

ASX Small and Mid-Cap Conference presentation.



The Company.



Company Overview

Company Overview

- Founded in 2003, Aussie Broadband Limited ("the Company" or "Aussie Broadband") is an Australian owned and operated telecommunications service provider based in Morwell, Victoria.
- The company is the 5th largest nbn™ services provider with over 342,000 nbn connections in both the residential and business segments
- The company grew its workforce from 230 to over 450 during FY20 and has over 500 today.
- Aussie Broadband is led by Phillip Britt (Managing Director) and supported by a team of executives including Brian Maher (CFO) and John Reisinger (CTO).

Company Strategy

- Strongly grow its market share by leveraging the Company's customer loyalty to deliver new products and by investing in customer acquisition;
- Challenge larger telecommunication companies, by delivering exceptional customer experience and innovative products. Wholly committed to maintaining and improving its industry-leading customer experience through systems, processes and customer communications;
- Invest in the Company's own network infrastructure to enhance the customer experience while improving financial margins; and
- Maintain a thriving workplace and culture.

Company Values

The Company's culture is driven by its values, which are instructional rather than descriptive, and empower staff to exhibit those values in their everyday interactions with customers.

The Company's core values are summarised:

Don't be ordinary, be awesome

Think BIG

No bullsh*t

Be good to people

Have fun

Investment Highlights

Key Strengths

Topics	Summary
Growing consumer demand for highspeed internet	<ul style="list-style-type: none"> The primary driver of growth and development in the Australia telecommunications industry is the increasing demand for data consumption.
Large and growing market	<ul style="list-style-type: none"> Large Australian telecommunications industry NBN market share growth from 1.09% in June 2017 to 4.2% as at December 2020.
Large and growing market	<ul style="list-style-type: none"> As at December 2020, the Company provided approximately 343,000 connections. In H1 FY20 Aussie Broadband added approximately 81,000 new Residential connections. Revenue CAGR of 96% between FY 17 and FY20.
Experienced management team	<ul style="list-style-type: none"> Experienced leadership team with diverse management experience across many industries.

Topics	Summary
Competitive strengths	<ul style="list-style-type: none"> Strong customer satisfaction and brand loyalty. Marketing and brand – competitive advantages of speed and customer service to prospective customers. Development and deployment of software and systems, including its in-house developed platform for customer management and billing, and the CVCBot. Corporate and employee culture – employees have consistently scored the Company at 90% or higher against the statement "is this a great place to work?".
Fibre Project	<ul style="list-style-type: none"> Expected to replace 63% of the Company's leased Backhaul capacity and will remove all leased dark fibre capacity currently between capital city data centre sites. Expected to reduce Aussie Broadband's reliance on third-party carriers and leased backhaul and dark fibre.

Corporate History & Milestones

Key Strengths

Year	Description
2003	<ul style="list-style-type: none">• Wideband Networks founded by Phillip Britt and John Reisinger.• Westvic Broadband founded by Ian Watson, Pat Greene and others.
2006	<ul style="list-style-type: none">• Westvic and Wideband started selling satellite and wireless services. Westvic• Broadband branded their satellite services 'Aussie Broadband'.
2008	<ul style="list-style-type: none">• Wideband Networks merged with Westvic Broadband to form Aussie Broadband Limited
2010	<ul style="list-style-type: none">• Sold its satellite customer base to Skymesh
2013	<ul style="list-style-type: none">• Established its first direct connections to nbn™ POIs in regional Victoria and subsequently connected its first customers to the nbn™.
2015	<ul style="list-style-type: none">• Began reselling the nbn™ product for a major Australian telecommunications carrier in areas where it did not have a direct connection to an nbn™ POI.

Year	Description
2016	<ul style="list-style-type: none">• Commissioned its own national backhaul to all 121 nbn™ POIs across Australia and became the only telecommunications company other than the four largest Australian carriers at the time to do so.
2018	<ul style="list-style-type: none">• Became the first national internet service provider to publish daily bandwidth graphs.• Launched custom built plans and partnerships with Fetch TV for entertainment services and Symbio for mobile SIMs using the Telstra wholesale network.
2019	<ul style="list-style-type: none">• Passed the 100,000th customer milestone.• Launched its MyAussie App and portal for customer service• Managing Director, Phillip Britt, was inducted into the telecommunications industry's Edison Awards Hall of Fame.
2020	<ul style="list-style-type: none">• Recorded approximately 243,000 residential connection as at June 2020.• Began the rollout of a Company-owned fibre infrastructure project.• Launched its Carbon Portal for large business and managed service providers.• Listed on ASX in October

