

**Superloop Limited ABN 96 169 263 094**  
**Appendix 4D (ASX Listing Rule 4.2A)**  
**Half Year Financial Report**

## Results for announcement to the market

For the half-year ended 31 December 2015

### SUMMARY OF FINANCIAL INFORMATION

	31 Dec 2015 \$	Change \$	Change %
Revenue from ordinary activities	1,943,534	1,943,534	100%
Loss from ordinary activities after income tax for the period attributable to members	-3,980,269	-3,893,410	Large
Loss after income tax attributable to members	-3,980,269	-3,893,410	Large

### Dividends

No dividend has been proposed or declared in respect of the period ended 31 December 2015.

### Record Date

Not applicable as no dividend has been proposed or declared.

### Explanation of revenue

Superloop's revenue from customers for the period ended 31 December was \$1,876,015. Interest income on deposits held in the Bank was \$22,844. Other income was \$44,675 derived primarily from Singapore network diversion revenue of \$44,508.

Superloop completed the core networks in Australia and Singapore, which went live in October 2015, and has generated revenue on those networks through the provision of high-speed data services to customers during the period. Superloop also generated revenue from the operations of the acquired APEXN Pty Ltd and CINENET Systems Pty Ltd.

Superloop plans to continue strategic expansion of these core networks as well as the recently announced investment in Hong Kong. APEXN Pty Ltd and CINENET Systems Pty Ltd will continue to generate revenue from existing operations with integration into the Superloop.

### Explanation of profit/(loss) from ordinary activities after tax

The Group incurred a loss before tax of \$3,980,269.

Profit after direct network operational expenses for the period was \$476,198, with revenue of \$1,943,534, offset by direct network operational expenses of \$1,467,336. Direct network operational expenses represent the direct operational network and data centre expenses.

Operating expenses for the period were \$3,985,561, largely made up of employee expenses (\$2,038,550) and professional services (\$1,065,468) which includes the shared services the Group procured during the period.

Depreciation and amortisation was \$640,130 for the period, arising primarily from the Group's main asset, the Singapore duct network.

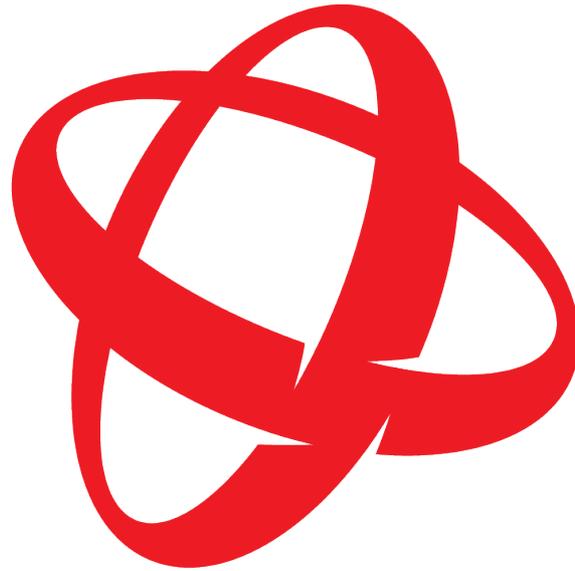
### NTA Backing

	31 Dec 2015
Net tangible asset backing per ordinary share	\$0.75

The number of Superloop shares on issue at 31 December 2015 was 117,557,596.

### Additional Information

Additional Appendix 4D Disclosures can be found in the attached audited Financial Report.



superloop

**SUPERLOOP LIMITED**

ABN 96 169 263 094

ACN 169 263 094

**CONDENSED CONSOLIDATED HALF YEAR  
FINANCIAL REPORT**

**For the period ended 31 December 2015**

# CONTENTS

DIRECTORS' REPORT .....	3
INDEPENDENT AUDITOR'S REPORT .....	5
INDEPENDENT AUDITOR'S INDEPENDENCE DECLARATION .....	7
DIRECTORS' DECLARATION .....	8
CONDENSED INTERIM FINANCIAL REPORT .....	9
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT .....	14
CORPORATE DIRECTORY .....	28

# Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as 'Superloop' or 'the Group') consisting of Superloop Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2015.

## DIRECTORS

The following persons were directors of the Group during the period or since the end of the period:

- Bevan Slattery (appointed 28 April 2014)
- Daniel Abrahams (appointed 02 April 2015)
- Greg Baynton (appointed 28 April 2014)
- Louise Bolger (appointed 27 April 2015)
- Michael Malone (appointed 27 April 2015)
- Richard Clark (appointed 23 December 2015)

## PRINCIPAL ACTIVITIES

Superloop Limited is an ASX listed company executing on its vision of becoming a leading independent provider of connectivity services in the Asia Pacific Region. During the period, the principal activities of the Group consisted of the development and operation of independent dark fibre telecommunications infrastructure throughout the Asia Pacific Region. Following the Group's recent acquisitions, principal activities now extend to the provision of complete high-performance network solutions capability.

## FINANCIAL AND OPERATING REVIEW

Superloop is pleased to announce its interim results for the half-year ended 31 December 2015 ("1H16"). This interim financial result reports on the period during which Superloop's fibre optic telecommunications networks in Australia and Singapore were completed.

The Group made an operating loss before tax of \$3.98m, with an underlying earnings before interest-paid, tax, depreciation and amortisation (EBITDA) loss of \$3.51m, which is consistent with the early stage of the business venture and reflective of the short timeframe the networks were operational during the reporting period.

