

ASX & MEDIA RELEASE

1 November 2021

Service Stream announces completion of Lendlease Services acquisition

Leading essential network services company Service Stream Limited (ASX:SSM) is pleased to announce that it has successfully completed the acquisition of Lendlease Services Pty Ltd (**Lendlease Services**), a national provider of operations and maintenance and specialist design and construction services across the utilities, transportation and telecommunication sectors.

The acquisition was announced on 21 July 2021 and following the satisfaction of all conditions precedent and the completion of the \$185 million equity raise, settlement has now taken place.

In line with the Group's stated strategy, the acquisition supports the transformation of Service Stream into a diverse, multi-network essential service provider operating across the growing infrastructure services sector. Lendlease Services is highly complementary to Service Stream's existing business, expanding our utility operations, delivering an established transportation infrastructure division, and enhances the Group's telecommunication operations.

The Combined Group expects FY22PF revenue of ~\$1.7 billion and FY22PF EBITDA from Operations of approximately ~\$120-125 million, including the full-year pro forma run rate of synergies. Service Stream's FY22 consolidated results will therefore include earnings that relate to the period post Completion, being from 1 November 2021 to 30 June 2022.

Service Stream's Managing Director, Leigh Mackender, said:

"Service Stream has been delighted with the positive response and overwhelming support the transaction has received from Lendlease Service's clients. We recognise and appreciate the critical nature of the services provided by the business and look forward to continuing to partner with and support our valued clients into the future.

On behalf of the business, I would like to formally welcome the Lendlease Services team members to the Service Stream Group and look forward to collectively supporting our vision of being Australia's leading essential network service provider."

Transaction Detail

Lendlease Services has been acquired by Service Stream for an enterprise value of \$310 million (prior to adjustments for debt and debt-like items). The transaction was funded from a \$185 million capital raise and draw down of debt facilities and available cash.

The capital raise was well supported and included a ~\$123.1 million fully underwritten 1 for 3 accelerated pro-rata non-renounceable entitlement offer, and ~\$61.9 million fully underwritten institutional placement to eligible institutional investors.

For further information on this announcement, please contact:

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About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (Code: SSM). The Service Stream Group is a provider of essential network services to the telecommunications and utility sectors. Service Stream operates across all states and territories, has a workforce in excess of 4,500 employees and access to a pool of over 5,000 specialist subcontractors. For more information visit www.servicestream.com.au

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