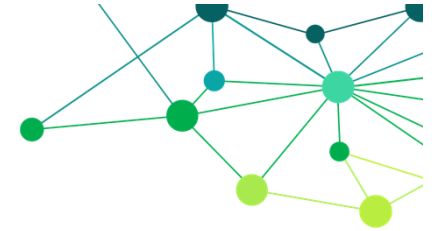


SHAW AND PARTNERS OPTICOMM LTD

2 DECEMBER 2019

CONTENTS AND PRESENTERS



- Introduction to OptiComm
- Our growing footprint
- Fixed broadband in Australia
- OptiComm's Business model
- Our networks
- Network growth and services
- Financial highlights
- Summary

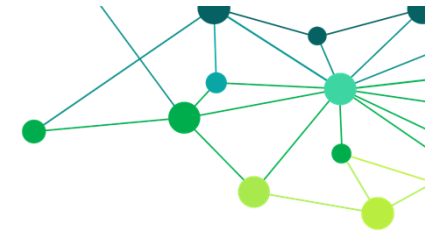


Paul Cross
Managing Director



John Phillips
Chief Financial Officer

ONE OF AUSTRALIA'S LARGEST TELECOMMUNICATIONS INFRASTRUCTURE PROVIDERS



OptiComm is a designer, builder, owner and operator of wholesale, open-access, Fibre-to-the-Premises telecommunications infrastructure networks in new residential, commercial, and retail developments

Largest national private provider of telecommunications infrastructure

Established in 2005
employing over 80 people with
with **33 RSPs** on its network

Licensed Australian telecommunications carrier

OptiComm networks deployed to over 245 estates nationally

Network passes 106,000 lots
Over 76,000 dwellings connected
Over 60,000 with **active services**

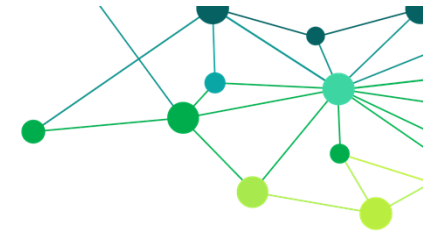
Current contracted pipeline includes **24,000 lots under construction**

Contracted obligations to construct future networks to over 100,000 additional lots

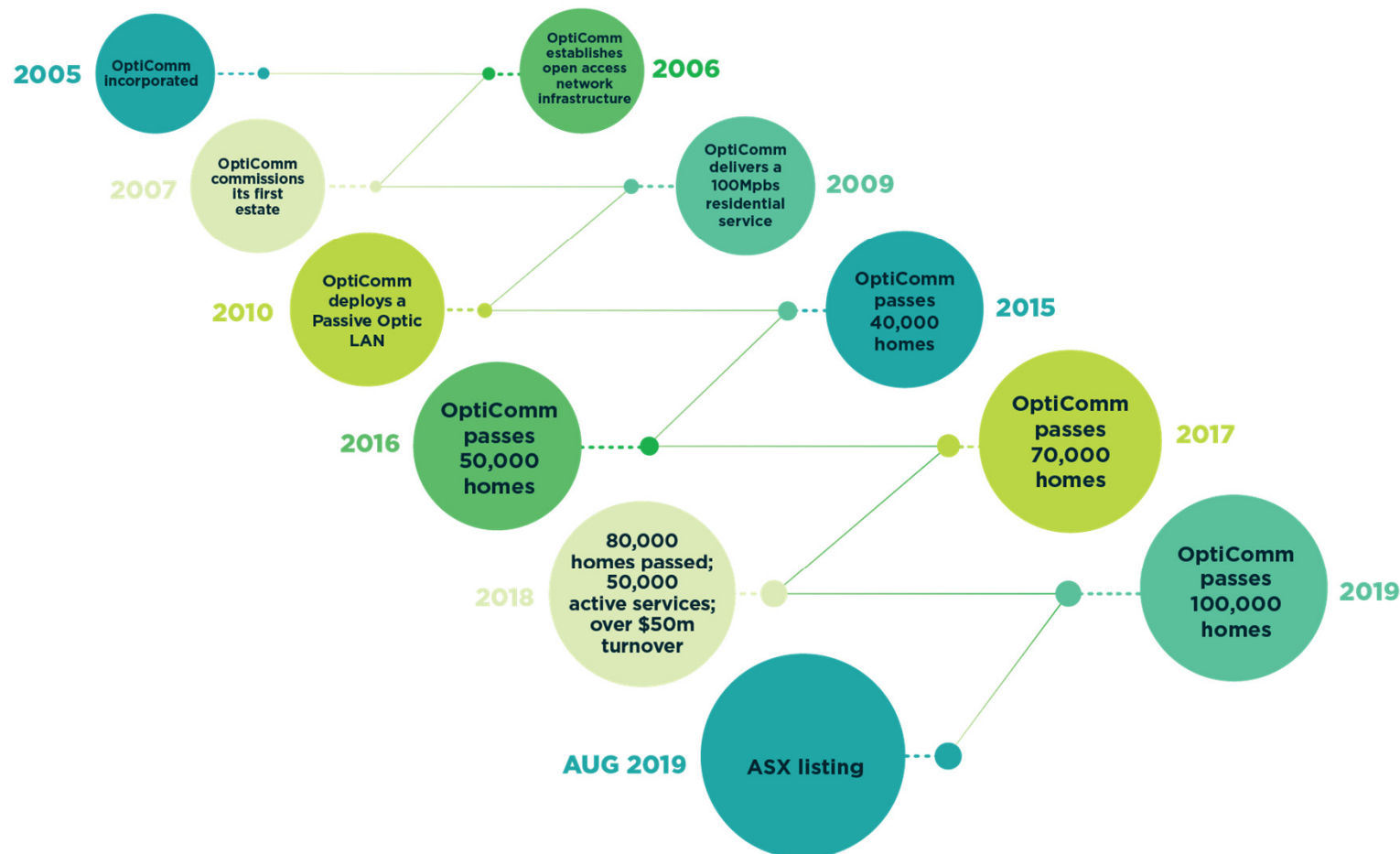
Over 96% of constructed networks utilising Fibre-to-the-Premises technology