Profit after direct network operational expenses for the period was \$0.48m, with revenue of \$1.94m, offset by direct network operational expenses of \$1.47m.

Operating expenses for the period were \$3.99m, largely made up of employee expenses (\$2.04m) and professional services (\$1.07m) which includes the shared services the Group procured during the period.

Depreciation and amortisation was \$0.64m for the period, arising primarily from the Group's main asset being the Singapore duct network.

As at 31 December, the Group had \$35.05m in cash and cash equivalents. The primary assets of the Group are Property, Plant and Equipment of \$54.57m consisting mainly of the Singapore network, and the current work-in-progress payments for the Hong Kong network. The Group also has \$12.43m of intangible assets which includes the Group's right to access (via an Indefeasible Rights to Use (IRU)) for the Australian networks and

intangible assets arising from the acquisition of APEXN Pty Ltd and CINENET Systems Pty Ltd.

The net assets of the Group were \$100.91m, with contributed equity of \$109.63m.

During the period, Superloop:

- Completed the Australian networks in Melbourne, Brisbane Sydney;
- Completed the construction of the initial 117km fibre optic network in Singapore;
- Commenced provisioning of customer services on the Australian and Singapore networks;
- Announced Project Red Lion, an initiative to extend the Singapore network to some of Singapore's most strategic commercial buildings;
- Completed the acquisition of APEXN Pty Ltd, which provides networking solutions and managed services focused on supporting wholesale and channel partners;
- Completed the acquisition of CINENET Systems Pty Ltd that built a specialised high-speed international data network catering specifically for the needs of screen and broadcast media industries;
- Entered into a legally binding agreement to establish a 110km fibre optic network and operations in Hong Kong, with the Group holding a 25 year indefeasible right of use over the infrastructure, with two (2) further five (5) year options to extend the length of the agreement;
- Announced the plans for TKO Express, a new domestic submarine cable crossing project to provide a new low-latency and fully diverse route between Hong Kong Island and the TKO Science and Technology park; and
- Completed a share placement and share purchase plan to raise \$49.3m in additional shareholder capital to principally fund the investment into the Hong Kong network and the next phase of Project Red Lion.

In summary, 2015 has seen the foundations laid for the Group to deliver on its vision of becoming a leading independent provider of connectivity services in the Asia Pacific Region.

## **BUSINESS STRATEGIES AND PROSPECTS FOR FUTURE FINANCIAL YEARS**

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Superloop's Initial Networks are strategically positioned to capitalise on market demand dynamics, driven by strong data growth, data centre demand growth and the need for interconnectivity services with a focus on the Asia Pacific Region.

The Group's entry into the Hong Kong market, when combined with its operating networks in Australia and Singapore, uniquely positions the Group as a true Pan Asian fibre network owner and operator.

This increase in network coverage across the Asia Pacific Region, combined with the recent acquisition of APEXN Pty Ltd and CINENET Systems Pty Ltd will enable existing and new customers access to a greater range of products and services.

Superloop intends to continue to invest in metropolitan fibre optic networks and connectivity products and services in markets where the Board and management believe the demand for interconnectivity and other high-speed data services will deliver an attractive return for Shareholders.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

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There were no other significant changes in the state of affairs of Superloop other than those listed in the Operating and Financial review.

## **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

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On 23 February 2016, the Group announced that Superloop Executive Director and Founder, Mr Bevan Slattery will be taking the role of Interim CEO of Superloop.

As Interim CEO, Mr Slattery will be leveraging his significant industry expertise to accelerate a number of major initiatives within the organisation including acquisition integration, product innovation and automation, accelerating business development and focus on a number of important strategic sales opportunities.

Mr Daniel Abrahams will move into the new Chief Infrastructure Officer position focusing on the concurrent delivery of Project Red Lion in Singapore and deployment of the recently announced 110km fibre network in Hong Kong, with both projects critical to the continued success of the Group.

Mr Slattery will remain in the role of company Chairman. Mr Abrahams will also be continuing with strategy refinement both as an Executive and member of the Board.

## **DIVIDENDS**

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Dividends were neither paid nor declared during the period.

## **ROUNDING OF AMOUNTS**

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The Group is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the half year financial report have been rounded off in accordance with that Class Order to the nearest whole dollars.

## **AUDITOR' INDEPENDENCE DECLARATION**

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A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

The report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Bevan Slattery  
Executive Chairman

Brisbane  
29 February 2016

## Independent Auditor's Review Report to the Members of Superloop Limited

We have reviewed the accompanying half-year financial report of Superloop Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 8 to 27.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Superloop Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# Deloitte.

## *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Superloop Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

## *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Superloop Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



R G Saayman

Partner

Chartered Accountants

Brisbane, 29 February 2016

The Board of Directors  
Superloop Limited  
14 – 16 Church Street  
Fortitude Valley  
Brisbane QLD 4006

29 February 2016

Dear Board Members

### Superloop Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Superloop Limited.

As lead audit partner for the review of the financial statements of Superloop Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the or review.

Yours sincerely

*Deloitte Touche Tohmatsu*  
DELOITTE TOUCHE TOHMATSU



**R G Saayman**  
Partner  
Chartered Accountants

# Directors' Declaration

In the Directors' opinion:

- a. the financial statements and notes set out on pages 10 to 27 are in accordance with the *Corporations Act 2001*, including:
  - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - ii. giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the period ended on that date, and
- b. at the date of this declaration, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Bevan Slattery  
Executive Chairman

Brisbane  
29 February 2016

# Condensed Interim Financial Report

31 December 2015

These financial statements are the condensed consolidated financial statements of the consolidated entity consisting of Superloop Limited (ABN 96 169 263 094) and its subsidiaries.

