

Aussie Broadband Limited

ABN 29 132 090 192

Appendix 4D and Interim Financial Report for half-year ended 31 December 2024

1. Reporting periods:

Current: 1 July 2024 to 31 December 2024
Previous: 1 July 2023 to 31 December 2023

2. Results for announcement to the market:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000	Change \$'000	Change %
Revenue from ordinary activities	588,488	445,948	142,540	32.0%
Profit from ordinary activities after tax attributable to members	12,157	9,819	2,338	23.8%
Net profit after tax attributable to members	12,157	9,819	2,338	23.8%

The group generated revenue of \$588.5m and a net profit after tax of \$12.2m for the period. The result reflects growth in revenue of 32.0% compared to the prior corresponding period due to the growth in broadband subscribers and other revenue streams and inclusion of Symbio's results which was acquired effective 28 February 2024.

An interim fully franked dividend of 1.6 cents per ordinary share and a special fully franked dividend of 2.4 cents per ordinary share were declared on 24 February 2025.

3. Net tangible assets

	31 Dec 2024	31 Dec 2023
Net tangible assets backing per share	(\$0.12)	\$0.17

4. Additional Information

Additional financial information is included in the attached Interim Financial Report which has been reviewed by the Group's auditors.



Aussie Broadband Limited

ABN 29 132 090 192

Consolidated Interim Financial Report - 31 December 2024

Aussie Broadband Limited

Directors' report

31 December 2024

The Directors present their report, together with the condensed consolidated interim financial statements, on the consolidated entity (referred to hereafter as the '**Group**') consisting of Aussie Broadband Limited (referred to hereafter as the '**Company**' or '**Parent**') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were Directors of Aussie Broadband Limited during the financial half-year and up to the date of this report:

Adrian Fitzpatrick – Non-Executive Director and Chair
Richard Dammary - Non-Executive Director (Resigned on 25 October 2024)
Patrick Greene – Non-Executive Director
Sue Klose - Non-Executive Director
Vicky Papachristos – Non-Executive Director
Phillip Britt – Group Managing Director and Executive Director
Michael Omeros – Executive Director

Mr. Phillip Britt will retire as Group Managing Director on 28 February 2025 and commence as a Non-Executive Director from 1 March 2025.

Principal activities

The principal activity of the Group is operating as a carrier of telecommunications and technology services, servicing residential, business, wholesale, and enterprise and government customers.

On 28 February 2024, the Group completed acquisition of Symbio Holdings Limited ("Symbio"). Symbio provides communication services to software companies, telecom providers and enterprise customers across Australia and overseas.

There has been no significant change in the nature of the Group's activities during the half-year.

Dividends

On 30 September 2024, a fully franked dividend of 4.0 cents per ordinary share was paid in respect of the year ended 30 June 2024. This dividend totalled \$11,825,674.

On 24 February 2025, the directors declared an interim ordinary dividend of 1.6 cents per ordinary share and a special dividend of 2.4 cents per ordinary share. Both dividends will be fully franked and be paid on 24 March 2025.

Review of operations

The profit for the Group after providing for income tax amounted to \$12,157,000 (31 December 2023: \$9,819,000).

Key items of note in the half-year include:

- Revenue of \$588.5m for the six months ended 31 December 2024, an increase of \$142.6m or 32.0% over the \$445.9m of revenue recorded for the prior corresponding period.
- Revenues of \$103.8m relating to Symbio, which was acquired effective 28 February 2024, are included in the total revenue.
- Significant growth in EBITDA (before restructuring and integration costs) to \$65.8m, \$19.5m or 42.1% higher than the first six months of FY24.
- The Group had substantially exited the Origin contract by 31 October 2024.
- Broadband connections grew by 6.4% to 728,000, an increase of approximately 44,000 since 30 June 2024.
- NBN market share, excluding satellite, is now 7.8% (30 June 2024: 7.4% excluding Origin and satellite).
- Gross profit percentage increased from 34.6% to 37.0%.
- Operating expenses as a percentage of revenues increased from 24.2% to 25.8%. The Symbio business has a higher proportion of operating expenses than the legacy Aussie Broadband business.

