

ASX Announcement

24 February 2025

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## **Aussie Broadband upgrades EBITDA guidance – building on diversified growth with strong financial results**

Aussie Broadband Limited (ASX: ABB) has released its financial results for the six months ended 31 December 2024, showcasing significant growth across key metrics and greater market share.

Aussie has also upgraded underlying EBITDA guidance to \$133 million to \$138 million (previously \$125m to \$135m) based on strong trading performance.

### **1H FY25 highlights (vs 1H FY24 on a pro-forma basis)**

- Revenue grew 6.8% to \$588.5 million. The addition of Symbio has further diversified the Group's revenue, with Residential's share reducing from 64% to 56%
- Gross margin grew 7.5% to \$217.6 million
- Underlying EBITDA grew 8.9% to \$65.8 million with disciplined cost management and improved productivity & efficiency
- Total on-net broadband connections grew to 727,951, up 12.5%
- NBN Market share (excluding satellite and historical Origin connections) grew 0.8 ppt to 7.8%
- Signed significant deals with The Reject Shop, Auto & General, and Ventora Group
- Symbio is delivering higher gross margin due to revenue growth in the core business. It remains on track to deliver earnings growth of 30% YoY with an EBITDA contribution of \$38 million by end of financial year
- Symbio is on track to realise \$8-\$12 million synergies by FY26 exit, and is now profitable in Singapore
- The Board have declared a fully franked interim ordinary dividend of 1.6 cents per share and a fully franked special dividend of 2.4 cents per share

### **Segment Performance**

Aussie's strong performance overall is underpinned by the robust results of each of its core segments. Sustained organic revenue and underlying EBITDA growth highlight the successful execution of our growth and diversification strategy. A summary of segment performance is below:

- The **Residential** segment maintained strong growth, adding 32,723 new broadband connections during the half. This is inclusive of 6,484 **Buddy** connections. Buddy 1H sales volume and net growth trajectory is lower than plan, but management maintains the commitment to 100,000 services by the end of FY27.

- The **Business** segment continues to thrive, supported by a low churn customer base. Revenue increased by 12.7% vs 1H FY24, a higher increase than 1H FY24 (11.1%).
- In the **Enterprise and Government** segment, revenue growth was 13.2% driven by a data first sales strategy. Aussie successfully signed a number of new strategic deals, which will come online in 2H, and progressed the onboarding of new clients such as Bunnings.
- **Wholesale** has completed the offboarding of the Origin contract and is fully focused on driving revenue through new partnerships and voice. The segment added an additional 58 partners during the half. Strong organic growth, excluding Origin, saw revenue jump 20.2% and connections rose 35.9% against 1H FY24.
- Average monthly minutes in the NetSIP business rose to 180 million vs 169 million in 1H FY24.
- **Symbio** delivered higher gross margin percentage of 2.8 ppt and revenue growth in the core business of 5%. The business experienced revenue decline due to inclusion of discontinued, low margin product lines in 1H FY24 result.

A summary of each segment's financial performance is below:

Segment	Residential	Business	Enterprise & Government	Wholesale	Symbio	Group
Revenue	327.3m	54.1m	47.2m	56.1m	103.8m	588.5m
Cost of Goods Sold	(224.9m)	(30.9m)	(24.3m)	(36.6m)	(54.2m)	(370.9m)
Gross Margin	102.4m	23.2m	22.9m	19.5m	49.6m	217.6m
Gross Margin %	31.3%	42.8%	48.5%	34.9%	47.8%	37.0%

### Connections as of 31 December 2024

On-net connections have increased by 43,652 in 1H.

Broadband connections	1Q FY24	2Q FY24	3Q FY24	4Q FY24	1Q FY25	2Q FY25	YoY change
Residential including Buddy	548,457	560,823	575,611	589,123	605,408	621,846	10.9%
Business	49,440	51,527	54,026	56,431	58,768	60,837	18.1%
Enterprise & Government	11,326	12,224	12,457	12,886	13,736	14,532	18.9%
Wholesale	20,977	22,621	23,889	25,859	28,506	30,736	35.9%
<b>Total BB Connections</b>	<b>630,200</b>	<b>647,195</b>	<b>665,983</b>	<b>684,299</b>	<b>706,418</b>	<b>727,951</b>	<b>12.5%</b>

## New business structure & Investor Day

Today Aussie Broadband announced its strategic priorities as we look-to-28. These priorities are:



As we look-to-28 with our refreshed strategic goals, Aussie Broadband will realign its organisational structure to increase end-to-end accountability of its customer experience and financial performance. From 1 July 2025 the business will form three divisional business units, which are focused on our core customer segments: Residential; Business and Enterprise & Government; and Wholesale. Each business unit will have an accountable Group Executive with Jonathan Prosser to lead Residential, Aaron O’Keeffe to lead Business, Enterprise & Government, and Michael Omeros will expand his role as CEO of Symbio to include responsibility to lead Wholesale. As previously announced, Brian Maher is stepping into the Group CEO role effective 1 March 2025.

Aussie Broadband looks forward to sharing more on its strategic priorities and 3 year plan at an Investor Day to be held on 10 April 2025 at Parliament House, Sydney.

Investors can register via <http://aubb.me/investorssvp> to confirm their attendance.

### **Commenting on the 1H FY25 Results, Co-Founder & Group Managing Director Phillip Britt said:**

“Aussie has delivered a strong result for 1H FY25, achieving robust financial growth with revenue rising 6.8% to \$588.5 million, gross margin growing 7.5% to \$217.6 million, and underlying EBITDA growing 8.9% to \$65.8 million on a pro-forma basis.”

“The strong results reflect sustained performance across the segments. Residential and Business have both seen solid growth in broadband connections, Enterprise & Government continues to secure key new customers, and Wholesale has seen significant gains in connections. Symbio has further strengthened the performance of the Group, highlighting the strong execution and momentum. The financial performance of the Group has been aided by a focus on cost management with key advancements in efficiency and productivity.”

“These results give me great confidence in the bright future ahead for Aussie under Brian’s leadership. I look forward to supporting him and the wider leadership team in my new advisory role.”

## Trading & Guidance Update

The Group has delivered a solid start to the year, adding 14,129 net broadband connections in the current quarter to date. Of the net additions, Buddy contributed 2,131 connections.

Given the Group's operating plan and strong year to date performance, the Group is upgrading its underlying EBITDA guidance for FY25. EBITDA guidance has been upgraded to \$133 million to \$138 million (previously \$125 million to \$135 million). Capex guidance has been revised upwards by \$20 million to the new range of \$75 million to \$80 million on the basis of accelerated investment in fibre and technology in 1H FY25.

The Group remains focused on organic growth and pursuing acquisition opportunities as they arise and if they align with our strategic objectives.

## Authorised for release by the Aussie Broadband Board

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## About Aussie Broadband Limited

Aussie Broadband Group is a fast-growing telecommunications services provider – comprising of the Aussie Broadband and Symbio businesses.

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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