Superloop Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements are presented in the Australian currency.

Superloop's registered office is 14-16 Church Street, Fortitude Valley, QLD, 4006.

A description of the nature of the consolidated entity's operations and its principal activities is included in the Director's Report on page 3, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 29 February 2016. The Directors have the power to amend and reissue the financial statements

	<b>Page</b>
Contents	
Condensed Consolidated Statement of Comprehensive Income	10
Condensed Consolidated Statement of Financial Position	11
Condensed Consolidated Statement of Changes in Equity	12
Condensed Consolidated Statement of Cash Flows	13
Notes to the Condensed Interim Consolidated Financial Report	14

# Condensed Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2015

	Note	31 Dec 2015 \$	31 Dec 2014 \$
<b>REVENUE FROM CONTINUING OPERATIONS</b>			
Revenue	4	1,943,534	0
Direct network operational expenses		-1,467,336	-41,741
<b>Profit after direct network operational expenses</b>		<b>476,198</b>	<b>-41,741</b>
<b>OPERATING EXPENSES</b>			
Employee benefits expense		-2,038,550	-112,640
Professional fees		-1,065,468	-258,039
Marketing costs		-171,592	-34,769
Office and administrative expenses		-709,951	-8,764
<b>Total Operating Expenses</b>		<b>-3,985,561</b>	<b>-414,212</b>
<b>Earnings before interest-paid, tax, depreciation, amortisation and foreign exchange gains/losses (EBITDA)</b>		<b>-3,509,363</b>	<b>-455,953</b>
Depreciation and amortisation expense		-640,130	0
Finance costs		-18,200	0
Foreign exchange gains / (losses)		187,424	369,092
<b>Loss before income tax</b>		<b>-3,980,269</b>	<b>-86,861</b>
Income tax benefit / (expense)		0	0
<b>Loss for the period after tax</b>		<b>-3,980,269</b>	<b>-86,861</b>
<b>Other Comprehensive income, net of income tax</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations		-364,345	-83,142
<b>Total Other Comprehensive Income, net of income tax</b>		<b>-364,345</b>	<b>-83,142</b>
<b>Total Comprehensive Loss for the period</b>		<b>-4,344,614</b>	<b>-170,003</b>
Loss for the year attributable to:			
> Owners of Superloop Limited		-3,980,269	-86,861
		-3,980,269	-86,861
Total comprehensive loss for the period			
Attributable to:			
> Owners of Superloop Limited		-4,344,614	-170,003
		-4,344,614	-170,003
	<b>Note</b>	<b>Dollars</b>	<b>Dollars</b>
<b>Losses per share for loss attributable to the ordinary equity holders of the Group:</b>			
Basic losses per share	17	-0.043	-1,047
Diluted losses per share	17	-0.043	-1,047

Notes to the condensed consolidated financial statements form part of the half-year financial report.

# Condensed Consolidated Statement of Financial Position

As at 31 December 2015

	Note	31 Dec 2015	30 Jun 2015
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	35,054,744	18,011,900
Trade and other receivables	6	1,056,603	190,867
Other assets		445,584	360,201
<b>Total Current Assets</b>		<b>36,556,931</b>	<b>18,562,968</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	54,571,934	33,576,396
Intangible assets	8	12,428,805	4,300,000
<b>Total Non-Current Assets</b>		<b>67,000,739</b>	<b>37,876,396</b>
<b>TOTAL ASSETS</b>		<b>103,557,670</b>	<b>56,439,364</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	2,649,029	2,669,454
<b>Total Current Liabilities</b>		<b>2,649,029</b>	<b>2,669,454</b>
<b>TOTAL LIABILITIES</b>		<b>2,649,029</b>	<b>2,669,454</b>
<b>NET ASSETS</b>		<b>100,908,641</b>	<b>53,769,910</b>
<b>EQUITY</b>			
Contributed equity	10	109,628,139	58,144,794
Reserves	11	-3,545,787	-3,181,442
Accumulated losses	12	-5,173,711	-1,193,442
<b>TOTAL EQUITY</b>		<b>100,908,641</b>	<b>53,769,910</b>

Notes to the condensed consolidated financial statements form part of the half-year financial report.

# Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2015

	Note	Contributed equity	Reserves	Accumulated losses	Total equity
		\$	\$	\$	\$
<b>Balance at 30 June 2015</b>		<b>58,144,794</b>	<b>-3,181,442</b>	<b>-1,193,442</b>	<b>53,769,910</b>
Loss for the period		0	0	-3,980,269	<b>-3,980,269</b>
Foreign currency translation		0	-364,345	0	<b>-364,345</b>
Common control transactions		0	0	0	<b>0</b>
Issue of ordinary share capital	10	52,866,024	0	0	<b>52,866,024</b>
Share issue costs	10	-1,382,679	0	0	-1,382,679
<b>Balance at 31 December 2015</b>		<b>109,628,139</b>	<b>-3,545,787</b>	<b>-5,173,711</b>	<b>100,908,641</b>

	Note	Contributed equity	Reserves	Accumulated losses	Total equity
		\$	\$	\$	\$
<b>Balance at 30 June 2014</b>		<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
Loss for the period		0	0	-86,861	<b>-86,861</b>
Foreign currency translation		0	-83,142	0	<b>-83,142</b>
Common control transactions		0	-666,798	0	<b>-666,798</b>
Issue of ordinary share capital		141	0	0	<b>141</b>
Share issue costs		0	0	0	<b>0</b>
<b>Balance at 31 December 2014</b>		<b>142</b>	<b>-749,940</b>	<b>-86,861</b>	<b>-836,659</b>

Notes to the condensed consolidated financial statements form part of the half-year financial report.

# Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2015

	Note	31 Dec 2015	31 Dec 2014
		\$	\$
<b>OPERATING ACTIVITIES</b>			
Receipts from customers (inclusive of GST)		1,535,472	0
Payments to suppliers and employees (inclusive of GST)		-6,036,763	10,721
Interest paid		-18,200	0
<b>Net cash outflow from operating activities</b>	16	<b>-4,519,491</b>	<b>10,721</b>
<b>INVESTING ACTIVITIES</b>			
Interest Received	4	22,844	0
Payments for property, plant and equipment		-21,277,035	-180,458
Net cash outflow on acquisition of subsidiaries	19	-4,648,685	0
<b>Net cash inflow / (outflow) from investing activities</b>		<b>-25,902,876</b>	<b>-180,458</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issues of shares (including exercised options)	10	49,366,024	0
Transaction costs paid in relation to issue of shares	10	-1,382,679	0
Payment of pre-acquisition financing		-518,134	0
Loans (to)/from related parties		0	30,770,822
<b>Net cash inflow from financing activities</b>		<b>47,465,211</b>	<b>30,770,822</b>
Net increase in cash and cash equivalents		17,042,844	30,601,085
Cash and cash equivalents at the beginning of the period	5	18,011,900	669,996
<b>Cash and cash equivalents at the end of the period</b>	5	<b>35,054,744</b>	<b>31,271,081</b>

Notes to the condensed consolidated financial statements form part of the half-year financial report.

# Notes to the Condensed Interim Consolidated Financial Report

<b>NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT .....</b>	<b>14</b>
1 SIGNIFICANT ACCOUNTING POLICIES .....	15
2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS .....	15
3 SEGMENT INFORMATION .....	16
4 REVENUE .....	17
5 CASH, CASH EQUIVALENTS AND TERM DEPOSITS .....	17
6 TRADE AND OTHER RECEIVABLES .....	18
7 PROPERTY, PLANT AND EQUIPMENT .....	19
8 INTANGIBLE ASSETS .....	20
9 TRADE AND OTHER PAYABLES .....	20
10 CONTRIBUTED EQUITY .....	21
11 RESERVES .....	21
12 ACCUMULATED LOSSES .....	22
13 DIVIDENDS .....	22
14 COMMITMENTS AND CONTINGENCIES .....	22
15 RELATED PARTY TRANSACTIONS .....	23
16 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES .....	24
17 EARNINGS PER SHARE .....	25
18 SUBSIDIARIES AND TRANSACTIONS WITH NON-CONTROLLING INTERESTS .....	25
19 CONTROLLED ENTITIES ACQUIRED OR DISPOSED .....	26
20 EVENTS OCCURRING AFTER THE REPORTING PERIOD .....	27

## 1 Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2015 have been prepared in accordance with Australian Accounting Standard AASB134 'Interim Financial Reporting' and the Corporations Act 2001. The financial statements are for the consolidated entity consisting of Superloop Limited and its subsidiaries (together referred to as 'Superloop'). Superloop is a public company limited by shares, incorporated and domiciled in Australia.

These condensed financial statements do not include all the notes normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Superloop during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year ended 30 June 2015, unless otherwise stated. Superloop has not elected to early adopt any new Accounting Standards or Interpretations that have been announced but are not yet effective.

## 2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

In preparation of the interim financial report, the significant judgements made by management in applying Superloop's accounting policies and key sources of estimation uncertainty were the same as that applied to the financial report as at the year ended 30 June 2015.

### 3 Segment information

#### (A) DESCRIPTION OF SEGMENTS

Superloop is focused on becoming a leading independent provider of connectivity services in the Asia Pacific Region. During the period, the principal activities of the Group consisted of the development and operation of independent dark fibre infrastructure throughout the Asia Pacific region, and the Group's recent acquisitions expanded its principle activities to include complete network services. Superloop operates in three strategic markets of Australia, Singapore and Hong Kong and the operations of the Group are reported in these segments to Superloop's executive management team (chief operating decision maker).

#### (B) SEGMENT INFORMATION PROVIDED TO MANAGEMENT

The segment information provided to management for the reportable segments is as follows:

	Australia	Singapore	Hong Kong	Total Segments	Corporate	Total
	\$	\$	\$	\$	\$	\$
<b>31-Dec-15</b>						
Revenue	1,709,489	211,436	0	<b>1,920,925</b>	22,609	<b>1,943,534</b>
Direct network operational expenses	-1,079,772	-387,564	0	<b>-1,467,336</b>	0	<b>-1,467,336</b>
<b>Profit after direct network operational expenses</b>	<b>629,717</b>	<b>-176,128</b>	<b>0</b>	<b>453,589</b>	<b>22,609</b>	<b>476,198</b>
Employee benefits expense	-640,198	-630,653	-185,056	<b>-1,455,907</b>	-582,643	<b>-2,038,550</b>
Other expenses	-294,905	-166,567	-408,724	<b>-870,196</b>	-1,076,815	<b>-1,947,011</b>
<b>EBITDA</b>	<b>-305,386</b>	<b>-973,348</b>	<b>-593,780</b>	<b>-1,872,514</b>	<b>-1,636,849</b>	<b>-3,509,363</b>
Depreciation and amortisation	-185,195	-454,935	0	<b>-640,130</b>	0	<b>-640,130</b>
Finance charge	-18,200	0	0	<b>-18,200</b>	0	<b>-18,200</b>
Foreign exchange gains / (losses)	-1,057	207,792	-22,769	<b>183,966</b>	3,458	<b>187,424</b>
<b>Loss before income tax</b>	<b>-509,838</b>	<b>-1,220,491</b>	<b>-616,549</b>	<b>-2,346,878</b>	<b>-1,633,391</b>	<b>-3,980,269</b>