Aussie Broadband Limited

Directors' report

31 December 2024

- The remaining 60.1m shares in Superloop Limited were sold for \$1.66 per share (before fees) yielding proceeds of \$99.6m and a profit before tax of \$42.4m.
- Net borrowings (inclusive of lease liabilities) at 31 December 2024 were \$101.1m (30 June 2024 of \$138.0m). \$120m of borrowings were repaid during the half year from available cash resources, but remain available for redraw.
- Operating cashflow in the six months to 31 December 2024 was \$16.3m, a \$23.0m reduction over the \$39.3m generated in the corresponding period in FY24. Income tax paid was \$24.9m (FY24 – \$nil). Operating cashflow before income tax paid was \$41.2m.
- Capital expenditure for the 6 months to 31 December 2024 was \$32.6m (FY24 - \$14.0m) and \$15.4m was invested in intangible assets (principally software) compared to \$4.4m in the corresponding period in FY24 – much of the increase derives from Symbio.
- The Company paid an inaugural dividend of 4.0 cents per share (\$11.8m) in September 2024.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, unless otherwise stated.

Auditor's independence declaration

The Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report and forms part of it.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors.



Adrian Fitzpatrick
Chair



Phillip Britt
Group Managing Director

24 February 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Aussie Broadband Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Aussie Broadband Limited for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'S. Dubois', with a long horizontal flourish extending to the right.

Simon Dubois

Partner

Melbourne

24 February 2025

Aussie Broadband Limited
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Aussie Broadband Limited
Condensed consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$'000	\$'000
Revenue	5	588,488	445,948
Network and hardware expenses		(370,857)	(291,639)
Employee expenses		(102,801)	(72,888)
Marketing expenses		(26,702)	(21,929)
Administration and other expenses		(22,349)	(13,201)
Depreciation and amortisation expense	9,10,11	(37,161)	(27,016)
Loss on disposal of business		-	(104)
Interest expenses		(12,113)	(5,899)
Business restructure expenses		(2,339)	-
Business acquisition expenses		-	(1,035)
Business integration expenses		(1,304)	(417)
Interest income		4,017	1,681
Profit before income tax expense		16,879	13,501
Income tax expense		(4,722)	(3,682)
Profit after income tax expense for the half-year		12,157	9,819
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		2,171	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net gain on foreign currency translation		1,469	-
Other comprehensive income for the half-year, net of tax		3,640	-
Total comprehensive income for the half-year		15,797	9,819
		Cents	Cents
Basic earnings per share	16	4.11	3.93
Diluted earnings per share	16	4.11	3.92

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Aussie Broadband Limited
Condensed consolidated statement of financial position
As at 31 December 2024

	Note	Consolidated 31 Dec 2024 \$'000	30 Jun 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	6	135,449	213,533
Trade and other receivables	7	86,753	94,846
Inventories		5,107	6,319
Financial assets	8	621	600
Prepayments		31,682	27,623
Total current assets		<u>259,612</u>	<u>342,921</u>
Non-current assets			
Trade and other receivables	7	888	853
Property, plant and equipment	9	150,585	130,771
Intangibles	10	609,981	609,839
Right of use assets	11	56,153	49,675
Financial assets	8	7,200	103,698
Total non-current assets		<u>824,807</u>	<u>894,836</u>
Total assets		<u>1,084,419</u>	<u>1,237,757</u>
Liabilities			
Current liabilities			
Trade and other payables	12	138,950	153,500
Contract liabilities		49,108	55,453
Financial liabilities	13	14,154	13,340
Income tax		16,798	24,629
Employee benefits		17,492	18,175
Provisions and other liabilities		270	790
Total current liabilities		<u>236,772</u>	<u>265,887</u>
Non-current liabilities			
Contract liabilities		1,846	1,852
Financial liabilities	13	222,397	338,208
Deferred tax liability		43,410	57,802
Employee benefits		3,705	3,214
Provisions and other liabilities		690	692
Total non-current liabilities		<u>272,048</u>	<u>401,768</u>
Total liabilities		<u>508,820</u>	<u>667,655</u>
Net assets		<u>575,599</u>	<u>570,102</u>
Equity			
Issued capital	14	513,688	513,168
Reserves		4,943	39,398
Retained profits		56,968	17,536
Total equity		<u>575,599</u>	<u>570,102</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

Aussie Broadband Limited
Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2024