~27% of Broadacre housing market

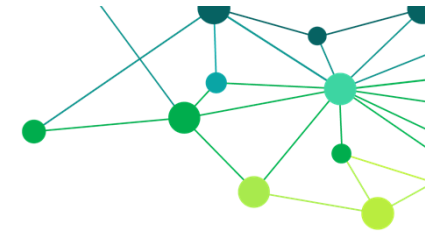
OPTICOMM'S GROWING FOOTPRINT



Over 14 years, OptiComm has grown to become one of Australia's largest Fibre to the Premises wholesale infrastructure builder, owner, operator



FIXED BROADBAND IN AUSTRALIA



The ever-increasing consumer appetite for internet connectivity which requires fast and reliable bandwidth services within residential, commercial and retail market segments is driving OptiComm's business

Data

- Consumption of data is growing significantly
- Data demand is expected to continue to grow as technology develops
- ~96% of Australian internet downloads during April – June 2018 over fixed-line broadband services

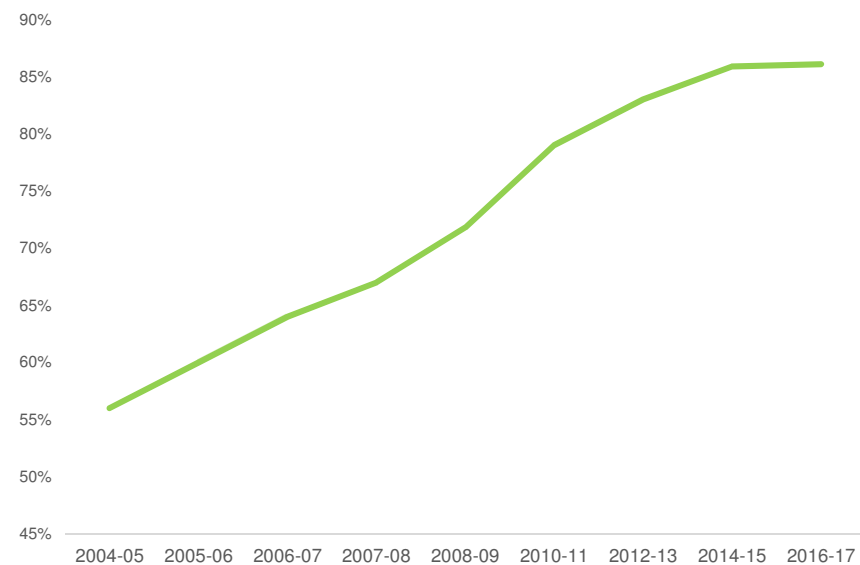
Speed

- Speed at which data is delivered '*bandwidth*' is interrelated to the consumption of data

Devices

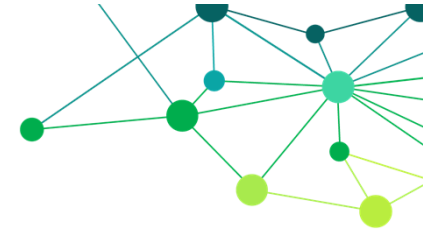
- Growing demand for multiple internet-enabled devices
- Average household is forecast to have 50 connected devices by 2026

Australian household internet access



- **86%** of households with internet access in 2016-17
- **56%** of households with internet access in 2004-5