	Australia	Singapore	Hong Kong	Total Segments	Corporate	Total
	\$	\$	\$	\$	\$	\$
<b>Segment assets</b>						
Cash at bank	859,922	4,253,197	20,509,343	<b>25,622,462</b>	9,432,282	<b>35,054,744</b>
Current assets	1,083,325	243,269	125,268	<b>1,451,862</b>	50,325	<b>1,502,187</b>
Property, plant & equipment	1,276,718	33,904,952	19,390,264	<b>54,571,934</b>	0	<b>54,571,934</b>
Intangible assets	12,428,805	0	0	<b>12,428,805</b>	0	<b>12,428,805</b>
<b>Total Assets</b>	<b>15,648,770</b>	<b>38,401,418</b>	<b>40,024,875</b>	<b>94,075,063</b>	<b>9,482,607</b>	<b>103,557,670</b>

## 4 Revenue

	31-Dec-15	31-Dec-14
	\$	\$
From continuing operations		
Customer revenue	1,876,015	0
Other revenue		
Interest income	22,844	0
Other income	44,675	0
<b>Total Revenue</b>	<b>1,943,534</b>	<b>0</b>

## 5 Cash, cash equivalents and term deposits

	Note	31-Dec-15	30-Jun-15
		\$	\$
Cash at bank and in hand		34,062,808	17,046,020
Deposits with a term of 3 months or shorter	(A)	991,936	965,880
<b>Total cash and cash equivalents</b>		<b>35,054,744</b>	<b>18,011,900</b>

### (A) DEPOSITS WITH A TERM OF 3 MONTHS OR SHORTER

At 31 December 2015, the Group held \$991,936 of deposits which had a term of 3 months or shorter. The maturity of these term deposits is aligned to meet the Group's expected cash commitments.

At 30 June 2015, the Group held \$965,880 of deposits which had a term of 3 months or shorter.

## 6 Trade and other receivables

				31-Dec-15
				\$
	Note	Current	Non-Current	TOTAL
Trade receivables		1,035,015	0	1,035,015
Provision for impairment	(A)	0	0	0
<b>Net trade receivables</b>		<b>1,035,015</b>	<b>0</b>	<b>1,035,015</b>
Consumption tax receivable	(B)	21,410	0	21,410
Other receivables		178	0	178
<b>Total</b>		<b>1,056,603</b>	<b>0</b>	<b>1,056,603</b>

				30-Jun-15
				\$
	Note	Current	Non-Current	TOTAL
Trade receivables		0	0	0
Provision for impairment	(A)	0	0	0
<b>Net trade receivables</b>		<b>0</b>	<b>0</b>	<b>0</b>
Interest receivable		0	0	0
Consumption tax receivable	(B)	190,483	0	190,483
Other receivables		355	0	355
Other receivables		29	0	29
<b>Total</b>		<b>190,867</b>	<b>0</b>	<b>190,867</b>

### (A) IMPAIRED TRADE RECEIVABLES

As at 30 June 2015 and 31 December 2015, the Group had no impaired trade receivables.

### (B) CONSUMPTION TAX RECEIVABLE

These amounts generally arise from consumption tax paid by the Group in the respective tax jurisdictions in which the Group operates and where a consumption tax exists. Ordinarily these amounts are offset against the consumption tax collected by the Group as part of its sales and the net amount remitted to the local tax authorities, however where the amount of consumption tax paid by the Group per jurisdiction is greater than the amount collected from sales to customers in that jurisdiction, a receivable is raised.

## 7 Property, plant and equipment

	31-Dec-15	30-Jun-15
	\$	\$
Carrying amounts of:		
Assets in the course of construction	20,936,845	5,654,845
Network Assets	30,955,240	27,910,760
Fibre Optic Cable	2,606,398	0
Computer Equipment	69,446	10,791
Office Furniture & Equipment	4,005	0
<b>Total</b>	<b>54,571,934</b>	<b>33,576,396</b>