	Issued capital \$'000	Share based payments reserve \$'000	Foreign currency translation reserves \$'000	Financial assets at fair value through other comprehensive income reserve \$'000	Retained profits \$'000	Total equity \$'000
Consolidated						
Balance at 1 July 2024	513,168	2,805	(337)	36,930	17,536	570,102
Profit after income tax expense for the half-year	-	-	-	-	12,157	12,157
Other comprehensive income for the half-year, net of tax	-	-	1,469	2,171	-	3,640
Total comprehensive income for the half-year	-	-	1,469	2,171	12,157	15,797
Transfer of reserve	-	-	-	(39,101)	39,101	-
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 14)	520	-	-	-	-	520
Share-based payments	-	1,006	-	-	-	1,006
Dividends paid	-	-	-	-	(11,826)	(11,826)
Balance at 31 December 2024	<u>513,688</u>	<u>3,811</u>	<u>1,132</u>	<u>-</u>	<u>56,968</u>	<u>575,599</u>

	Issued capital \$'000	Share based payments reserve \$'000	Foreign currency translation reserves \$'000	Financial assets at fair value through other comprehensive income reserve \$'000	Retained profits \$'000	Total equity \$'000
Consolidated						
Balance at 1 July 2023	298,462	2,162	-	-	(8,843)	291,781
Profit after income tax expense for the half-year	-	-	-	-	9,819	9,819
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	-	9,819	9,819
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	138,151	-	-	-	-	138,151
Share-based payments	-	138	-	-	-	138
Balance at 31 December 2023	<u>436,613</u>	<u>2,300</u>	<u>-</u>	<u>-</u>	<u>976</u>	<u>439,889</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Aussie Broadband Limited
Condensed consolidated statement of cash flows
For the half-year ended 31 December 2024

	Note	Consolidated	
		31 Dec 2024	31 Dec 2023
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		643,498	484,398
Payments to suppliers and employees (inclusive of GST)		<u>(594,202)</u>	<u>(440,625)</u>
		49,296	43,773
Interest received		4,017	1,206
Interest paid		(12,157)	(5,691)
Income taxes paid		<u>(24,859)</u>	<u>-</u>
Net cash from operating activities		<u>16,297</u>	<u>39,288</u>
Cash flows from investing activities			
Payment for purchase of business and other related costs		(500)	(628)
Payments for property, plant and equipment	9	(32,648)	(14,005)
Payments for intangibles	10	(15,359)	(4,397)
Proceeds from disposal of financial assets (net of taxation)		95,622	-
Proceeds from disposal of business		280	196
Proceeds from disposal of property, plant and equipment	9	<u>45</u>	<u>260</u>
Net cash from/(used in) investing activities		<u>47,440</u>	<u>(18,574)</u>
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)		100	137,080
Repayment of borrowings		(120,000)	(110,095)
Repayment of lease liabilities		(10,589)	(5,569)
Payment of dividends		(11,826)	-
(Payment)/Release of security deposits		<u>(19)</u>	<u>16</u>
Net cash (used in)/from financing activities		<u>(142,334)</u>	<u>21,432</u>
Net (decrease)/increase in cash and cash equivalents		(78,597)	42,146
Cash and cash equivalents at the beginning of the financial half-year		213,533	75,055
Effects of exchange rate changes on cash and cash equivalents		<u>513</u>	<u>-</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>135,449</u></u>	<u><u>117,201</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

Aussie Broadband Limited

Notes to the condensed consolidated interim financial statements

31 December 2024

1. Reporting Entity

The condensed consolidated interim financial statements of Aussie Broadband Limited (referred to hereafter as the '**Company**' or '**Parent**') and its subsidiaries (collectively, the '**Group**') for the half-year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 24 February 2025.

Aussie Broadband Limited is a public company incorporated and domiciled in Australia. The financial statements are presented in Australian dollars, which is the functional currency of the Parent and its subsidiaries and the presentation currency of the Group. The consolidated annual financial statements of the Group as at and for the year ended 30 June 2024 are available at <https://www.aussiebroadband.com.au/investor-centre/>.

The registered office and principal place of business is located at 3 Electra Avenue Morwell VIC 3840.

The principal activity of the Group is operating as a carrier of telecommunications and technology services, servicing residential, business, wholesale, and enterprise and government customers.

On 28 February 2024, the Group completed acquisition of Symbio Holdings Limited ("Symbio"). Symbio provides communication services to software companies, telecom providers and enterprise customers across Australia and overseas.