LEGISLATION REQUIRES FIXED-LINE FIBRE INFRASTRUCTURE IN NEW RESIDENTIAL DEVELOPMENTS

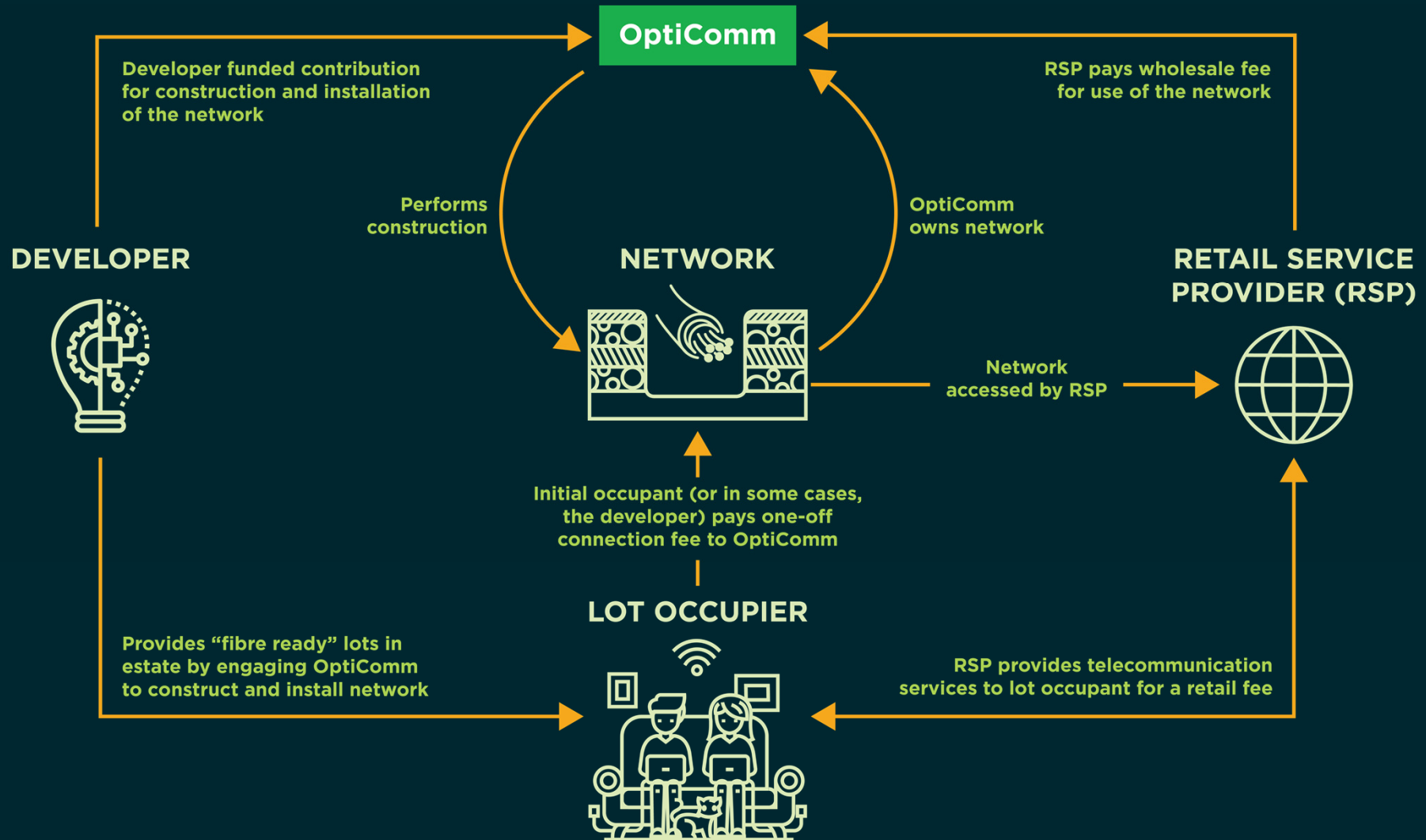


The Federal Government's regulatory framework requires new residential property developments to have appropriate 'fibre ready' telecommunications infrastructure in place prior to sale

Developers have the fibre network infrastructure installed by a network provider such as **OptiComm** concurrently with the development – effectively making fibre the fourth utility

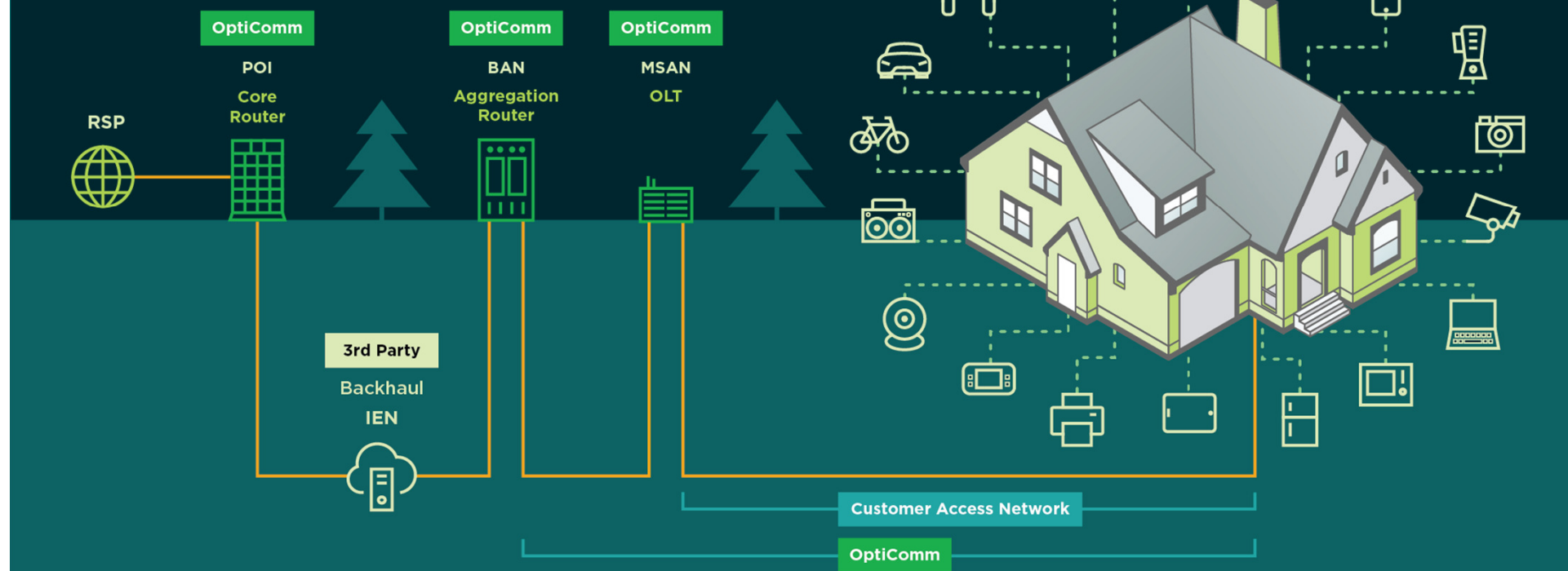


THE OPTICOMM BUSINESS



DELIVERING ENHANCED NETWORKS

OptiComm designs and delivers enhanced networks, cost effectively with a low maintenance overhead