Marketing & Customer Service

Customer Acquisition

- Aussie Broadband's in-house marketing team develops marketing campaigns, which utilise positive customer feedback and reviews to emphasise the Company's competitive advantages, namely the speed of its NBN access plans and strong customer service.
- The marketing team constantly tests marketing campaigns, content and channels to ensure the greatest impact and efficiency of marketing spend.
- Primary sales channels include direct mail, Australian based call centres, television, digital payper-click channels, email, social media and referral clients.

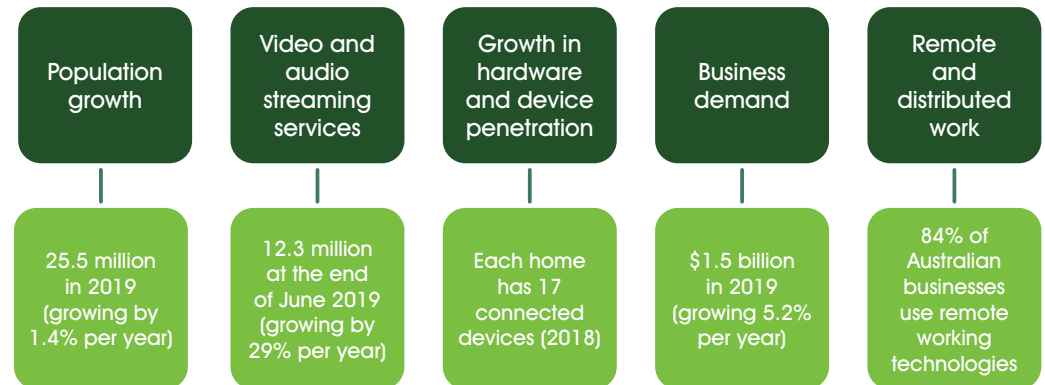
Australian operations and support

- Aussie Broadband employ over 500 staff and has made a deliberate decision to keep all staff operations in Australia, both to support Australian jobs and to provide a better customer experience.
- The company has experienced strong demand for its products and services as a result of travel restrictions and social distancing requirements associated with COVID-19.

Growth Drivers

The primary driver of growth and development in the Australian telecommunications industry has been, and is expected to continue to be, the increasing demand for data consumption.

The market is also influenced by a range of secondary factors which drive data consumption demand and usage, which include:



Our Leadership

Board



Adrian Fitzpatrick
Chairman

- Extensive operational, financial management and strategic experience from a 30 year career
- Previously founding partner of Pitcher Partners



Phillip Britt
Managing Director
Board Member

- 24 years in the telecommunications industry
- Co-founded Wideband Networks in 2003 and has served on the Board of Directors since its merger with Westvic Broadband
- Inductee into the Edison Awards Hall of Fame



John Reisinger
CTO & Director
Board Member

- Co-founder of Wideband Networks and appointed CTO in 2008
- Bachelor of Computing Monash University
- Graduate of the JMW Leader of the Future program
- 20 years of telco experience



Vicky Papachristos
Non-Executive Director

- Over 30 years of experience in marketing and business development
- National and international experience across private, public, government and NFP organizations



Richard Dammery
Non-Executive Director

- Has held senior leadership roles in major AUS and NZ companies.
- Telco experience with Telstra, Telecom New Zealand and AAPT



Patrick Greene
Non-Executive Director

- Co-founder of Westvic Broadband
- Extensive sales, marketing, financial and management experience in retail businesses across a range of sectors

Our Leadership

Management Team



Phillip Britt

Managing Director
Board Member

- 24 years in the telecommunications industry
- Co-founded Wideband Networks in 2003 and has served on the Board of Directors since its merger with Westvic Broadband
- Inductee into the Edison Awards Hall of Fame



John Reisinger

CTO & Director
Board Member

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- Bachelor of Computing Monash University
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- 20 years of telco experience



Brian Maher

CFO & Secretary

- Joined as CFO and Company Secretary in 2019
- Experience across audit, financial services, and waste management sectors
- Chartered Accountant and Chartered Secretary



