Cash and cash equivalents	23.5	8.3	(15.2)
Trade and other receivables	2.8	11.3	8.5
Other current assets	1.5	12.8	11.3
Total Current Assets	27.8	32.4	4.6
Intangible assets	16.9	69.0	52.1
Property, plant and equipment	9.1	15.0	5.9
Other non-current assets	14.0	27.4	13.4
Total Non-Current Assets	40.0	111.4	71.4
Trade and other payables	4.7	22.1	15.4
Borrowings	1.2	0.5	(0.7)
Other current Liabilities	8.8	41.0	32.2
Total Current Liabilities	16.7	63.6	46.9
Trade and other payables	1.3	0.4	(0.9)
Borrowings	2.6	5.0	2.4
Other non-current liabilities	11.6	29.4	17.8
Total Non-Current Liabilities	15.5	34.8	19.3
Net Assets	35.6	45.4	9.8
Issued capital	38.6	84.4	45.8
Reserves	3.1	3.6	0.5
Accumulated Losses	(6.1)	(8.2)	(2.1)
Non controlling interests	-	(34.4)	(34.4)
Total Equity	35.6	45.4	9.8

- \$8.3M cash balance
- Available debt of \$1.1M at December 20
- Loan to WCG \$42M included within consolidated Goodwill within Intangible assets

Industry leader for scalable data infrastructure services



Market leading 100Gb private connectivity linking 80+ data centres and international access and peering



5GN owns and operates 5 data centres hosting digital infrastructure and cloud



5GN Cloud Federation enables multi-cloud management across 3 Australian CBD zones



Strong people capability founded on 20-years managing corporate IT, digital services and infrastructure



Australian based customer service centre to meet customer needs 24/7

Key criteria for accretive acquisitions

5GN Acquisition Criteria encompasses financial, operational, commercial, product and people considerations to identify high value opportunities which have synergy with the 5GN strategic plan

5GN has demonstrated capability in extracting material synergies and integrating businesses



Financial Value

- Revenue growth potential from cross-sell opportunities
- EBITDA enhancement through on-net services
- Direct and overhead cost synergies available



Operational Synergy

- Market leading processes
- Synergy with 5GN systems
- Improved functionality



Products and Services

- Synergy with 5GN strategy
- Market leading
- Products open new geo-markets & customers
- Products are digitised for integration