	Assets in the course of construction	Network Assets	Fibre Optic Cable	Computer Equipment	Office Furniture & Equipment	TOTAL
	\$	\$	\$	\$	\$	\$
<b>Cost or valuation:</b>						
<b>Balance at 30 June 2015</b>	<b>5,654,845</b>	<b>28,424,093</b>	<b>0</b>	<b>14,499</b>	<b>0</b>	<b>34,093,437</b>
Additions	21,196,678	33,033	0	11,840	0	21,241,551
Additions through business combinations (note 19)	0	226,820	0	19,488	0	246,308
Movement in foreign exchange	-2,028	-12,983	0	-7	0	-15,018
Disposal	0	0	0	0	0	0
Write-offs	0	0	0	0	0	0
Transfer	-5,912,650	3,244,079	2,633,080	31,370	4,121	0
<b>Balance at 31 December 2015</b>	<b>20,936,845</b>	<b>31,915,042</b>	<b>2,633,080</b>	<b>77,190</b>	<b>4,121</b>	<b>55,566,278</b>
<b>Accumulated depreciation:</b>						
<b>Balance at 30 June 2015</b>	<b>0</b>	<b>-513,333</b>	<b>0</b>	<b>-3,708</b>	<b>0</b>	<b>-517,041</b>
Depreciation charge (YTD)	0	-458,546	-27,356	-4,110	-118	-490,130
Movement in foreign exchange	0	12,077	674	74	2	12,827
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>-959,802</b>	<b>-26,682</b>	<b>-7,744</b>	<b>-116</b>	<b>-994,344</b>

### Assets in the course of construction:

Superloop has entered into a legally binding agreement with a leading Corporation to establish a fibre optic telecommunications network in Hong Kong. The fibre optic telecommunications network will have a 14-month construction timeline and will comprise an initial network of approximately 110 kilometers across Hong Kong's key data center campuses and enterprise buildings, when completed. Superloop will hold a 25 year indefeasible right of use over the infrastructure, with two (2) further five (5) year options to extend the length of the agreement. As at the date of this report, Superloop had made the first installment payments due under the agreement of \$19m. These initial payments have been recognised as an asset in the course of construction within the Statement of Financial Position. The remaining payments of \$26m are linked to performance milestones associated with the construction timeline and are included in Note 14 of this report.

## 8 Intangible assets

	Note	31-Dec-15 \$	30-Jun-15 \$
Carrying amounts of:			
Rights and licences		4,150,000	4,300,000
Software		1,701,000	0
Customer relationships, brands and trademarks		581,000	0
Goodwill	19	5,996,805	0
<b>Total intangible assets</b>		<b>12,428,805</b>	<b>4,300,000</b>

Movements	Note	Rights and licences \$	Software \$	Customer, brand & trademarks \$	Goodwill \$	Total \$
<b>Cost or valuation:</b>						
<b>Balance as at 30 June 15</b>		<b>4,500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,500,000</b>
Additions through business combinations	19	0	1,701,000	581,000	5,996,805	8,278,805
<b>Balance as at 31 December 2015</b>		<b>4,500,000</b>	<b>1,701,000</b>	<b>581,000</b>	<b>5,996,805</b>	<b>12,778,805</b>
<b>Accumulated amortisation</b>						
<b>Balance as at 30 June 15</b>		<b>-200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-200,000</b>
Amortisation charge (YTD)		-150,000	0	0	0	-150,000
<b>Balance as at 31 December 2015</b>		<b>-350,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-350,000</b>

The values for Software, Customer, Brand and Trademarks identified in relation to the acquisitions are provisional as at the reporting date 31 December 2015.

## 9 Trade and other payables

	31-Dec-15 \$	30-Jun-15 \$
Trade payables	602,541	903,041
Deferred revenue	37,801	0
Employee entitlements	283,848	83,777
PAYG payable	88,351	16,859
Accrued expenses	1,636,488	1,665,777
<b>Total trade and other payables</b>	<b>2,649,029</b>	<b>2,669,454</b>

## 10 Contributed equity

### (A) SHARE CAPITAL

	Note	31-Dec-15 Number of Shares	30-Jun-15 Number of Shares	31-Dec-15 \$	30-Jun-15 \$
Fully paid ordinary shares	(C)	117,557,596	90,000,000	111,666,166	58,800,142
Treasury shares		0	0	0	0
<b>Total share capital</b>		<b>117,557,596</b>	<b>90,000,000</b>	<b>111,666,166</b>	<b>58,800,142</b>
Less: Issue Costs		0	0	-2,038,027	-655,348
<b>Contributed Equity</b>		<b>117,557,596</b>	<b>90,000,000</b>	<b>109,628,139</b>	<b>58,144,794</b>

### (B) MOVEMENTS IN ORDINARY SHARE CAPITAL

Date	Details	Number of Shares	Issue Price \$	Value \$
<b>30-Jun-15</b>	<b>Balance</b>	<b>90,000,000</b>		<b>58,800,142</b>
16-Oct-15	Partial consideration for acquisition of APEXN Pty Ltd (i)	897,666	2.23	2,000,000
30-Nov-15	Partial consideration for acquisition of CINENET Systems Pty Ltd (i)	677,812	2.21	1,500,000
11-Dec-15	Share placement	22,045,000	1.90	41,885,500
30-Dec-15	Share purchase plan	3,937,118	1.90	7,480,524
<b>31-Dec-15</b>	<b>Balance</b>	<b>117,557,596</b>		<b>111,666,166</b>

(i) These shares issued were non-cash transactions (refer to Note 19).

### (C) ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

### (D) DIVIDEND REINVESTMENT PLAN

The Group does not have a dividend reinvestment plan in place.

## 11 Reserves

	31-Dec-15 \$	30-Jun-15 \$
Opening balance	-3,181,442	0
Common control transactions	0	-3,327,034
Foreign currency translation reserves	-364,345	145,592
<b>Total reserves</b>	<b>-3,545,787</b>	<b>-3,181,442</b>

## 12 Accumulated losses

Movements	31-Dec-15	30-Jun-15
	\$	\$
Opening balance	-1,193,442	0
Loss for the year	-3,980,269	-1,193,442
<b>Total retained earnings</b>	<b>-5,173,711</b>	<b>-1,193,442</b>

## 13 Dividends

No dividends were paid or were declared payable by the Group during the period ended 31 December 2015.

