

ASX Announcement

25 October 2024

Aussie Broadband Group Trading Update

Aussie Broadband Limited (ASX:ABB) is pleased to present its 1Q FY25 trading update to the market.

The Group has commenced the financial year with strong broadband connection growth of 22,119 services, up 21% on the previous quarter's growth and a number of key client wins across our Enterprise & Government, Wholesale and Symbio segments. ABB's nbn market share increased to 7.60% at 30 September 2024 compared to 7.38% at 30 June 2024 (excluding Satellite and Origin).

Table 1: Total broadband connections excluding Origin & Symbio

	2Q FY24	3Q FY24	4Q FY24	1Q FY25	4Q FY24 to 1Q FY25 Change
Residential (inc Buddy)	560,823	575,611	589,123	605,408	2.8%
Business	51,527	54,026	56,431	58,768	4.1%
E&G	12,224	12,457	12,886	13,736	6.6%
Wholesale	22,621	23,889	25,859	28,506	10.2%
Total broadband	647,195	665,983	684,299	706,418	3.2%

Table 2: Net broadband additions excluding Origin & Symbio

	2Q FY24	3Q FY24	4Q FY24	1Q FY25	Last 12 months	% change 12 months
Residential (inc Buddy)	12,366	14,788	13,512	16,285	56,951	10.4%
Business	2,087	2,499	2,405	2,337	9,328	18.9%
E&G	898	233	429	850	2,410	21.3%
Wholesale	1,644	1,268	1,970	2,647	7,529	35.9%
Net growth	16,995	18,788	18,316	22,119	76,218	12.1%

At 23 October 2024, the company continued to support 5,463 Origin broadband services which are excluded from the tables above.

Red Energy reseller agreement

Red Energy has entered into a partnership with Aussie Broadband, enabling Red Energy and its affiliated company, Direct Connect, to sell broadband and energy products to their customers for the first time.

Aussie is excited by the new partnership and, following its commencement in mid-September, expect to see it scale further over the financial year with Red Energy and Direct Connect initially offering residential NBN and Opticomm broadband. We will provide a further update at the half year results.

The agreement is on a non-exclusive basis and ABB is continuing to develop other partnerships & potential white label agreements.

MEDION Australia mobile enablement agreement

Symbio has announced a 5-year extension of its partnership with MEDION Australia. MEDION Australia is one of the largest mobile virtual network operators (MVNO) in Australia, while Symbio one of the largest mobile virtual network enabler (MVNE) in the region.

The deal is a significant accomplishment and validation of the quality of Symbio's industry leading software stack and enablement capability. As the MVNO market in Australia continues to rapidly change, Symbio looks forward to enabling not only MEDION's growth, but supporting all large brands and new entrants into the Australian MVNO space.

Enterprise & Government wins

Aussie Broadband has secured a 5 year, 400-site network deal with The Reject Shop, incorporating a Managed Fortinet SD-Branch solution, LAN/WAN connectivity, and a hosted voice telephony system. This provides enhanced security, 4G backup, and simplified management across all of its retail and corporate locations.

The deal further demonstrates Aussie Broadband's ability to win household name clients in the E&G space and is one of many major clients secured by our E&G team. The team also signed a 36-month deal with insurers Auto & General to provide high speed links between their Australian and South African sites, rectifying their immediate bandwidth requirements while also providing them with the necessary network stability and future scalability.

Aussie has also signed a 36-month deal with building products manufacturer Ventora Group to provide a fully managed SD-WAN network that will see Aussie manage their licenses, network operations and deploying new carriage links across a combination of Aussie Fibre and NBN Enterprise Ethernet connections. The deal ensures Ventora Group will have better network performance, improved security and lower latency as they scale for future growth.

Buddy Telco off to a great start

Buddy Telco has continued to grow its subscriber base despite a swift and aggressive response from competitors in the value-segment of the market. Buddy had 3,881 broadband services at the end of the quarter and over 4,500 today. The Group is expecting accelerated interest with the introduction of new marketing activities in November.

Buddy Telco is successfully reducing overall churn across the Aussie Broadband Group, with net churn results now lower for the Group vs. prior periods before Buddy was live in market.

Buddy Telco has also successfully served as an innovation incubator for Aussie, with more than 20 improvements being delivered into the MyAussie app for Aussie Broadband subscribers. These further improvements include better self-help functionality, push to Live Chat functionality, and more payment options.

FY25 Guidance reaffirmed

The Group reaffirms EBITDA guidance of \$125 million to \$135 million including the investment in Buddy, and capex guidance of \$55 million to \$60 million inclusive of capitalised software development costs.

Quote from Aussie Broadband Group Co-founder and Managing Director, Phillip Britt:

"We are happy to report that Aussie Broadband has started the year positively with growth across all segments, furthering the company's track record of excellent operational and financial performance.

Our enterprise & government team is continuing to make inroads into the sector with a number of key wins, bringing on more household brands and major nationwide Australian businesses. We are also happy to see that Buddy Telco is helping reduce overall churn across the Aussie Broadband Group, while also serving as an incubator for new ideas and innovations that can benefit all of our residential customers. The resigning of MEDION for Symbio is also a great vindicator of that businesses' core strength, and we can't wait to see how they and the rest of the Aussie Broadband Group carries that momentum and success into the rest of H1 and the remainder of the financial year."

Annual General Meeting today

As previously announced, the Aussie Broadband 2024 Annual General Meeting (AGM) will be held today commencing at 10:30am (Melbourne time).

This will be a hybrid meeting whereby shareholders can attend in person at KPMG, Tower Two, Collins Square, 727 Collins Street, Melbourne, VIC, 3000 or via the online platform provided by our share registry at <https://meetings.linkgroup.com/ABB24>.

The Notice of Annual General Meeting and Explanatory Notes and other documents including details as to how to participate and vote at the AGM, can be viewed or downloaded from our website at <https://www.aussiebroadband.com.au/investor-centre/>.

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Authorised for release by the Aussie Broadband Board.

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About Aussie Broadband Limited

Aussie Broadband Group is a fast-growing technology services provider – comprising of the Aussie Broadband and Symbio businesses – with a market cap of around \$1 billion (AUD).

Listed on the Australian Stock Exchange (ASX: ABB), the Group collectively supplies more than 1 million services, operates two Tier 1 voice providers in Australia and owns fibre infrastructure.

The fifth largest provider of broadband services in Australia with continuing growth in the residential segment, the Group provides a broad suite of solutions through its data, voice, and managed solutions to business, enterprise and government customers.

Aussie Broadband Group also provides wholesale services to other telecommunications companies and managed service providers.

For further information please visit: <https://www.aussiebroadband.com.au>

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