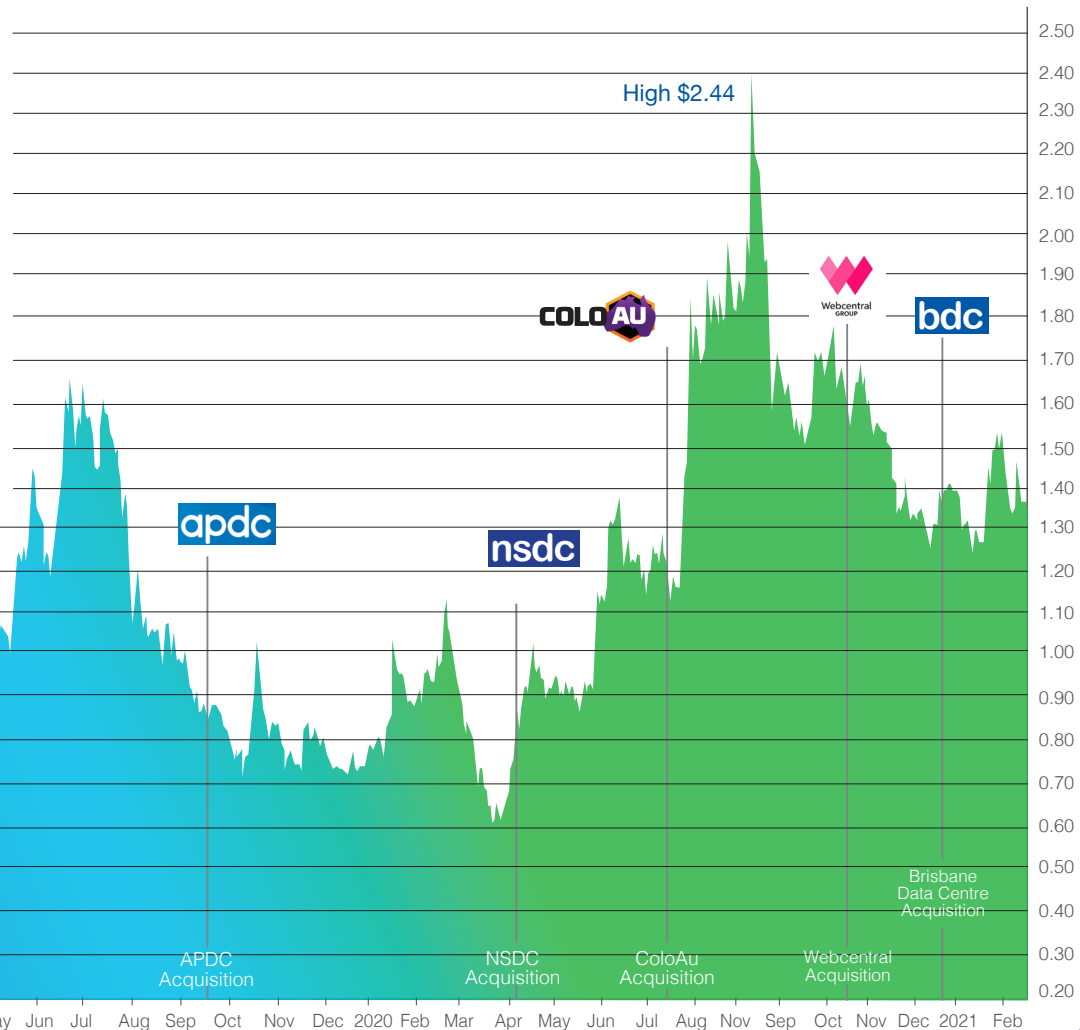
People and Expertise

- Organisational alignment to future mode of operations
- Resources are revenue generating
- New capability can drive competitive advantage or differentiation

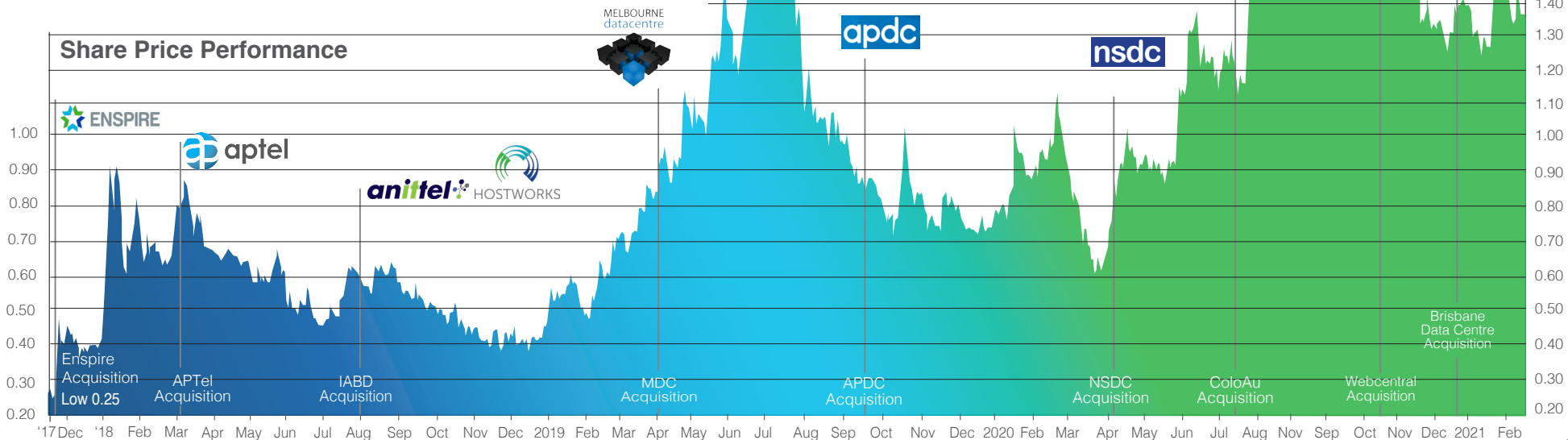
Capital Structure

ASX Code 5GN

Shares on issue	113,900,221
Options (exercise price \$0.60)	1,900,000
Options (exercise price \$0.65)	500,000
Options (exercise price \$0.80)	4,300,000
Options (exercise price \$1.50)	1,800,000
Performance Rights (exercise price \$0.60)	3,000,000
Performance Rights (exercise price \$1.70)	5,000,000
February 23, 2021 market capitalisation (at \$1.385/share)	\$157,751,806
Cash (December 2020)	\$8.3m
Available Debt (December 2020)	\$1.1m



Share Price Performance



Thank you

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