

ASX ANNOUNCEMENT

FY21 HALF YEAR RESULTS & APPENDIX 4D

Record Results Across the Group. Significant Organic Fibre Growth Locked-In.

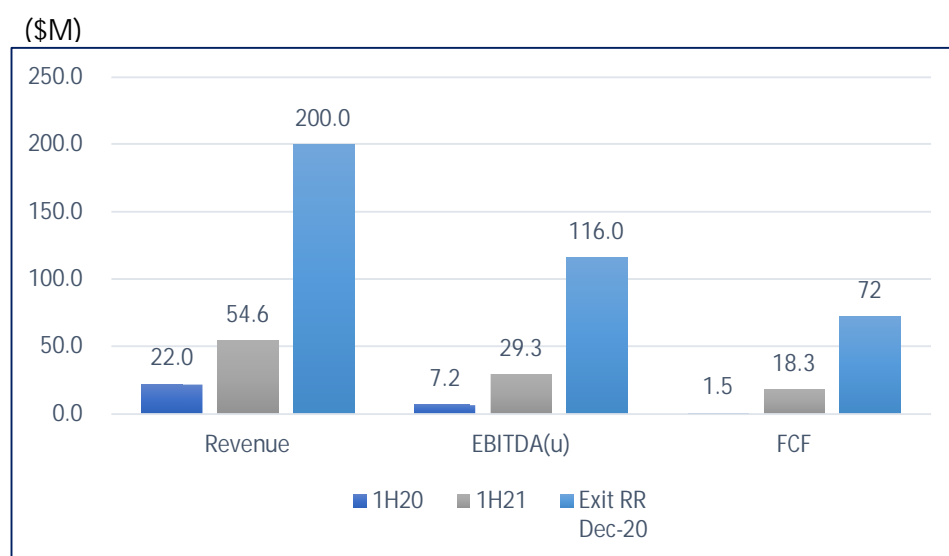
- Record H1 FY21 Revenue, EBITDA(u) and Free Cash Flow, Group-wide organic growth
- Run-rate EBITDA(u) and Free Cash Flow @ \$116M and \$72M respectively (as at Dec 20)
- 86% of Run-rate EBITDA at Dec 20 generated by Uniti Wholesale & Infrastructure (W&I), approximately \$100m
- Consolidated Run-rate Revenue now 88% recurring in nature, dominated by W&I
- 75% of >200,000 contracted fibre premises going "live" within 5 years, doubling W&I active services
- Uniti's continued growth enhanced by digital app evolution, a strengthening property market, growing demand for speed and data, near-infinite fibre technology capacity & anticipated retail price inflation

23 February 2021: Uniti Group Limited (ASX: UWL) ("Uniti") is pleased to release its financial results for the six months ending 31 December 2020 ("1H FY21") and the accompanying Appendix 4D.

Uniti has delivered record results across every key financial measure in 1H FY21 and, more significantly, has positioned the business for an acceleration in long term organic growth, a large proportion of which is already 'locked-in' by the growing contracted portfolio within its core fibre infrastructure business unit, Wholesale & Infrastructure (W&I).

During the last 12 months, this contracted portfolio has grown by 20%, a faster rate than achieved historically, and which is expected to further expand following the acquisition of the Telstra Velocity® network assets and the addition of Telstra as a Retail Service Provider (RSP) on the W&I wholesale network.

The chart below illustrates Uniti's revenue, earnings and free cash flow growth trajectory, as compared with 1H FY20 (pcp) and the annualised run-rate¹ as at the end of December 2020.