Janet Granger-Wilcox

Corporate Affairs

- Joined in 2016 with experience in media and management roles in the agriculture, water and disability sectors
- Master of Arts (Communications Management) from the University of Technology Sydney



Matthew Kusi-Appauh

Marketing & Strategy

- Joined Aussie Broadband in 2016 to establish its marketing and strategy functions
- Bachelor of Commerce (Dean's Scholar) from the University of Wollongong
- JMW Leader of the Future graduate



Leigh Markham

Service Delivery

- Joined the company in his current role in 2011, with experience in the telco and IT industries since 2003
- Bachelor of Computing from Monash University, and ITIL certified



Kevin Salerno

Customer Service

- Joined the company in 2014
- Extensive experience across construction, mining and agricultural as an IT management specialist
- TIL and Microsoft System Engineer certified



Aaron O'Keeffe

Sales

- Experienced IT professional
- Joined the company in 2008 and promoted to GM Sales in 2017
- Graduate of both the JMW Leader of the Future and Being a Leader programs

Half year results summary



Continued strong organic growth across both residential and business segments.

Strong Financial Growth

- Revenue **up 89% to \$157.4m** (\$83.4m 1H20)
- EBITDA **up 87% to \$7.3m** (\$3.9m 1H20)

Strong organic connection growth

- Residential broadband **up 30% to 313,193 services** and Business broadband **up 49% to 29,441 services** since June 2020
- Total broadband services **up 31% to 342,634 services** since June 2020

Fibre project progressing well

- 79km now in the ground, 6 data centres and 7 nbn POIs now connected representing 7% of the project complete
- Build pipeline now running at scale with 150km of fibre to 8 data centres and 17 POIs under construction
- First direct customer connections active on the network

Broadband services

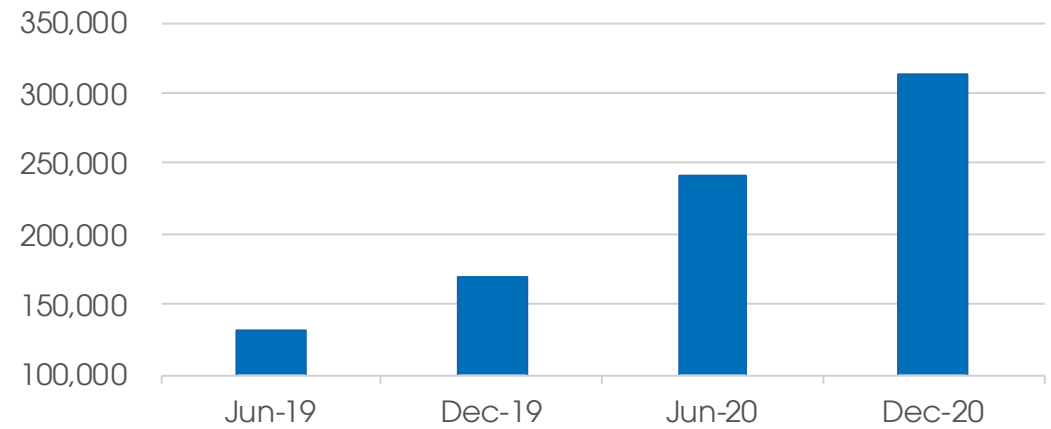
Taking market share in a highly competitive market

- Broadband market share (excluding satellite technology) 4.2% (up from 2.8% at December 19)
- The nbn network roll out is largely complete. Currently 70% of sales are from customers switching nbn providers and this is expected to increase
- 71,566 net residential additions
- 9,707 net business additions
- 100% organic growth

