

**ASX ANNOUNCEMENT****Speedcast to recapitalise through chapter 11**

- Speedcast to recapitalise its balance sheet, through a voluntary process under chapter 11 of the US Bankruptcy Code
  - Commitment for up to US\$90 Million in Debtor-in-Possession Financing will support ordinary course of business operations
  - The Company expects to honour customer and employee commitments worldwide, and to pay suppliers in the normal course of business for all goods and services from today forward
- Speedcast remains committed to working with its customers and suppliers through this unprecedented period to ensure continuity of their critical telecommunications services

**Sydney, Australia, 23 April 2020** – [Speedcast International Limited](#) (ASX: SDA), today announced that, after evaluating a variety of options to strengthen its balance sheet in ways that support its long-term growth and success, it has initiated a voluntary financial restructuring under chapter 11 of the United States Bankruptcy Code. In conjunction with chapter 11 petitions filed on behalf of Speedcast International Limited and certain of its U.S. and international subsidiaries, the Company also announced that it has received a commitment for up to \$90 million in new money debtor-in-possession financing from the holders of its outstanding term loan and revolver debt. Those funds, combined with its existing cash flows, will help to ensure it is able to meet its ongoing commitments to all stakeholders throughout the restructuring.

None of the entities associated with the Company's Government Business (UltiSat, Inc., Globecom Systems Inc., Globecom Services Maryland LLC, ProTechnic Corp. and Melat Networks Inc.) have filed for chapter 11 relief. The Government Business entities are fully financially independent and continue to operate and generate sufficient cash flow to support their operations. A full list of filing entities is available at [www.kccllc.net/speedcast](http://www.kccllc.net/speedcast).

All entities – regardless of their status in the chapter 11 process – are operating and serving customers as usual. The Company intends to uphold its commitments to its customers and employees, and to pay suppliers in the normal course of business for all goods and services delivered to any Speedcast entity from today forward.

"The decisive actions we announced today are about strengthening our financial position through the proven legal framework that the chapter 11 process provides – and we are confident we will maximize the full potential of our expanded platform as a result of the actions we're taking now to align our balance sheet strength with our clear industry leadership," said Peter Shaper, Speedcast Chief Executive Officer and Executive Director. "We fully expect that our customers and employees, among other stakeholders, will see no change in their interactions with our Company as a result of this filing. In fact, we expect to be a stronger business partner and employer as result of the additional financing our existing lenders have committed, based on their strong belief in our go-forward potential."

The financial restructuring the Company is now undertaking will allow Speedcast to overcome the near-term headwinds it is facing as a result of pressures on its customers' businesses. A significant percentage of the Company's customers are in the maritime and oil and gas industries and have extended payment terms as they work to overcome significant industry pressures. The impact on Speedcast's business was further exacerbated as the COVID-19 pandemic spread worldwide and halted activities for Speedcast's cruise line customers. These dynamics made it impossible for Speedcast to complete its planned equity raise – or any recapitalization transaction – outside of the Court-supervised chapter 11 process.

**Maintaining operations through the chapter 11 process**

The U.S. chapter 11 process provides a legal framework through which Speedcast will work with creditors and other stakeholders to develop a Plan of Reorganisation that specifies how the Company will reduce its debt and

gain access to new sources of liquidity. This is a proven process that many companies – based in the U.S. and around the globe – have successfully utilised to achieve their financial goals and position their businesses for long-term growth and success. Speedcast plans to emerge from the process during the 2020 calendar year.

While under the Court's protection, Speedcast intends to continue its global operations uninterrupted. Customers should expect to receive the same leading products and services delivered by Speedcast prior to the chapter 11 filing and should see no changes in the way they interact with the Company.

The Company also has taken the necessary steps and intends to pay employees as usual, regardless of entity or where they are based. Employees should not see any changes in their roles, wages or benefits as a result of the filing and will continue to work diligently to provide uninterrupted service to the Company's customers and other stakeholders.

While chapter 11 is a sophisticated process intended to ensure that appropriate regard is had to the interests of all stakeholders, it is not yet clear whether the restructuring of the Company will result in any retention of value in the Company by its shareholders. The Company expects that its shares will remain suspended from trading until at least the end of the chapter 11 process.

The Company's chapter 11 case is being heard in the United States Bankruptcy Court for the Southern District of Texas. More information about Speedcast's chapter 11 filings can be found at [www.kcclic.net/speedcast](http://www.kcclic.net/speedcast). In addition, a fact sheet summarising our go-forward plan and the chapter 11 process can be found at <http://www.kcclic.net/speedcast>.

Suppliers may call +1 (424) 236-7236 (International) or +1 (877) 709-4758 (U.S./Canada) with any questions they may have about the process.

Speedcast is represented in the chapter 11 filing by Weil, Gotshal & Manges LLP as American legal counsel and FTI Consulting, Inc., and Moelis & Company LLC as American financial advisors. The Company is represented in Australia and various other jurisdictions by Herbert Smith Freehills as legal counsel and Moelis Australia Advisory Pty Ltd as financial advisors.

***This announcement has been authorised for release by the Board.***

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**About Speedcast International Limited**

Speedcast International Ltd (ASX: SDA) is the world's most trusted communications and IT services provider, delivering critical communications solutions to the Maritime, Energy, Mining, Media, Telecom, Cruise, NGO, Government, and Enterprise sectors. With more satellite capacity than any other provider, Speedcast enables faster, seamless pole-to-pole coverage from a global hybrid satellite, fiber, cellular, microwave, MPLS and IP transport network with direct access to public cloud platforms. The company also integrates differentiated technology offerings that provide smarter ways to communicate and distribute content, manage network and remote operations, protect and secure investments, and improve the crew and guest experience. With a passionate customer focus and a strong safety culture, Speedcast serves more than 3,200 customers in over 140 countries. Learn more at [www.speedcast.com](http://www.speedcast.com)

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