¹ Run Rate is calculated as Dec-20 annualised including Velocity and \$6m synergies assumed. Exit Run Rate Free Cash Flow (FCF) assumes 62% of Exit Run Rate for Dec-20



H1 FY21 Financial Highlights

- **148%** increase in revenues versus prior corresponding period (pcp) to **\$54.6M**
- **307%** increase in EBITDA(u)² versus pcp to **\$29.3M**
- Revenue and EBITDA(u) run-rate at end December 2020 of **\$200M** and **\$116M** respectively
- Core Infrastructure EBITDA run-rate at end December 2020 of **\$100M**, including Velocity
- Operating Free Cash Flow (Operating Cash Flow less Capex) of **\$18.3M**, **62%** of EBITDA(u)
- Operating Free Cash Flow run-rate at end December 2020 of **\$72M**
- Cash at Bank of **\$45.5M**, before receipt of \$20M proceeds of Share Purchase Plan (SPP) in Jan '21
- Net Leverage (net debt/EBITDA)(u) of **~2.2x** @ 31 December 2020, reduced to **~2x** in Jan '21

Other Significant Highlights

- 3 accretive acquisitions completed in the half - **OptiComm**, **Harbour ISP** and the **Telstra Velocity®** network assets. Integration and synergy realisation plans on or ahead of schedule
- All 3 Uniti business units are benefiting from various strong 'tailwinds', including greater digital services uptake, consumption (driving speed and data demand, this demand best satisfied by fibre), technology, strengthening residential property markets and lifestyle factors making fibre broadband an essential service, and anticipated broadband retail price inflation
- Earnings now dominated, and future growth underpinned, by 'core' fibre W&I, with **75%** of W&I's contracted order book of **200,000** premises expected to be going "live" within **5 years**, and, in turn, doubling W&I's number of current active services
- Consumer and Business ("C&B", formerly "CBE") RSP business unit growing strongly organically and delivered **~80%** of its new customers in December 2020 on Uniti's core fibre infrastructure
- Specialty Services business unit, now renamed "CPaaS" (Communications Platform as a Service), delivering strong organic revenue and earnings growth in its main digital platform offerings

Uniti's Group Managing Director & CEO, Michael Simmons, said of Uniti's H1 FY21 performance:

"Uniti has transformed into a core infrastructure owner and operator, enjoying scale and relevance in our chosen markets & with the unique advantage of having 'locked-in' organic growth, thanks to our large and growing contracted fibre order book.

We are today a core infrastructure business, generating operating free cash flow exceeding 60% of our earnings, after investing in the further expansion of our fibre telecommunications infrastructure.

We are privileged to be operating in a segment of the telecommunications industry experiencing once-in-a-lifetime favourable market and economic conditions and investing in fibre infrastructure, which delivers a highly demanded essential commodity to consumers and business, which is able to accommodate very long term demand growth with minimal incremental capital or operating expenditure.

The fact that 75% of our existing fully funded, contracted fibre order book will be deployed in the coming 5 years, and is continuing to grow at improving rates, assures our shareholders of continued steep earnings growth and free cash generation over both the near and longer term".

² EBITDA(u) excludes shared based payments, acquisition and restructuring costs; and dividends received from the Company's acquired interest in OptiComm shares prior to the completion of the Scheme of Arrangement to acquire OptiComm and its controlled entities



FY20 Results Webcast:

Group Managing Director & CEO (Michael Simmons) and Group CFO (Darryl Inns) will host a webcast at 10.00 am AEDT today, to present the 1H FY21 results to Uniti shareholders. The webcast link will be available at [Webcast Link & Registration](#).

This announcement is approved for release by the Uniti Board.

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FURTHER INFORMATION

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ABOUT UNITI GROUP

Uniti Group (ASX: UWL) is a diversified provider of telecommunications services, with three distinct operating business units - Wholesale & Infrastructure (W&I), Consumer & Business (C&B) and Communications Platform as a Service (CPaaS).

Uniti Group listed on the Australian Securities Exchange in February 2019 and has executed its stated strategy of becoming a market-leading constructor, owner and operator of privileged fibre infrastructure, and a provider of value-added telecommunications services in identified profitable niche markets.

In the time since its listing, Uniti has made a number of acquisitions, in each of its three business units. Notably, since mid-2019 Uniti has consolidated the majority of the 'challenger' participants in the greenfields fibre broadband networks market, to make Uniti's W&I business today the definitive challenger in greenfields markets, second only to the government owned National Broadband Network (nbn).

At the core of Uniti Group is a commitment to deliver high quality, high speed telecommunications networks and associated services to its customers, in order to produce strong and growing annuity earnings and, in turn, exceptional long term returns to its shareholders.