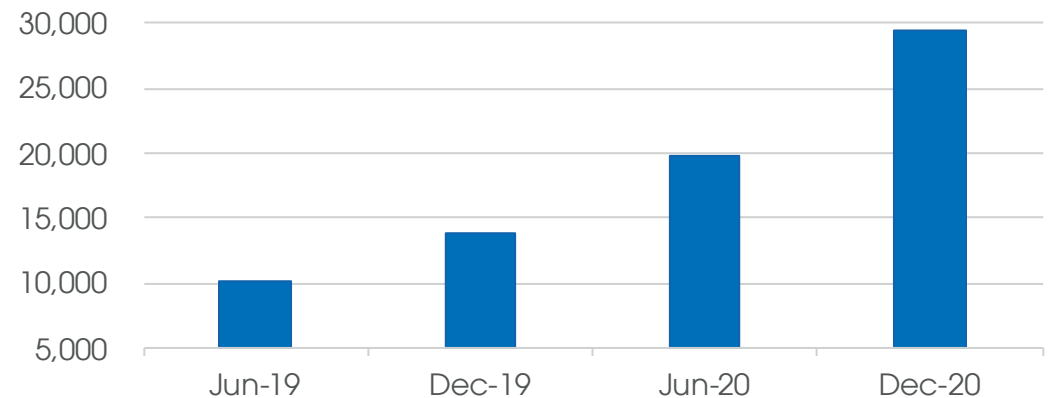
Churn better than forecast

- Average residential connection churn for the period was 1.9% per month (forecast 2.1%)
- Forecast was higher for the period due to price rises from September to December 2020
- Average residential customer churn for the period was 0.9% per month

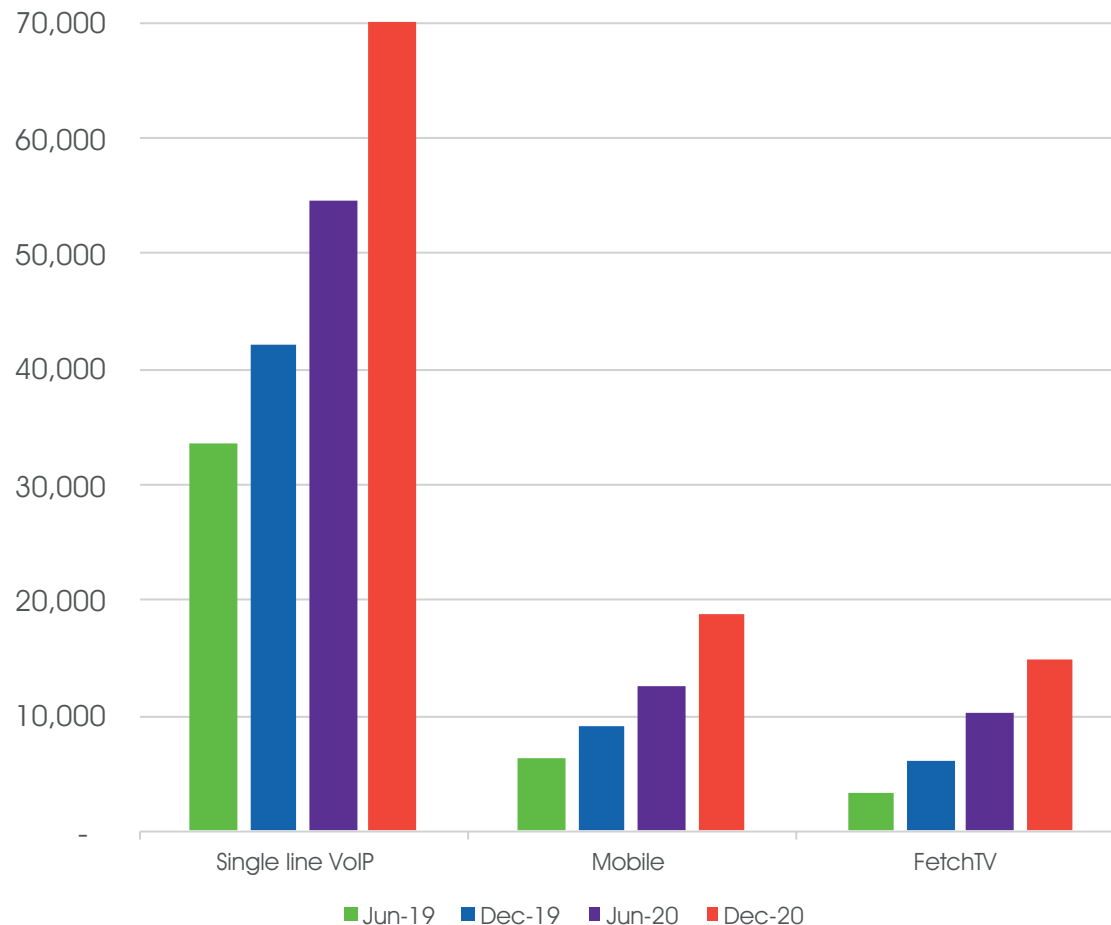
Residential broadband



Business broadband



Complementary services



Single line VoIP growth is stronger due to increased business customer signups.

Mobile growth is improving due to more competitive plan offerings and increased sales focus.