GLOSSARY

BAN	Broadband Aggregation Network	OLT	Optical Line Terminal
IEN	Inter Exchange Network	POI	Point of Interconnect
MSAN	Multi Service Access Node	RSP	Retail Service Providers

LEGEND

— Fibre

Refer to prospectus for further detail regarding key network components.

OPTICOMM CONSTRUCTED NETWORKS AND CONNECTIONS

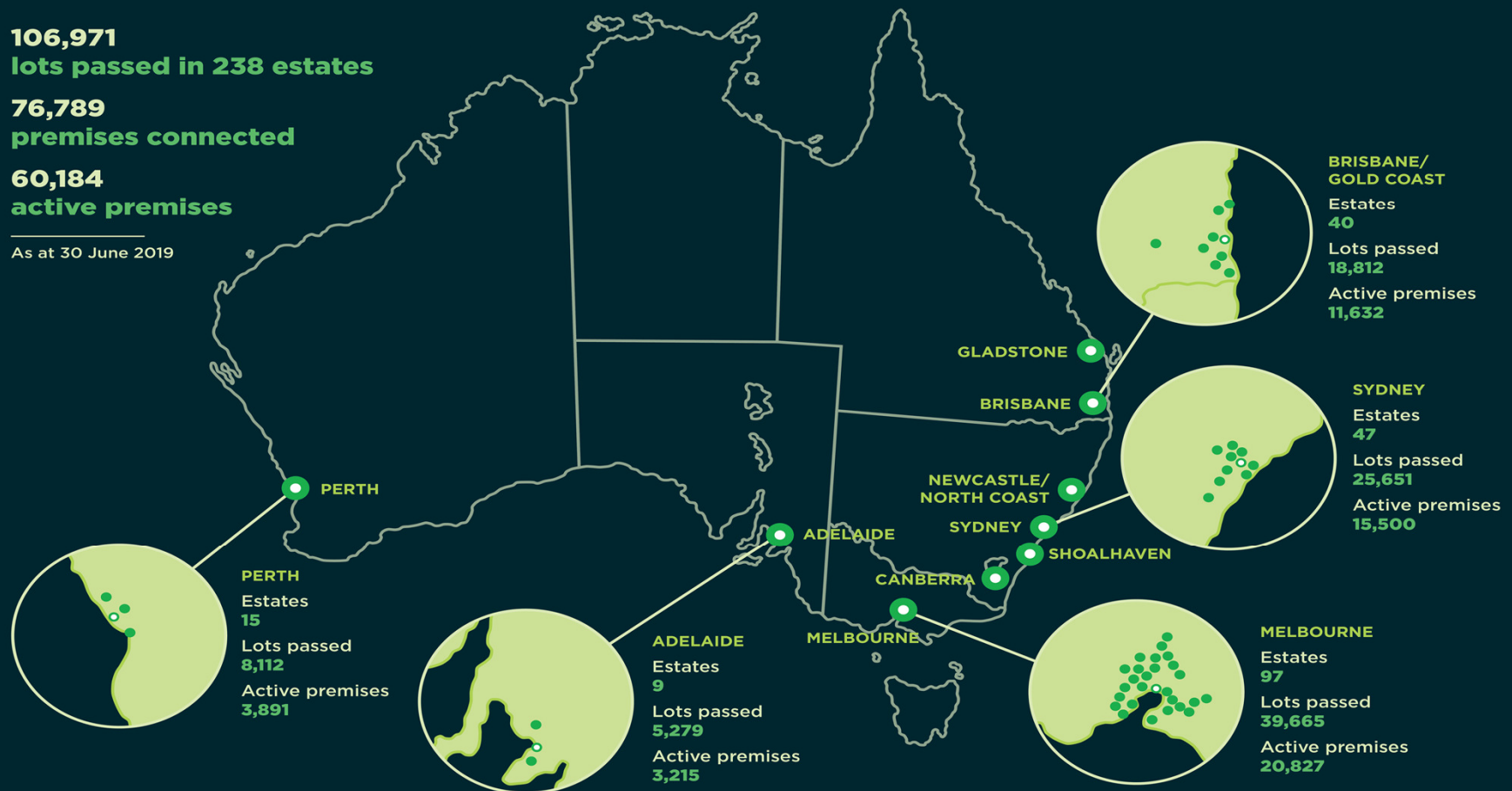


106,971
lots passed in 238 estates

76,789
premises connected

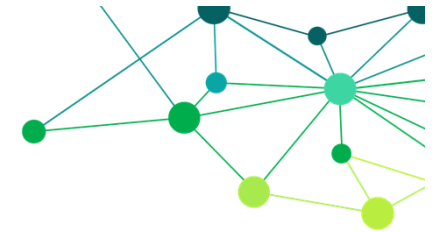
60,184
active premises