2. Basis of preparation

These condensed consolidated interim financial statements (referred to hereafter as the 'interim financial statements') are general purpose financial statements of the Group for the half-year ended 31 December 2024. These have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These interim financial statements also comply with the International Financial Reporting Standards ('**IFRS**') as issued by the International Accounting Standards Board ('**IASB**'). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

They have been prepared using the same accounting policies and methods of computation as the last annual consolidated financial statements as at and for the year ended 30 June 2024.

They do not include all of the information required for a complete set of annual consolidated financial statements and we recommend that they are read in conjunction with the 2024 Annual Report and the public announcements made by the Group during the interim half-year reporting period ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes to the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

3. Significant accounting judgements, estimates and assumptions

The preparation of the interim financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements as at and for the year ended 30 June 2024.

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

4. Operating segments

Identification of reportable operating segments

The Group is organised into five operating segments:

- The "Residential" segment, which provides telecommunications services to residential users.
- The "Business" segment, which provides telecommunications services to business users.
- The "Wholesale" segment, which provides telecommunication services to third party resellers.
- The "Enterprise and Government" segment, which provides telecommunication services to large enterprises including those in the public sector.
- The "Symbio" segment, which provides telecommunication services to software companies, telecom providers and enterprise customers.

No operating segments have been aggregated to form the above reportable operating segments.

The Group Managing Director is identified as the Chief Operating Decision Maker ('CODM'), who monitors the operations and the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment.

The CODM reviews the performance of individual segments, together with segmental 'margin'. The segment margin constitutes revenue and applicable network and hardware expenses attributable to the segment. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Geographical information

Geographically, the Group operates globally but derives material revenues from Australia only. For the half-year ended 31 December 2024, the Group derived revenue of \$567,925,000 from Australia and \$20,563,000 from offshore operations. Of the total non-current assets, \$812,257,000 are located in Australia and \$5,350,000 are located overseas.

For the purpose of this note, the non-current assets above exclude deferred tax assets and financial assets.

Operating segment information

Consolidated - 31 December 2024	Residential \$'000	Business \$'000	Wholesale \$'000	Enterprise and Government \$'000	Symbio \$'000	Total \$'000
Revenue	327,321	54,042	56,125	47,209	103,791	588,488
Network and hardware expenses	(224,929)	(30,919)	(36,544)	(24,261)	(54,204)	(370,857)
Gross margin	102,392	23,123	19,581	22,948	49,587	217,631
Employee benefits expense						(102,801)
Marketing expenses						(26,702)
Administration and other expenses						(22,349)
Depreciation and amortisation						(37,161)
Interest expenses						(12,113)
Business restructure expenses						(2,339)
Business integration expenses						(1,304)
Interest income						4,017
Profit before income tax expense						16,879
Income tax expense						(4,722)
Profit after income tax expense						12,157

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

4. Operating segments (continued)

Consolidated - 31 December 2023	Residential \$'000	Business \$'000	Wholesale \$'000	Enterprise and Government \$'000	Symbio \$'000	Total \$'000
Revenue	283,882	48,024	72,310	41,732	-	445,948
Network and hardware expenses	(198,063)	(26,371)	(47,463)	(19,742)	-	(291,639)
Gross margin	85,819	21,653	24,847	21,990	-	154,309
Employee benefits expense						(72,888)
Marketing expenses						(21,929)
Administration and other expenses						(13,201)
Depreciation and amortisation						(27,016)
Interest expenses						(5,899)
Business acquisition expenses						(1,035)
Business integration expenses						(417)
Loss on disposal of business						(104)
Interest income						1,681
Profit before income tax expense						13,501
Income tax expense						(3,682)
Profit after income tax expense						9,819

5. Revenue

	Consolidated 31 Dec 2024 \$'000	31 Dec 2023 \$'000
<i>Revenue from contracts with customers</i>		
Revenue	<u>588,488</u>	<u>445,948</u>
Disaggregation of revenue		
Rendering of services	576,099	434,356
Sale of goods	12,367	11,560
Other income from customers	<u>22</u>	<u>32</u>
Revenue from contracts with customers	<u>588,488</u>	<u>445,948</u>
<i>Timing of revenue recognition</i>		
Services transferred over time	567,316	429,594
Services transferred at a point in time	<u>21,172</u>	<u>16,354</u>
	<u>588,488</u>	<u>445,948</u>

