ASX Announcement

27 July 2021

NOTIFICATION TO INELIGIBLE SHAREHOLDERS

Leading essential network services company Service Stream Limited (ASX: **SSM**) attaches a sample of the letter that will be provided to shareholders of Service Stream who are ineligible to participate in the 1 for 3 accelerated non-renounceable entitlement offer of new shares in Service Stream, which was announced on Wednesday, 21 July 2021.

For and on behalf of Service Stream

CJChapman

Chris Chapman
Company Secretary

This document has been authorised for release by the Board of Directors.

About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (Code: SSM). Service Stream is a provider of essential network services to the telecommunications and utility sectors. Service Stream operates across all estates and territories, has a workforce in excess of 2,200 employees and access to a pool of over 3,000 specialist contractors. For more information visit www.servicestream.com.au

SSM

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Not for release to US wire services or distribution in the United States

Dear Sir/Madam

27 July 2021

Accelerated non-renounceable pro-rata entitlement offer – Notification to ineligible shareholders

On Wednesday, 21 July 2021, Service Stream Limited ACN 072 369 870 ("**Company**" or "**Service Stream**") announced it was conducting a 1 for 3 accelerated non-renounceable pro-rata entitlement offer of new fully paid ordinary shares ("**New Shares**") to existing shareholders ("**Entitlement Offer**") and an institutional placement ("**Placement**") to raise approximately $185 million, at an issue price of $0.90 per share ("**Offer Price**") ("**Offer**").

Ord Minnett Limited is acting as the sole lead manager and underwriter to the Offer ("**Lead Manager**").

The net proceeds of the Entitlement Offer and Placement will be used to partly fund the acquisition of Lendlease Services Pty Ltd ("**Lendlease Services**"), a non-core business segment within Lendlease (ASX:LLC) (the "**Acquisition**"). More detail is provided in Service Stream's Investor Presentation lodged with the Australian Securities Exchange ("**ASX**") on Wednesday, 21 July 2021.

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Offer that you should be aware of.

Details of the Entitlement Offer

The Entitlement Offer is being made without a prospectus or product disclosure document in accordance with section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73. The Entitlement Offer consists of an institutional and a retail component ("**Institutional Entitlement Offer**" and "**Retail Entitlement Offer**" respectively). The Placement and Institutional Entitlement Offer was underwritten and raised approximately $130 million, while the Retail Entitlement Offer, which is also underwritten, will raise approximately $55 million.

Details of the Retail Entitlement Offer

The Retail Entitlement Offer involves an offer to Eligible Retail Shareholders (as defined below) of an entitlement to subscribe for 1 New Share for every 3 existing Shares held at 7:00pm (Sydney time) on Friday, 23 July 2021, at the Offer Price ("**Entitlement**").

As with the Institutional Entitlement Offer, the Retail Entitlement Offer is non-renounceable. A number of New Shares equal to the number that you would otherwise be entitled to subscribe for under the Retail Entitlement Offer will be subscribed for by the underwriters and sub-underwriters, or by Eligible Retail Shareholders (as defined below) under an oversubscription facility, at the Offer Price (as defined above). As a result, no amount will be payable by or to you and you will not otherwise receive any value for Entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder (as defined below).

Eligibility criteria

The Retail Entitlement Offer is only available to Eligible Retail Shareholders (as defined below). **Eligible Retail Shareholders** are those persons who:

- are registered as holders of existing shares as at 7.00pm (AEST) on Friday, 23 July 2021;
- have a registered address on Service Stream's share register in Australia or New Zealand at that date;
- are not in the United States and are not "U.S. persons" (as defined under Regulation S under the United States Securities Act of 1933, as amended) (**U.S. Persons**) or acting for the account or benefit of U.S. Persons;
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

As you **do not** satisfy the criteria above, you are deemed not to be an Eligible Retail Shareholder for the purposes of the Retail Entitlement Offer.

Pursuant to section 9A(3) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, Service Stream considers it generally unreasonable on this occasion to extend the Retail Entitlement Offer to shareholders with a registered address outside of Australia or New Zealand having regard to the small number of those shareholders, the number of shares they hold, the value of new shares to which those shareholders would otherwise be entitled to and the costs of complying with legal and regulatory requirements in each of those jurisdictions.

Accordingly, the Company regrets that it is unable to extend to you the opportunity to participate in the Retail Entitlement Offer. Under the terms of the Retail Entitlement Offer, you are not eligible to apply for New Shares and you will not be sent a copy of the offering materials relating to the Retail Entitlement Offer.

The Company, Lead Manager and their affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

You are not required to do anything in response to this letter. This letter is to inform you about the Retail Entitlement Offer and is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. Entitlements in respect of New Shares you would have been entitled to if you were an Eligible Shareholder will lapse. As the Retail Entitlement Offer is non-renounceable, you will not receive any value for these entitlements.

This letter constitutes the notice that the Company is required to give each ineligible retail shareholder under ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the *Corporations Act 2001* (Cth).

Thank you for your continued support of Service Stream and I trust you understand the Company's position on this matter.

If you have any queries regarding the Retail Entitlement Offer, please contact your professional adviser or the Service Stream Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) during the Retail Entitlement Offer period. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Yours sincerely

Brett Gallagher

Chairman

Service Stream Limited

NOT AN OFFER OF SECURITIES

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia. In particular, the New Shares have not been, nor will be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States). The New Shares will only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.