

## **Speedcast Financial Restructuring FAQ**

### **About Speedcast's Restructuring**

#### **1. Why is Speedcast pursuing a restructuring through chapter 11?**

Speedcast has been actively working to strengthen our financial position in ways that allow us to maximize the full potential of our global platform. We were well on our way to a successful equity raise when many of our largest maritime and oil & gas customers started facing headwinds in their businesses. Their challenges, along with the impact from the global Coronavirus pandemic on cruise sector activity, quickly started to affect us as well.

As our customers recover and market sectors strengthen, we will be well positioned because we're being proactive in addressing our balance sheet issues now. That said, it quickly became clear that we needed to pursue an alternate path to achieve our financial goals. Our Board and management team determined that a restructuring through the U.S. chapter 11 process was the most efficient way to achieve our goals.

#### **2. Is Speedcast going out of business?**

No. Absolutely not. All of Speedcast's businesses across the globe – whether included in the filings or not – are operating as usual and delivering the highest quality of service to our customers. The chapter 11 process is specifically designed to help market-leading companies like Speedcast continue to operate their businesses as usual while working to achieve their financial goals in an orderly and efficient manner. This is exactly what Speedcast intends to do. We will continue to operate and deliver for our customers. This includes our network, overall operations, and support center capabilities, which will all run as normal.

#### **3. Will Speedcast sell any parts of the business, close offices or exit any geographies as a result of this process?**

Following the appointment of Peter Shaper and Joe Spytek earlier this year, the organization initiated a company-wide transformation project. This involves changes to the organization, including consolidating offices, teleports, and networks. These initiatives, which were announced previously, do include some headcount changes as we reposition roles and locations. At this time, there are no planned asset sales anticipated as part of our restructuring.

We fully expect to continue to operate throughout the restructuring and come out of the process as a much stronger organization, with a solid balance sheet, better service delivery, and more flexibility than our competition who are generally very highly leveraged.

**4. Who will be making day-to-day decisions as the Company goes through this process?**

Speedcast's leadership team will continue to be making strategic decisions and the company will operate as usual under the day-to-day leadership of the existing management team. We fully expect that Speedcast's current management team will continue to drive our Company's strategy throughout this process.

**5. Will there be any additional changes in senior leadership as a result of this process?**

It is important to remember that the goal of this process is to strengthen our balance sheet while we continue to implement the Company's transformation project in the background. Several changes to our operations and leadership have been announced and initiated as part of the ongoing transformation project. These changes, announced in March and April, include the relocation of our formal headquarters to Houston, TX and the addition of key industry leaders to support the organization transformation.

**6. Are you concerned the continued impact of COVID-19 could delay – or prevent – a successful restructuring?**

We firmly believe our decisions to act now to strengthen our balance sheet will position us well relative to our competitors when the economy does begin to recover. In the meantime, we're confident that our lenders' commitment to provide \$90 million new money financing, combined with our current cash flow, will support our business through this process. Our lenders' willingness to make this investment underscore their confidence in our future as well.

**7. Do you have the financial resources to complete the process successfully?**

We received a commitment for \$90 million in new money financing from a group of our key existing lenders. We are confident this financing, along with our regular cash flows, will allow us to continue to operate our business as usual throughout this process. Moreover, we believe our lenders' decision to provide this additional financing underscores their continued belief in our business – and the opportunities ahead.

**8. How long is the restructuring process expected to take?**

We intend to complete this process during this calendar year, and ideally hope to have it completed within the next six months.

**9. Will Speedcast also file for Voluntary Administration in Australia, and/or begin a restructuring process in any other country?**

We do not currently expect to initiate a restructuring process in any other jurisdiction. We believe the chapter 11 process will allow us to continue to operate our business as usual and achieve our financial goals across our global business.

**10. Who are Speedcast's legal and financial advisors?**

Speedcast is advised by Weil, Gotshal & Manges LLP as global legal counsel and Herbert Smith Freehills LLP as co-counsel. FTI Consulting, Inc. is Speedcast's financial and operational

advisor. Moelis Australia Advisory Pty Ltd and Moelis & Company LLC are Speedcast's investment bankers.

**11. Who is Speedcast's claims agent in this case?**

KCC is Speedcast's claims agent in their chapter 11 case. This is a legally mandated function, and KCC will maintain a dedicated website for Speedcast's bankruptcy. This will house all official court documents, a calendar of upcoming court hearings and other key dates in the chapter 11 case. KCC will also operate a dedicated call center throughout the case for restructuring-related inquiries.

**About the U.S. Chapter 11 Process**

**12. What is chapter 11?**

The U.S. chapter 11 process is a proven and reliable legal process for corporate restructurings. Typical chapter 11 restructurings, as we expect for Speedcast, involve a balance sheet restructuring to deliver the business, give the business access to new sources of capital and funding, and position it for growth on emergence from the process.

**13. Which Speedcast entities are involved in the chapter 11 process?**

Speedcast has developed a targeted approach to its chapter 11 filings. Only those entities that need to file will go into the process.

A full list of filing entities can be found at <http://www.kccllc.net/speedcast>.

**It is important to note that none of the entities associated with Speedcast's Government Business Entities (UltiSat, Inc., Globecomm Systems Inc. and all associated entities) have filed for chapter 11 relief.** Additionally, all of Speedcast's businesses across the globe – whether included in the filings or not – are operating as usual and delivering the highest quality of service to our customers.

**14. What does chapter 11 mean for those Speedcast entities that have filed under chapter 11 but are not located in the United States?**

All of our businesses – whether included in our filing or not – are expected to continue operating as usual under the leadership of the existing management team.

Employees should see no change in their day-to-day roles and responsibilities. We fully expect that pay and company-sponsored benefits processes will remain fully in place moving forward. Regardless of the entity they fall under, employees should continue to complete work responsibilities as usual to support the needs of the business and our customers.

**15. Do all creditors have the right to vote on the Plan of Reorganization? How many creditors need to approve the Plan in order for to be confirmed?**

Whether or not creditors are entitled to vote will depend on the terms of the Plan of Reorganization. We are working with our advisors and key stakeholders to develop terms for a Plan of Reorganization to strengthen our financial position and position ourselves for success going forward.

Creditors entitled to vote, vote individually, but are counted by class. Acceptance of the class requires affirmative votes by creditors holding (a) at least two-thirds of the total value for all allowed claims in the class AND (b) more than half of the total number of allowed claims in the class that have voted to accept or reject the plan. The Plan is binding on all parties after it receives sufficient votes in its favor by its voting creditors and is confirmed by the Court.

**16. What companies have used this process successfully?**

A number of companies have successfully used this in-court process to achieve their financial goals and gone on to be successful, standalone businesses. Key examples include General Motors, Westinghouse, and Iridium. These companies have all been through an in-court restructuring and emerged successfully.