Expecting further mobile growth from Q4FY21 with new MVNO agreement signed and increased marketing focus to promote complementary services to existing customers.

FetchTV is only sold in the residential segment. Mobile & single line VoIP includes both residential & business segments.

Fibre network



Victoria

- 6 data centres and 7 nbn POIs connected
- 68km of fibre completed for this segment
- Network is active and carrying customer traffic



New South Wales

- Connections to 6 data centres and 6 nbn POIs at an advanced stage of construction - due to be completed by March 2021
- 10.2km of fibre completed in this segment including through Sydney Harbour Tunnel

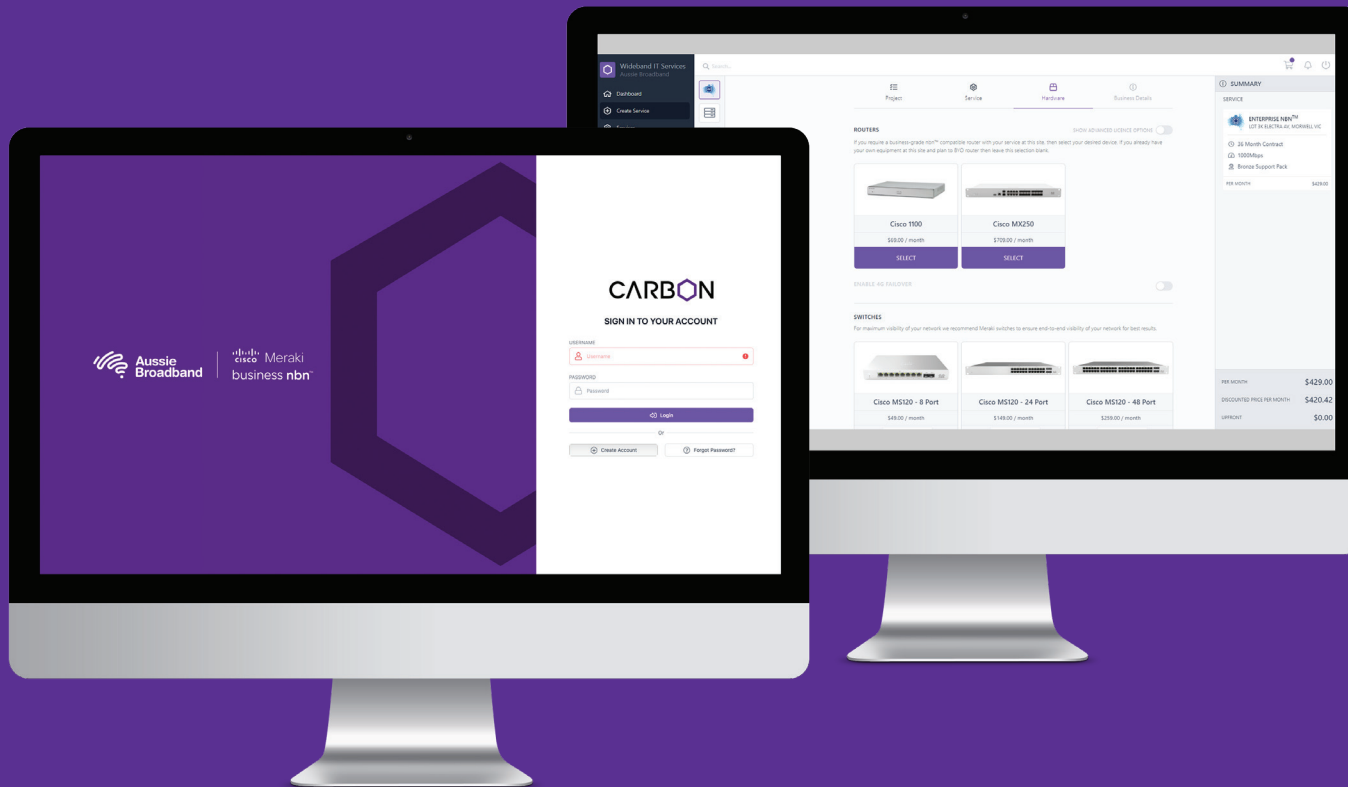


Western Australia

- Connections to 2 data centres and 4 nbn POIs under construction.