As at 30 June 2019

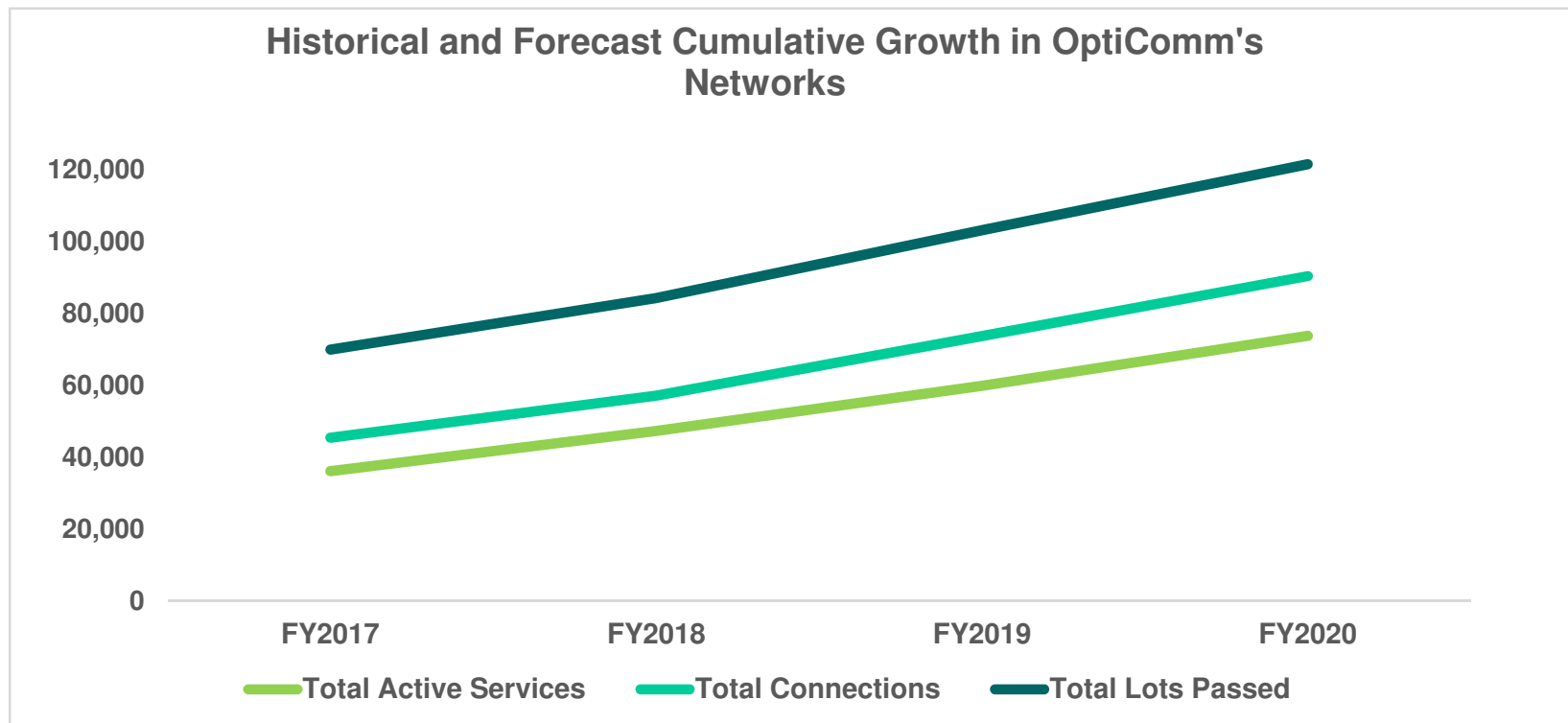


¹ Figures shown for estates, lots passed and active premises are within the capital cities noted and do not include all OptiComm connected estates in which OptiComm has infrastructure installed.

RAPIDLY GROWING NETWORK

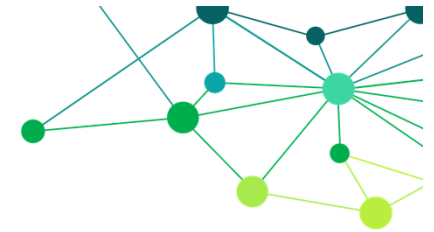


Embedded growth from a combination of lots under construction, active connections and a contracted pipeline where infrastructure is to be constructed.



