

ASX Announcement

14 March 2024

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## Termination of White Label Agreement

Aussie Broadband Limited (ASX:ABB, **ABB**) received unexpected notice on the evening of 13 March 2024 that Origin Energy Retail Limited (**Origin**) will terminate the White Label Wholesale Agreement (**Agreement**) with ABB effective 12 April 2024.

Origin has requested that Aussie Broadband continue to provide certain services under the Agreement for a period of up to 6 months post termination and assist with the transfer to its new wholesale provider. ABB will continue to receive fees for providing services post termination and will be entitled to recover its costs for assisting with the transfer.

Aussie Broadband had been in discussions with Origin for over 6 months regarding its desire to migrate Origin from the current White Label offering to a Layer 3 Wholesale model under which Aussie Broadband would provide network services as it currently does and Origin would assume responsibility for the technical & accounts call centre, billing, customer portal and collections functions currently provided by Aussie Broadband.

Under the most recent Layer 3 Wholesale proposal by Origin, the EBITDA contribution from Origin would have reduced considerably as a result of materially reduced wholesale margins and Origin taking the non-network functions currently provided by Aussie Broadband. Aussie Broadband rejected Origin's most recent Layer 3 proposal on Thursday 7 March 2024 as it was not considered to be value accretive to shareholders. Aussie Broadband provided an alternative proposal on the same day but no further response was received from Origin.

In FY24, the Origin White Label Wholesale Agreement is expected to contribute an estimated \$14m EBITDA. Under Origin's most recent Layer 3 Wholesale proposal, Origin would have contributed an estimated \$10m EBITDA in the first year on current volumes with declining EBITDA margin percentage in future years.

Aussie Broadband notes Superloop's announcement this morning including its equity arrangement with Origin and is currently giving that consideration in relation to its shareholding and NBIO.

Aussie Broadband reaffirms its recently upgraded FY24 EBITDA guidance of \$105m to \$110m.

**ENDS**

**Authorised for release by the Aussie Broadband Board.**

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### **About Aussie Broadband Limited**

Aussie Broadband is an Australian operated telecommunications and technology company that formed in 2008 in Morwell, Victoria.

The Company provides a broad range of solutions to residential, business, enterprise and government customers, and provides wholesale services to other telecommunications companies and managed service providers.

The Company is the 5<sup>th</sup> largest provider of broadband services in Australia and is one of only six tier 1 voice providers in Australia.

Aussie Broadband is focused on building market share in the business, enterprise & government and wholesale segments through its range of data, voice, cloud and managed solutions, whilst continuing to build share in the residential segment.

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

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