CARBON

- Have signed over 300 MSP partners on to the Carbon platform.
- Carbon is now billing in excess of \$275,000 per month and is growing rapidly.
- Have recently launched Hosted PBX on to Carbon allowing MSPs to deliver business voice services to their clients.



Investing in customer growth

Lower cost to acquire

- Lower than forecast cost to acquire achieved in 1H21
- Overall marketing spend was \$9.7m, 16% under budget whilst still achieving sales in excess of forecast

Strong business growth

- New business campaigns have generated strong sales growth and raised brand awareness in the business segment
- Several national chains signed as key clients

Aussie Broadband powered by **nbn**

“Fast painless setup and a network that just works for business.”

– ProMet101 Consulting, Mining, consulting & research.
#cantbeatfeedback

Aussie Broadband. Building better businesses with high-speed nbn™.

Aussie Broadband powered by **nbn**

“Australian call centre, say no more”

– ProductReview
#cantbeatfeedback

powered by **nbn**

Most satisfied nbn™ customers
Rated five stars in the 2019 Canstar Blue awards for overall satisfaction, speed and reliability, ease of sign-up and customer service.

100% Australian support
When you need support our 100% Australian-based team will be there to help.

No lock-in contract, no setup fee
We believe our service is so good you won't want to go with anyone else, so you can connect with us free of any unnecessary fees or commitments.*

Fast, easy setup
A fast, easy setup is important when swapping over to the nbn™, so we've made it easy – enclosed is our nbn™ connection guide to walk you through the process.

Your area is now live. Sign up to the nbn™ today!
Call our Australian-based team on **1300 280 905** or sign up online aussiebroadband.com.au/saynomore

\$69/month

Unlimited data
+
Australian support
+
First month free

Use the code **AUSSIEFREE**

*Additional charges may apply for new developments or subsequent line installs. Service not available at all premises. Promo code: AUSSIEFREE provides a credit to the value of the first month of your broadband service prior to your first invoice being issued. Full terms and conditions available at aussiebroadband.com.au. Code expires 31/07/2020.

Aussie Broadband powered by **nbn**

“Finally, I am no longer hearing: Dad! The internet's not working.”

– Paul B, ProductReview
#cantbeatfeedback

Aussie Broadband. Bringing peace to your home.

Essential Business Bundle Call us on **1300 480 905**

\$99/month

nbn™ 100 plan
with unlimited data
Typical evening speeds: 8Mbps

Included Static IP

Premium VoIP plan
FREE for the first 6 months
Included local, national & mobile calls

Australian-based customer service

Priority support for businesses

Award-winning internet^

No lock-in contracts

Promotional code: VOICE20
Visit aubb.me/business or scan the QR code to get started.

Service not available at all premises. Full terms and conditions available at aussiebroadband.com.au. Offer code expires 31/07/2020 and only available on Small Business plans. \$99 price point promotes 100Mbps speeds with unlimited data plan, and typical evening speeds of 8Mbps. Typical evening speeds valid as at 31 March 2020. Bundles with 100 Premium VoIP plan at no cost for the first 6 months with promotional offer applied, then total cost \$19/month after. VoIP is for a single phone line and requires VoIP compatible modem. Offer valid for ABN holders only. ^Winner of Canstar's most satisfied nbn™ customer award 2019. (Canstar Blue).

Aussie Broadband

Need internet that can keep up with your family?

Internet for everyone
Browse, stream and game!
All at the same time with our range of high speed plans, perfect for making sure no one misses out.

Entertainment at your fingertips
Whether it's movie nights, bingeing your favourite show or watching the big game, our broadband is built to meet the demand with optional Fetch entertainment bundles.

Best in class and reliable
Industry leading reliability means spending less time on the phone with us and more time doing things that really matter. Rated Canstar Blue's Most satisfied customers for 2019 and 2020

Get \$10 off your first 6 months! Use code: PEACE

Call our Australian-based team on **1300 280 905** or sign up online aussiebroadband.com.au/peace

Additional charges may apply for new developments or subsequent line installs. Service not available at all premises. Promo code: PEACE provides \$10 credit to the first 6 months internet service. Offer only available on 50Mbps, 100Mbps, 100Mbps and 200Mbps unlimited plans. Offer valid until 28/02/2021. Full terms and conditions available at aussiebroadband.com.au/legal.