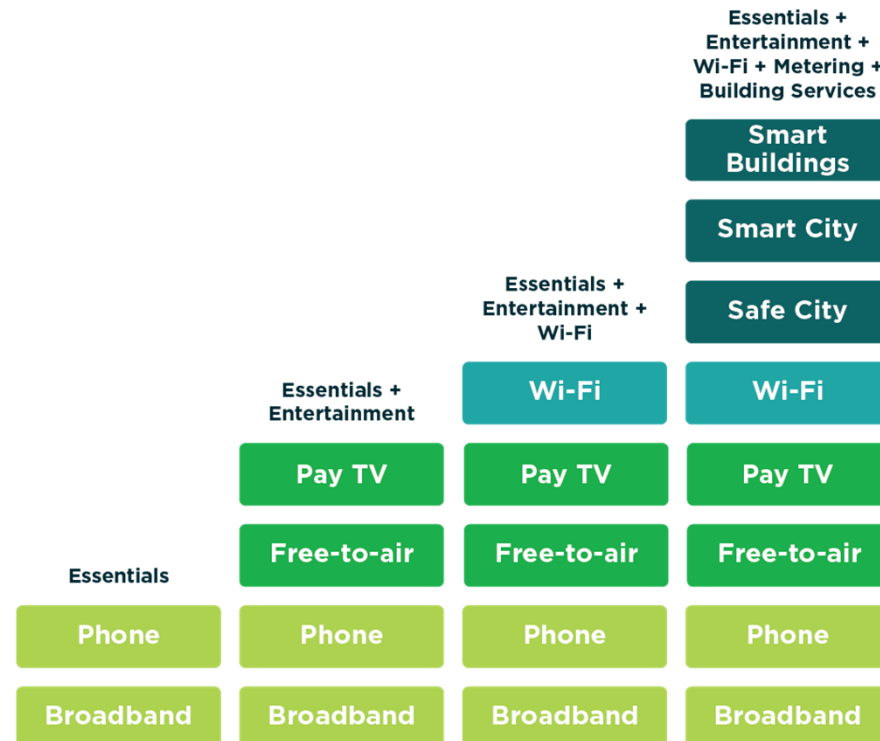
Add to this contracted future networks to over 100,000 additional lots – yet to be constructed

BUILDING ONLINE COMMUNITIES

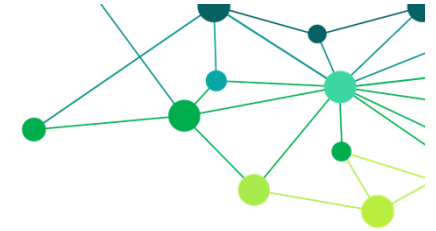


OptiComm enables, in conjunction with its RSPs, a range of services across its network that are in addition to the standard broadband, telephony and data services readily available

- Business Services
- Satellite Master Antenna (SMA) TV
- Community Wi-Fi
- Smart Cities
- Smart Poles
- Smart Building Services (Intercom, CCTV, BMS, EACS)



REVENUE STREAMS

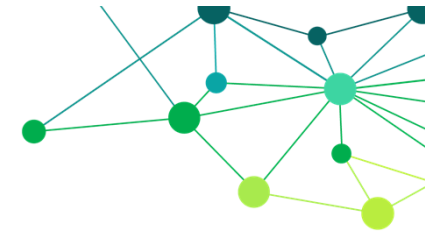


OptiComm generates revenue from three principal sources – building its network, connecting premises and network wholesale charges

Construction revenue	One-off connection fees	Recurring network revenue
<ul style="list-style-type: none">Revenue for design and construction of network infrastructure in residential Broadacre, MDU and commercial developments	<ul style="list-style-type: none">Every lot/dwelling that is first connected to the OptiComm-owned networksAs OptiComm is typically the only fixed-line provider in their estates, historically there is a high connection rate for new dwellings	<ul style="list-style-type: none">Network access and use by residential and commercial end-users – monthly wholesale access charge to Retail Service Providers



FY2019 HIGHLIGHTS



Revenue:

Up 10%*

NPAT:

Up 18%*

**Active
premises:
60,187**

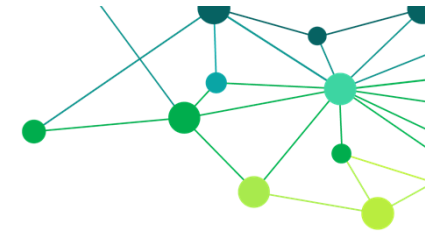
**June 2019
ARPU:
\$49.19 (pcp
\$44.98)**

**Contracted
pipeline and
WIP:
Over 125,000
lots**

**Constructed
lots in FY19:
18,689**

* Pro forma

FY2019 FULL YEAR RESULTS - DETAIL



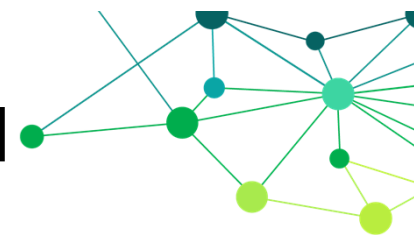
Profit and Loss - \$A millions (pro forma)	FY2019	FY2018
Revenue	\$62.26	\$56.54
EBITDA	\$34.14	\$28.92
NPAT	\$20.22	\$17.10

- Revenue up 10%, with strong growth in network operating revenue (up 38%)
- Construction revenue reduced on prior year
- NPAT up 18% with margins on network operations remaining strong

- Constructed lots up 31%
- ARPU continues to increase as consumer bandwidth requirement grows
- Active Service additions of over 12,500 – of these the majority joined on 50mbps and 100mbps speed plans
- Increase in overall contracted pipeline

