

# ASX Announcement : COVID-19 Update



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## COVID-19 UPDATE

5G Networks Limited ACN 163 312 025 (ASX: 5GN) (**Company**) provides an update on how it is proactively managing the impact of COVID-19 on its business.

The safety, health and well-being of our staff, customers and suppliers is our greatest priority.

5G Networks' management continues to monitor developments and is following the latest guidelines issued by Australian health authorities.

## Business operations

5G Networks' revenue is defensive in nature with more than 80% of the Company's revenue consisting of contracted and recurring revenues. In addition, the Company has experienced an increase in remote access technologies as its customers transition to working from home.

The Company is operating with a business as usual posture to support its customers through this challenging time. Accordingly, network connectivity, cloud and data centre services and managed IT are all considered an essential service for customers.

5G Networks is focussed on supporting its customers as they transition to remote working arrangements through laptops, VPN access technology and the increase of network and internet capacity. We are proactively working with our key customers to identify more efficient ways of conducting their operations and to support their business requirements during this challenging situation.

The operational capacity of 5G Networks is significant, with networking and data centre capacity able to accommodate the increase in demand for these services. Importantly, the 5GN workforce already use the latest technology and infrastructure to support flexible working solutions such as working from home or remote locations.

The Company's sales pipeline remains strong and we are focussed on continuing to develop innovative products and services that expedite our customers shift to cloud-based solutions. We are currently working closely with key suppliers to ensure reliability of supply for our products and services.

Furthermore, the Company's acquisition strategy continues to progress.

## Funding

The Company continues to generate positive operating cashflows, after generating a record \$2m of positive operating cashflows for the December quarter 2019. Strong operating cashflows are expected to continue.

In addition, the Company is well funded with \$4.2M cash and \$1.3M undrawn debt as at 31st March 2020.



## About 5G Networks

5G Networks (5GN) is a licenced telecommunications carrier operating across Australia. Our mission is to be Australia's partner of choice for unifying a seamless digital experience for our customers across data connectivity, cloud and data centre services, underpinned by expert managed services in the business to business market.

5G Networks currently owns and operates its own nationwide high-speed data network with points of presence in all major Australian capital cities. In addition, the company offers managed cloud solutions through its cloud and data centre capabilities as well as managed services to optimise customers' IT and network environments. Supporting this is the company's combined rack capacity of 720 racks through its owned and operated data centres across Melbourne, Sydney and Adelaide.

As an organisation, we are dedicated and passionate about delivering unique value to our 2500+ customers which include several top 50 ASX listed and government organisations. This commitment is strengthened by a core focus on digital leadership, innovation and an exceptional customer experience.

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