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

6. Cash and cash equivalents

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
<i>Current assets</i>		
Cash on hand	2	3
Cash at bank	135,447	213,530
	<u>135,449</u>	<u>213,533</u>

7. Trade and other receivables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	84,849	80,306
Less: Allowance for expected credit losses	(4,980)	(5,163)
	<u>79,869</u>	<u>75,143</u>
Other receivables	6,884	19,703
	<u>86,753</u>	<u>94,846</u>
<i>Non-current assets</i>		
Other receivables	888	853

8. Financial assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Total financial assets	<u>7,821</u>	<u>104,298</u>
<i>Current assets</i>		
Deposits - current	<u>621</u>	<u>600</u>
<i>Non-current assets</i>		
Deposits - non-current	-	1
Financial assets at fair value through other comprehensive income	7,200	103,697
	<u>7,200</u>	<u>103,698</u>

The remaining 60.1m equity shares in Superloop Limited were sold during the half year ended 31 December 2024.

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

9. Property, plant and equipment

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Leasehold improvements - at cost	12,083	10,731
Less: Accumulated depreciation	<u>(7,960)</u>	<u>(7,283)</u>
	<u>4,123</u>	<u>3,448</u>
Plant and equipment - at cost	237,886	219,299
Less: Accumulated depreciation	<u>(113,009)</u>	<u>(106,801)</u>
	<u>124,877</u>	<u>112,498</u>
Motor vehicles - at cost	373	475
Less: Accumulated depreciation	<u>(305)</u>	<u>(348)</u>
	<u>68</u>	<u>127</u>
Computer equipment - at cost	13,816	13,267
Less: Accumulated depreciation	<u>(10,324)</u>	<u>(9,576)</u>
	<u>3,492</u>	<u>3,691</u>
Capital Work in progress	<u>18,025</u>	<u>11,007</u>
	<u><u>150,585</u></u>	<u><u>130,771</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Leasehold improvements	Plant and equipment	Motor vehicles	Office and computer equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	3,448	112,498	127	3,691	11,007	130,771
Additions	1,350	13,767	-	648	16,883	32,648
Disposals	-	(13)	(29)	(3)	-	(45)
Foreign currency translation effect	(29)	321	-	2	5	299
Transfers in/(out)	-	9,870	-	-	(9,870)	-
Depreciation expense	<u>(646)</u>	<u>(11,566)</u>	<u>(30)</u>	<u>(846)</u>	<u>-</u>	<u>(13,088)</u>
Balance at 31 December 2024	<u><u>4,123</u></u>	<u><u>124,877</u></u>	<u><u>68</u></u>	<u><u>3,492</u></u>	<u><u>18,025</u></u>	<u><u>150,585</u></u>

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

10. Intangibles

	Consolidated	Consolidated
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Goodwill - at cost	389,005	389,005
IPv4 Addresses - at cost	12,839	12,839
Customer relationships - at cost	164,517	164,499
Less: Accumulated amortisation	(41,219)	(33,185)
	<u>123,298</u>	<u>131,314</u>
Software - at cost	108,447	93,304
Less: Accumulated amortisation	(29,055)	(22,070)
	<u>79,392</u>	<u>71,234</u>
Brands - at cost	10,647	10,647
Less: Accumulated amortisation	(5,200)	(5,200)
	<u>5,447</u>	<u>5,447</u>
	<u><u>609,981</u></u>	<u><u>609,839</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill	IPv4	Customer	Software	Brands	Total
	\$'000	Addresses	relationships	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	389,005	12,839	131,314	71,234	5,447	609,839
Additions	-	-	19	15,340	-	15,359
Amortisation expense	-	-	(8,035)	(7,182)	-	(15,217)
Balance at 31 December 2024	<u><u>389,005</u></u>	<u><u>12,839</u></u>	<u><u>123,298</u></u>	<u><u>79,392</u></u>	<u><u>5,447</u></u>	<u><u>609,981</u></u>

IPv4 Addresses have an indefinite useful life. The Group determined that this assessment remained appropriate as there are a finite number of IP Addresses which for the foreseeable future will continue to be widely used globally. The Group will continue to monitor the useful life of the IP Addresses and make changes to the useful life as appropriate. IP Addresses are subsequently measured at cost less any accumulated impairment loss.

