

# ASX Announcement: 5GN Financial and Operational Update



NEWS RELEASE 28<sup>th</sup> April 2021

## Financial Results – Q3 FY21

	Quarter ended 31 March 21		Year to date <sup>3</sup>
Unaudited Results <sup>1</sup> \$M	Consolidated Group	Webcentral	Consolidated Group
Revenue	26.5	14.1	64.8
EBITDA <sup>2</sup>	4.7	3.2	10.2
EBITDA %	18%	23%	16%

## Financial Performance – Interim Quarter 3 FY21

- \$26.5m Revenue Q3 (WCG \$14.1m) with strong growth across all three core products and increasing demand for the 5GN Voice Bridge One Microsoft Teams product.
- \$4.7m EBITDA Q3 (WCG \$3.2m) with combined EBITDA target of 20% of Revenue achieved for the month of March.
- Continued margin growth expected as cloud, DC and network services continue to be consolidated within 5GN infrastructure.
- Rent reductions during the quarter of \$5.5m (Nett \$3.8m) annualised with scope for additional improvements on the basis of further current excess capacity in Melbourne.
- Strong pipeline of provisioning with additional \$300k per month of services to be switched on over the next 3 months.

- Partial repayment of WCG debt of \$42m owing to 5GN expected in May with anticipated approval of a \$15m bank debt facility, providing funding for potential further acquisitions.
- 5GN ownership of WCG is 44.6% (\$42m equity value at 26 April 2021).

## Operational Update

- Launch of Wholesale automated service fulfilment portal in early May 21.
- Data Centre Fibre build progressing rapidly with 13 Data centres online, additional 35 online by 30 June 2021, and 80 targeted by the end of the calendar year.
- Intergrid integration completed and 50% of synergies recognised.
- 5GN direct sales leveraging WCG digital marketing team to grow organic service sales.
- A number of strategic acquisitions being reviewed.

1. Unaudited results for the quarter ended 31 March 2021

2. EBITDA before non-recurring transaction and acquisition costs

3. Webcentral Year to date results from date control achieved - 28 October 2020



## About 5G Networks

5G Networks (5GN) is a licenced telecommunications carrier operating across Australia. Our mission is to be Australia's partner of choice for unifying a seamless digital experience for our customers across data connectivity, cloud and data centre services, underpinned by expert managed services in the business to business market.

5GN currently owns and operates its own Nationwide highspeed Data Network with points of presence in all major Australian capital cities. In addition, the Company offers managed cloud solutions through its Cloud and Data Centre capabilities as well as managed services to optimise customers' IT and network environments. Supporting this is the Company's combined rack capacity of over 1,000 racks through its owned and operated Data Centres across Melbourne, Sydney, Brisbane and Adelaide

As an organisation, we are dedicated and passionate about delivering unique value to our 2500+ customers which include several top 50 ASX listed and Government organisations. This commitment is strengthened by a core focus on digital leadership, innovation and an exceptional customer experience.

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