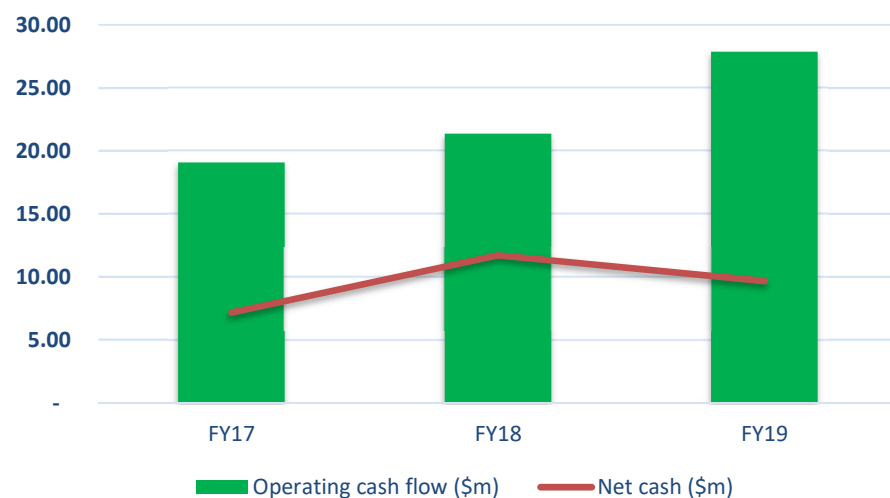
Other	FY2019	FY2018
Constructed lots	18,689	14,298
ARPU at June	\$49.19	\$44.98
Active network users (EOY)	60,187	47,673
Pipeline of contracted lots and WIP	~125k	~100k

FY2019 FULL YEAR RESULTS – CASH FLOW SUMMARY (statutory)



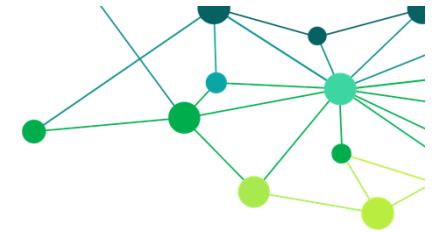
- Operating cash flow remained strong
- Continued investment in network infrastructure to expand the network, improve redundancy and efficiency and drive increased recurring revenue

Cash Flow Analysis FY17-FY19

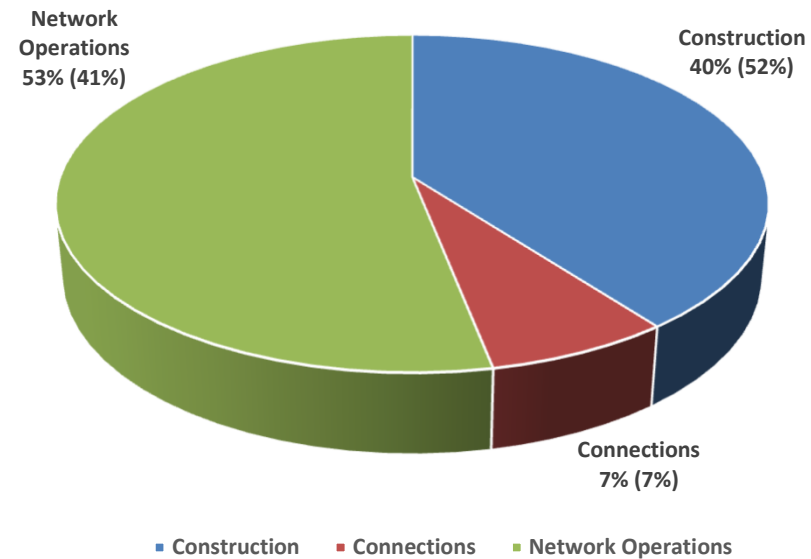


Opening Balance		\$11.7m
Operating		
Net operating inflows	35.2	
Net interest received/(paid)	0.1	
Income tax paid	(7.5)	
Operating cash Flow	27.8	
Investing		
Network and other capex	(18.4)	
Total investing	(18.4)	
Financing		
Dividends	(12.0)	
Other	0.5	
Total Financing	(11.5)	
Closing Balance		\$9.6m

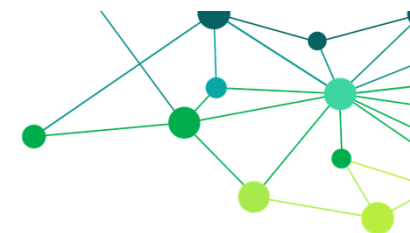
Revenue Analysis



- Network Operations revenue has increased due to an increase in Active Services and ARPU
- Construction revenue as a proportion fell due to sell price competition and a mix change between MDU's and Broadacre
- Connections revenue consistent with prior years (as a proportion of total)



FINANCIAL HIGHLIGHTS



A\$000	Pro Forma Historical FY17	Pro Forma Historical FY18	Pro Forma Historical FY19	Pro Forma Forecast FY20
Total revenue	46,949	56,544	62,259	69,962
Network revenue	15,585	23,877	33,062	41,988
Revenue growth				
Total revenue growth		20%	10%	12%
Network revenue growth		53%	38%	27%

Profitability				
EBITDA	20,813	28,921	34,143	38,680
NPAT	12,001	17,096	20,218	22,144
Profitability growth				
EBITDA growth		39%	18%	13%
NPAT growth		42%	18%	10%

Cash Flow				
Operating cash flow	4,064	5,220	9,419	11,462
Operating cash flow growth		28%	80%	22%

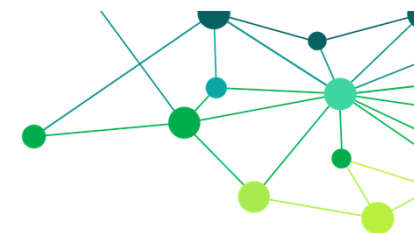
Comments:

- Revenue continues to grow as the network expands
- Proportion of revenue that is recurring continues to grow and is forecast to become the largest single revenue stream from FY19 onward
- Year on year EBITDA and NPAT growth
- Operating cash flow (after allowing for network capital expenditure) will allow for a solid dividend stream subject to other capital requirements



All forecast financial information is based on assumptions and accounting policies as set out in the Prospectus and key risks. There is no guarantee that forecasts will be achieved.