Business combinations

In relation to the recognised amounts in the prior period of assets and liabilities acquired at the date of the Symbio acquisition (28 February 2024), no purchase price adjustments have been recognised during the half year ended 31 December 2024. The accounting for the net identifiable assets remains provisional until 28 February 2025.

Valuation of intangible assets

The Group has reviewed the performance of each CGU and considered the broader macro-economic conditions and has not identified any indicators that would require a full impairment test to be performed for the purposes of the interim financial report.

Key estimates, judgements and sensitivities

The approach to determining the key estimates and judgements applied in the determination of each CGU's recoverable amount for the 2024 year-end, including cash flow forecasts, long term growth rates and discounts rates, as well as the outcomes of reasonable possible change, sensitivity analysis to these assumptions is disclosed in note 13 of the 2024 Annual Report.

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

11. Right-of-use assets and lease liabilities

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
<i>Non-current assets</i>		
Network and other equipment	77,964	71,005
Less: Accumulated depreciation	(41,187)	(42,765)
	<u>36,777</u>	<u>28,240</u>
Property	30,198	29,759
Less: Accumulated depreciation	(10,822)	(8,324)
	<u>19,376</u>	<u>21,435</u>
	<u><u>56,153</u></u>	<u><u>49,675</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Property \$'000	Network and other equipment \$'000	Total \$'000
Balance at 1 July 2024	21,435	28,240	49,675
Additions	502	14,672	15,174
Disposals	-	(148)	(148)
Foreign currency translation effect	170	138	308
Depreciation expense	(2,731)	(6,125)	(8,856)
Balance at 31 December 2024	<u><u>19,376</u></u>	<u><u>36,777</u></u>	<u><u>56,153</u></u>

Reconciliations

Set out below are the carrying amounts of lease liabilities (included under note 13 Financial liabilities) and the movements during the period:

Consolidated	Property \$'000	Network and other equipment \$'000	Total \$'000
Balance at 1 July 2024	27,401	26,976	54,377
Additions	486	14,610	15,096
Accretion of interest	508	1,304	1,812
Disposals	-	(165)	(165)
Foreign currency translation effect	142	-	142
Payments	(3,679)	(8,721)	(12,400)
Balance at 31 December 2024	<u><u>24,858</u></u>	<u><u>34,004</u></u>	<u><u>58,862</u></u>

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

12. Trade and other payables

	Note	Consolidated	
		31 Dec 2024 \$'000	30 Jun 2024 \$'000
<i>Current liabilities</i>			
Trade payables		87,984	97,810
Accrued charges		41,409	45,156
Other creditors		9,557	10,534
		<u>138,950</u>	<u>153,500</u>

13. Financial liabilities

	Note	Consolidated	
		31 Dec 2024 \$'000	30 Jun 2024 \$'000
<i>Current liabilities</i>			
Borrowings		177,689	297,171
Lease liabilities	11	58,862	54,377
		<u>236,551</u>	<u>351,548</u>
<i>Non-current liabilities</i>			
Borrowings		177,689	297,171
Lease liabilities		44,708	41,037
		<u>222,397</u>	<u>338,208</u>

14. Issued capital

	31 Dec 2024 Shares	30 Jun 2024 Shares	Consolidated	
			31 Dec 2024 \$'000	30 Jun 2024 \$'000
Ordinary shares - fully paid	<u>295,723,290</u>	<u>295,518,061</u>	<u>513,688</u>	<u>513,168</u>

Movements in ordinary share capital

Details	Date	Shares	\$'000
Opening balance	1 July 2024	295,518,061	513,168
Long-Term Incentive Plan	3 September 2024	100,000	148
NED Share Plan	3 September 2024	24,281	68
Employee Share Plan	25 September 2024	78,705	296
NED Share Plan	25 October 2024	2,243	8
Balance	31 December 2024	<u>295,723,290</u>	<u>513,688</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

14. Issued capital (continued)

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

The ordinary shares do not have a par value.

Dividend

On 30 September 2024, a fully franked dividend of 4.0 cents per ordinary share was paid in respect of the year ended 30 June 2024. This dividend totalled \$11,825,674.

On 24 February 2025, the directors declared an interim ordinary dividend of 1.6 cents per ordinary share and a special dividend of 2.4 cents per ordinary share. Both dividends will be fully franked and be paid on 24 March 2025. The total interim ordinary dividend and special dividend are estimated to be \$4.7m and \$7.1m respectively based on the number of ordinary shares on issue as at 31 December 2024.