## 14 Commitments and contingencies

### (A) CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of each reporting period but not recognised as liabilities is as follows:

	31-Dec-15	30-Jun-15
	\$	\$
Property, plant and equipment	28,154,242	2,123,575
<b>Total capital commitments</b>	<b>28,154,242</b>	<b>2,123,575</b>

Capital commitments disclosed above relate to contracted capital commitments associated with network expansion including a total of \$26m to complete payment for the Hong Kong network, \$1.8m committed to the Singapore network and \$0.3m across other networks.

### (B) CONTINGENT ASSETS

The Group did not have any contingent assets during the period or as at the date of this report.

### (C) CONTINGENT LIABILITIES

The Group did not have any contingent liabilities during the period or as at the date of this report.

## 15 Related party transactions

The following is a summary of the transactions with related parties and/or companies under the control of the founding shareholder.

### Shared services agreement

The Group has entered into a shared services agreement with Capital B Pty Ltd ACN 162 622 282 (Capital B), a company controlled by the Founder. Under the agreement, Capital B provides certain services to the Group (e.g. administrative and information technology services) and a right to use Capital B's premises at 14-16 Church Street, Fortitude Valley, Queensland. The services are charged on the basis of the actual cost to Capital B, allocated on the time Capital B employees spend providing services to the Group. The right to use the premises is based on a proportion of the lease expenses (between Bevan Slattery as trustee for the Church Street Trust and Capital B), associated with the Group's use of the premises. The head lease is on arm's length terms. The obligations on Capital B under the agreement are typical for a services agreement, and require that Capital B provide the services with due care, skill and judgement, comply with the law in providing the services and effect appropriate insurance. Capital B may seek reimbursement for certain expenses incurred in connection with the provision of services under the agreement. Either party may terminate the agreement for convenience on 60 days' written notice.

### Customer agreement with Megaport

Superloop Group via its operating subsidiaries have entered into customer agreements for the provision of connectivity services with Megaport Limited ACN 607 301 969 and its operating subsidiaries (Megaport) for which the Founder and significant shareholder of Superloop is also the Founder and significant shareholder of Megaport. Under the agreements, the customer issues a service order form to the Superloop operating entity (as applicable) which sets out the nature of and the applicable monthly fees for the connectivity services. The master services agreements are on the same terms as other master services agreements between Superloop and unrelated customers (with some variance to the master services agreement with Megaport SG to reflect Singaporean law) and the fees in each current service order form are at competitive market rates.

### PROVISION OF SERVICES TO/FROM RELATED PARTIES

	31-Dec-15	31-Dec-14
	\$	\$
SALES OF GOODS / SERVICES		
Revenue earned from related parties	129,866	0
PROVISION OF SERVICES TO SUPERLOOP		
Payments to related parties for provision of shared services and rent	436,017	0

	31-Dec-15	30-Jun-15
	\$	\$
BALANCE OUTSTANDING AT PERIOD END		
Receivables	129,866	0
Trade and other payables	39,742	421,099

## 16 Reconciliation of loss after income tax to net cash flow from operating activities

	31-Dec-2015	31-Dec-2014
	\$	\$
<b>Loss for the period after income tax</b>	<b>-3,980,269</b>	<b>-86,861</b>
<b>Adjust for:</b>		
Interest Income	-22,844	0
Depreciation and amortisation	640,130	0
Foreign exchange gain / (losses)	-305,763	-8,184
<b>Subtotal</b>	<b>-3,668,746</b>	<b>-95,045</b>
<b>Change in operating assets and liabilities</b>		
Increase in prepayments and other current assets	-542,816	117,704
(Increase) / decrease in GST	126,894	-11,938
Increase in deferred tax assets	0	0
Increase in deferred liabilities	0	0
Decrease in trade creditors	-514,315	0
Increase in employee entitlements	79,492	0
<b>Net cash outflow from operating activities</b>	<b>-4,519,491</b>	<b>10,721</b>

## 17 Earnings per share

### (A) LOSSES PER SHARE

	31-Dec-15 Dollars	31-Dec-14 Dollars
Total basic losses per share attributable to the ordinary equity holders of the Group	-0.043	-1,047

### (B) DILUTED LOSSES PER SHARE

	31-Dec-15 Dollars	31-Dec-14 Dollars
Total diluted losses per share attributable to the ordinary equity holders of the Group	-0.043	-1,047

### (C) RECONCILIATIONS OF EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	31-Dec-15 \$	31-Dec-14 \$
<b>BASIC EARNINGS PER SHARE</b>		
Loss attributable to the ordinary equity holders of the Group used in calculating basic losses per share	-3,980,269	-86,861
<b>DILUTED EARNINGS PER SHARE</b>		
Loss from continuing operations attributable to the ordinary equity holders of the Group:	-3,980,269	-86,861

### (D) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

	31-Dec-15 Number of Shares	31-Dec-14 Number of Shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	92,902,565	83
Plus potential ordinary shares	0	0
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	<b>92,902,565</b>	<b>83</b>

## 18 Subsidiaries and transactions with non-controlling interests

Name of entity	Country of incorporation	Class of shares	31 Dec 15 %	30 Jun 15 %
Superloop (Australia) Pty Ltd	Australia	Ordinary	100%	100%
Superloop (Singapore) Pte Ltd	Singapore	Ordinary	100%	100%
Superloop (Hong Kong) Limited	Hong Kong	Ordinary	100%	100%
APEXN Pty Ltd	Australia	Ordinary	100%	0%
CINENET Systems Pty Ltd	Australia	Ordinary	100%	0%