REVENUE COMPOSITION



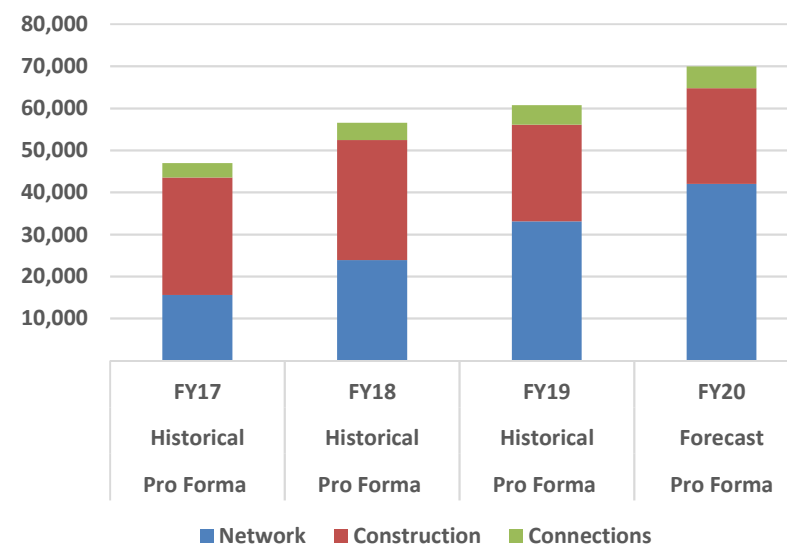
Network revenue exceeded construction and connection revenue in FY19 and is backed by a long term contracted pipeline

A\$000	Pro Forma FY2017 Actual	Pro Forma FY2018 Actual	Pro Forma FY2019 Actual	Pro Forma FY2020 Forecast
Network Operations	15,585	23,877	33,062	41,988
YOY growth		53%	38%	27%
Network Contribution ¹	12,578	20,260	28,635	37,527
Gross Margin	81%	85%	87%	89%
YOY growth		61%	41%	31%

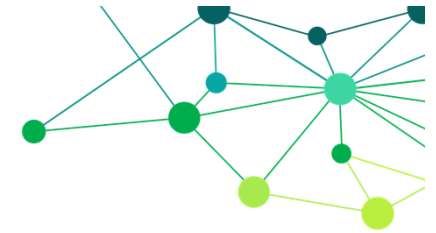
1. Network Contribution is expressed as the gross margin after direct costs and pre operating expenses and overhead.

All forecast financial information is based on assumptions and accounting policies as set out in the Prospectus and key risks. There is no guarantee that forecasts will be achieved.

OptiComm pro forma revenues \$m

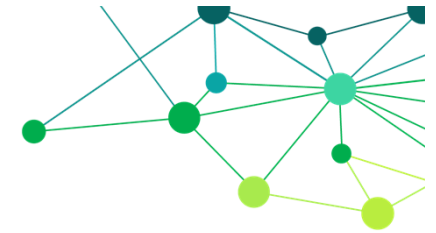


FY2020 update



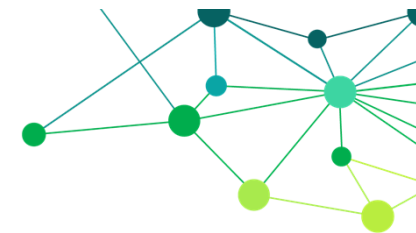
- Overall market conditions
 - Broadacre market has been challenging, however we are still experiencing consistent demand with most of our developer clients
 - Indicators are for an improving market with increased demand as consumer credit becomes more available
 - First home buyer schemes at the Federal and State level are also expected to further drive demand
 - MDU market increasingly competitive as both fixed line and wireless operators compete for market share – our focus is in the mid to high end MDU sector
 - Independent Living Unit (ILU) market continues to grow and we have a dedicated sales team for this market

FY2020 update



- Panel of Retail Service Providers (RSP's)
 - OptiComm has over 30 RSP's (the most of any fixed line provider outside NBN Co)
 - Expect to add another “tier 2” RSP to our panel in the New Year
- “Bush tax” legislation
 - Draft legislation yet to be tabled in Parliament
- Contracted lots
 - 12,500 additional contracted lots to end October
 - Grown market share in MDU sector
 - ILU sector – ~1,000 new lots contracted to end October

FY2020 update



- Network revenue
 - ARPU at end October up 2% on June 2019
 - Active users currently on target to achieve full year forecast
 - Margins (%) in line with forecast
- Construction revenue
 - Lots in construction (WIP) ahead of the PCP; currently expect to achieve FY20 constructed lots target
 - Higher mix of MDU's in YTD constructed lots; expect this trend to ease in the 2H FY20
- In summary, our current trading position and outlook is supportive of the forecasts outlined in our prospectus

QUESTIONS