15. Commitments

Capital expenditure contracted for at the end of each financial year but not recognised as liabilities is as follows:

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	13,911	17,423

Capital commitments relate to contractual commitments associated with upgrades to network infrastructure and the development of the Aussie fibre network.

16. Earnings per share

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Profit after income tax	12,157	9,819
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	295,680,839	250,151,403
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	210,471	555,029
Weighted average number of ordinary shares used in calculating diluted earnings per share	295,891,310	250,706,432
	Cents	Cents
Basic earnings per share	4.11	3.93
Diluted earnings per share	4.11	3.92

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

17. Share-based payments

Under the Company's Long-Term Incentive Plan the members of Key Management Personnel and other senior employees have been awarded options to purchase shares in the Company at a future date. The Plan is designed to provide incentive awards with the purpose of providing competitive, performance-based remuneration to align and deliver on long-term shareholder value. Participation is at the discretion of the Board following recommendations by the People and Community Committee.

During the half year ended 31 December 2024, the Company granted long term incentives:

- 50% in the form of market priced options (Standard Options) - these options were granted with an exercise price
- 50% in the form of zero exercise price options (ZEPOs) - these options were granted with no exercise price.

The fair value of each option granted has been measured using a Black-Scholes model. The terms and conditions and valuation approach of Standard Options are as follows:

- Volume of options granted: 1,567,982
- Grant date: 01 July 2024
- Market price at grant date: \$3.52 per share being the 10-day volume weighted average price (VWAP) up to and including 30 June 2024.
- Vesting date: 01 July 2027
- Vesting condition: Service
- Expiry date: 30 June 2030
- Strike price of the option: \$3.52
- Expected share price volatility: 42%
- Expected dividend yield: 2%
- Risk free interest rate: 4.09%
- Fair value per option: \$1.35

The terms and conditions and valuation approach of ZEPOs are as follows:

- Volume of options granted: 487,444
- Grant date: 01 July 2024
- Market price at grant date: \$3.52 per share being the 10-day volume weighted average price (VWAP) up to and including 30 June 2024.
- Vesting date: 01 July 2027
- Vesting condition: EPS growth and service
- Expiry date: 01 July 2030

The Company has established a Non-Executive Directors' Fee Sacrifice Plan under which directors can elect to sacrifice some or all of their directors' fees in exchange for rights to acquire shares in the Company, such rights to convert to shares (referred as 'NED Rights') with no additional price payable on dates determined by the Directors which will generally be following the half and full year financial results announcement.

On 1 July 2024, 41,000 NED Rights were granted. 24,281 NED rights were converted to ordinary shares (upon conversion of FY24 NED Rights) on 3 September 2024 and were issued to the respective Non-Executive Directors as new shares.

On 25 September 2024, 2,243 NED rights were converted to ordinary shares (upon conversion of FY25 NED Rights) and issued as new shares to a departing director and their remaining 4,753 NED rights were cancelled.

Expense arising from share-based payment transactions

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Long-term incentive plan share options expense (before taxation)	1,109	807

Aussie Broadband Limited
Notes to the condensed consolidated interim financial statements
31 December 2024

18. Matters subsequent to the end of the half-year

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Aussie Broadband Limited
Directors' declaration
31 December 2024

In the opinion of the Directors' of Aussie Broadband Limited (the 'Group'):

- the Condensed Interim Financial Statements and accompanying notes are in accordance with the Corporations Act 2001, including;
- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and,
- complying with Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Adrian Fitzpatrick
Chair



Phillip Britt
Group Managing Director

24 February 2025



Independent Auditor's Review Report

To the shareholders of Aussie Broadband Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Aussie Broadband Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Aussie Broadband does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed Consolidated statement of financial position as at 31 December 2024
- Condensed Consolidated statement of profit or loss and other comprehensive income, Condensed Consolidated statement of changes in equity and Condensed Consolidated statement of cash flows for the half-year ended on that date
- Notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Aussie Broadband Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Group are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten-style logo of the letters 'KPMG' in blue.

KPMG

A handwritten signature in blue ink, appearing to read 'Simon Dubois'.

Simon Dubois

Partner

Melbourne

24 February 2025