## 19 Controlled entities acquired or disposed

During the period Superloop Limited acquired the following entities:

APEXN Pty Ltd	16 October 2015
CINENET Systems Pty Ltd	30 November 2015

### ***APEXN Pty Ltd (trading as ApexNetworks)***

On 16th October 2015, Superloop Limited acquired 100% of APEXN Pty Ltd (ApexNetworks) for a total consideration of \$5.8 million, paid as \$3.8 million in cash and \$2.0 million in Superloop Limited shares issued at \$2.228, with the cash component funded from cash reserves. ApexNetworks allows Superloop to rapidly deploy a managed services capability for wholesale and channel customers via ApexNetworks' IT and product platforms. The goodwill of \$3,179,625 represents the residual value of the purchase price over the fair value of the identifiable assets acquired and liabilities assumed shown below. The acquired business contributed revenues of \$1,027,158 and Net Profit After Tax (NPAT) of \$146,868 during the half-year.

Details of the acquisition are as follows:

<b>Identifiable assets acquired and liabilities assumed</b>	<b>Fair Value \$</b>
Customer receivables	292,815
Network equipment: net cost	63,487
Payables – accounts	-99,156
Payables – other	-95,140
Annual leave liability	-104,025
Software	1,701,000
Customer relationships	481,000
Brand name and trademarks	100,000
<b>Net identifiable assets acquired</b>	<b><u>2,339,981</u></b>
<b>Consideration transferred</b>	
Cash paid	3,800,000
Less cash acquired	-280,394
Shares	2,000,000
<b>Total consideration, net of cash acquired</b>	<b><u>5,519,606</u></b>
<b>Goodwill on acquisition</b>	
Consideration transferred, net of cash acquired	5,519,606
Less net identifiable assets acquired, net of cash acquired	<u>-2,339,981</u>
<b>Goodwill on acquisition</b>	<b><u>3,179,625</u></b>

The values identified in relation to the acquisitions are provisional as at the reporting date 31 December 2015.

## **CINENET Systems Pty Ltd**

On 30th November 2015, Superloop Limited acquired 100% of CINENET Systems Pty Ltd for a total consideration of \$3 million, paid as \$1.5 million in cash and \$1.5 million in Superloop Limited shares issued at \$2.213, with the cash component funded from cash reserves. CINENET Systems provides Superloop an opportunity for the Group to expand its network capabilities into the digital media vertical. The goodwill of \$2,817,180 represents the residual value of the purchase price over the fair value of the identifiable assets acquired and liabilities assumed shown below. The acquired business contributed revenues of \$143,229 and NPAT of \$31,461 during the half-year.

Details of the acquisition are as follows:

	<b>Fair Value \$</b>
<b>Identifiable assets acquired and liabilities assumed</b>	
Customer receivables	284,413
Network equipment: net cost	163,333
Computer equipment: net cost	19,487
Payables – accounts	-72,360
Payables – other	-518,441
GST liabilities	-22,477
Income tax liabilities & provision	-42,056
<b>Net identifiable liabilities acquired</b>	<b>-188,101</b>
<b>Consideration transferred</b>	
Cash paid	1,500,000
Less cash acquired	-370,921
Shares	1,500,000
<b>Total consideration, net of cash acquired</b>	<b>2,629,079</b>
<b>Goodwill on acquisition</b>	
Consideration transferred, net of cash acquired	2,629,079
Add net identifiable liabilities acquired, net of cash acquired	188,101
<b>Goodwill on acquisition</b>	<b>2,817,180</b>

The values identified in relation to the acquisitions are provisional as at the reporting date 31 December 2015.

## **20 Events occurring after the reporting period**

Since the end of the reporting period, no matters have arisen which significantly affected or may significantly affect the operations of Superloop, the results of those operations, or the state of affairs in future financial years.

# Corporate Directory

## DIRECTORS

- **Bevan Slattery**  
Executive Chairman & Interim CEO
- **Daniel Abrahams**  
Chief Infrastructure Officer
- **Greg Baynton**  
Non-executive director
- **Louise Bolger**  
Non-executive director
- **Michael Malone**  
Non-executive director
- **Richard (Tony) Clark**  
Non-executive director

## COMPANY SECRETARY

- **Greg Bryant**  
Chief Financial Officer

## REGISTERED OFFICE

- **Superloop Limited**  
14-16 Church Street  
Fortitude Valley QLD 4006  
Tel: +61 (7) 3088 5999

## COMPANY WEBSITE

- [www.superloop.com](http://www.superloop.com)

## AUDITOR

- **Deloitte Touche Tohmatsu**  
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123 Eagle Street  
Brisbane QLD 4000  
[www.deloitte.com/au](http://www.deloitte.com/au)

## SOLICITORS

- **McCullough Robertson**  
Level 11, Central Plaza Two  
66 Eagle Street  
Brisbane QLD 4000  
[www.mccullough.com.au](http://www.mccullough.com.au)

## SHARE REGISTER

- **Link Market Services Limited**  
Level 15, 324 Queen Street  
Brisbane QLD 4000  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

## STOCK EXCHANGE LISTING

- Superloop Limited shares are listed on the Australian Securities Exchange (ASX) under ticker code SLC