



## Uniti Wireless Limited Half Year Results Announcement - 31 December 2018

- **Uniti Releases First Financial Results to ASX**
- **Transformational FuzeNet Acquisition Completed**
- **Benefits of Acquisition Realised in Future Results**
- **Reaffirms Prospectus Pro Forma Forecasts**

Uniti Wireless Limited (ASX:UWL) has today released the first financial results to the ASX as a listed company for the half year ended 31 December 2018.

UWL listed on the ASX 13 February 2019 and completed the acquisition of FuzeNet on 11 February 2019.

The half year results do not include the benefits or an earnings contribution from the FuzeNet acquisition which is transformational for UWL.

For the half year UWL recorded a Net Loss after Tax of \$7.2M after including one off costs incurred in achieving the ASX listing and completing the FuzeNet acquisition. The Net Loss after Tax excluding one off items was \$3.1M

UWL's EBITDA for the half year was negative \$1.6M (excluding one off costs) compared to \$0.8M negative for the prior corresponding period.

Had FuzeNet been consolidated with UWL for H1 FY19 half year ("pro forma") the unaudited EBITDA would have been \$0.3M positive.

UWL has forecast a positive pro forma EBITDA of \$1.7M for the second half year of FY19 which includes the consolidation of FuzeNet for the full six months. UWL will consolidate the earnings of FuzeNet from the 1 February 2019.

The Prospectus forecast pro forma EBITDA FY19 (assumes FuzeNet owned for full year and excluding one off costs) is \$2M. UWL is currently trading in line with these forecasts.

UWL recorded negative operating cash flow in the current half year of \$2.5M that included \$0.75 in one off cash costs. The FuzeNet EBITDA for this period was \$1.8M. FuzeNet has minimal investing and financing cash flow requirements.

The continued growth in the UWL fixed wireless access network combined with the financial benefits of the FuzeNet acquisition will see UWL transform to reporting positive EBITDA and operating cash flows this year.



UWL Chief Executive Officer, Michael Simmons stated:

“The acquisition of FuzeNet has been highly complementary and transformational for Uniti. FuzeNet aligns nicely with the Uniti strategy of providing fixed wireless broadband services as an alternative to NBN. FuzeNet provides the same services primarily over alternative non NBN fibre networks. These alternative networks produce higher margins and will be a continued focus for Uniti in the future.

“FuzeNet will enable Uniti to expand the fixed wireless network nationally, quickly and more economically. Unless returns on NBN resold services improve Uniti will continue to be a reseller of the NBN network only in limited circumstances and primarily where the Uniti wireless network or an alternative fibre network is not available.”

“We have identified acquisitions for the future which can produce the same step change in earnings and capability that FuzeNet has recently achieved. This will also be a continued focus for Uniti.”

Following the capital raising, listing and completing the acquisition of FuzeNet cash available to fund the future expansion of the UWL business is \$5M. Net Assets after recording these events before consolidating FuzeNet are \$15.6M.

#### **ADDITIONAL INFORMATION**

For further information, contact as below:

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