Aussie Broadband

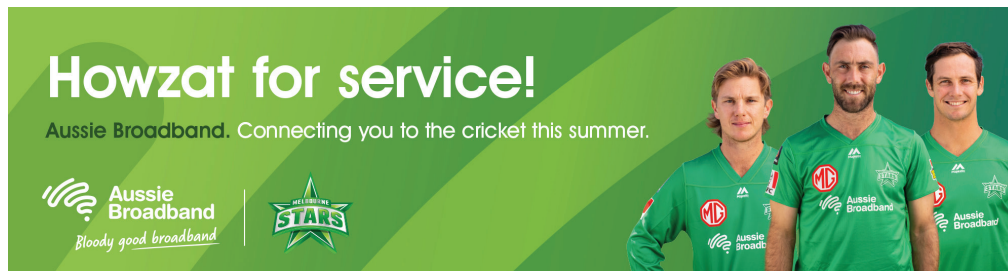
Building our brand

Continuing to build brand awareness

- Increased use of above-the-line channels such as TV and billboards has built higher brand awareness.
- This strategy has supported further scaling of our direct mail and digital campaigns.
- Prompted brand awareness increased from 33% in May 2020 to 38% in November 2020

Melbourne Stars partnership

- Principal partners of the Melbourne Stars BBL cricket team for the 2020/21 season.
- First major sponsorship for Aussie which generated excellent coverage both on-ground and on TV.



Customer experience



4.6 from 5523 reviews on



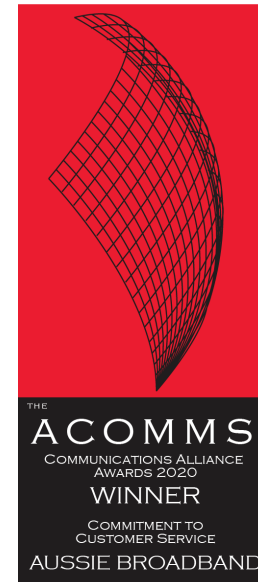
4.3 from 2782 reviews on



4.8 from 1754 reviews on

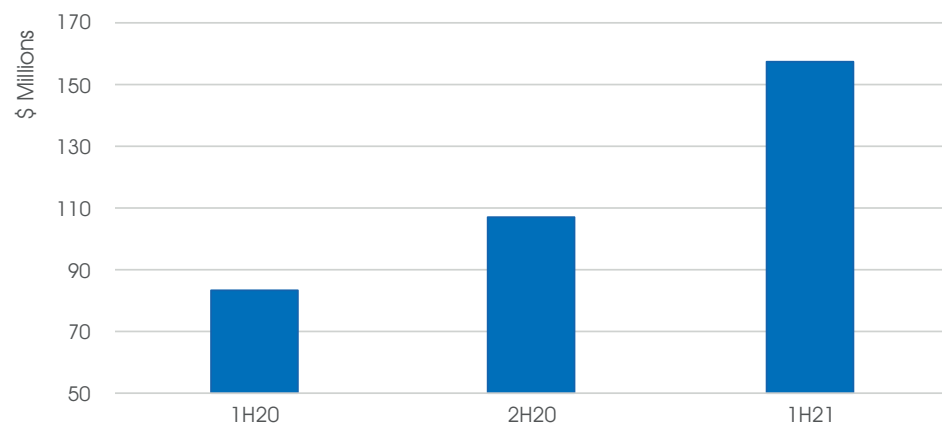


- Customer satisfaction remained high even through price rise period of September to December
- Winner Customer Service Organisation of the Year, Large Business – Australian Service Excellence Awards



Financial results

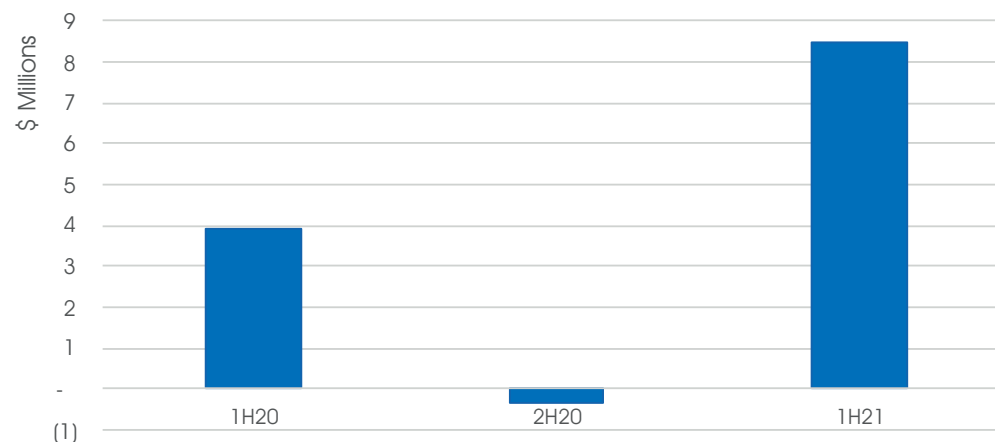
Revenue



Revenue up 89% to \$157.4m due to:

- 81,273 net broadband additions in 1H21
- Growth in mobile, fetch TV and VoIP
- Strong growth in business broadband and Hosted phone
- Increase in retail broadband prices and lower than expected churn

EBITDA adjusted for IPO expenses



EBITDA adjusted for IPO expenses up 115% to \$8.4m due to:

- Strong organic growth in both residential & business segments
- Marketing efficiency better than forecast albeit with net spend being lower than forecast due to additional nbn marketing rebates received and advertising mail delivery restrictions during COVID-19 lock downs
- Extended nbn CVC rebates yielded an above forecast benefit of \$1.2m to the result.

Financial performance

Profit and Loss

\$'m	H1FY21	H1 FY20	Change %
Revenue	157.4	83.4	89%
Network and hardware expenses	(115.4)	(64.5)	-79%
Gross margin	42.0	18.9	122%
Gross margin %	26.7%	22.7%	-
Marketing expenses	(9.7)	(3.0)	-222%
Employee and administration expenses	(23.9)	(12.0)	-99%
IPO expenses	(1.1)	-	-
EBITDA	7.3	3.9	87%
Depreciation and Amortisation	(3.6)	(2.5)	-44%
Net interest expense	(1.9)	(3.1)	37%
Change in fair value of derivative	(12.3)	0.3	4318%
Net profit before tax	(10.5)	(1.4)	673%

- Revenue growth driven by ongoing volume growth
- Gross margin benefitting from static CVC charges for bulk of the year
- Significant increase in investment in marketing YoY fuelling revenue growth
- Employee and administrative costs almost doubling with both volume and upskilling in advance of IPO
- Embedded derivative associated with conversion mechanics of convertible note at IPO resulted in fair value adjustment

Financial position

Balance Sheet

\$'m	Dec-20	Jun-20	Change
Cash and cash equivalents	50.4	21.4	29.0
Trade and other receivables	16.5	11.4	5.1
Other current assets	5.1	4.2	0.8
Property, Plant and Equipment	12.4	5.4	7.0
Right of use assets	13.9	12.4	1.5
Intangibles and financial assets	3.7	2.7	1.1
Total Assets	102.0	57.5	44.5
Trade payables and other trade liabilities	33.0	26.9	6.2
Lease liabilities	12.9	11.5	1.3
Employee benefit liabilities	3.0	2.2	0.8
Derivative	-	10.4	(10.4)
Debt	0.5	27.2	(26.7)
Total Liabilities	49.4	78.3	(28.9)
Net Assets / (Liabilities)	52.7	(20.7)	73.4

- Cash boosted by IPO proceeds
- Slight increase in debtor days with extended credit offered during COVID period
- PPE increase driven by fibre network construction
- Debt reduced through convertible note conversion and repayment of bulk of external debt (\$5.0m)

Cash flow

Cash flow statement

\$'m	H1FY21	H1 FY20	Change
Receipts from customers	171.5	90.4	90%
Payments to suppliers & employees	(162.5)	(88.5)	-84%
Net interest payments	(0.2)	(0.3)	23%
Operating cash flows	8.8	1.6	453%
Payment for PPE	(8.1)	(1.9)	-332%
Payment for Intangibles	(1.4)	(0.5)	-145%
Investing cash flows	(9.5)	(2.4)	-290%
Lease payments	(2.7)	(2.1)	-32%
Proceeds from convertible note	-	23.4	-100%
Repayment of debt	(5.0)	-	-
Net proceeds of IPO	37.4	-	-
Other	(0.0)	(0.1)	93%
Financing cash flows	29.7	21.2	40%
Net increase in cash and cash equivalents	29.0	20.4	42%

- Customer receipts and supplier/employee payments movements broadly consistent with financial performance
- Strong correlation between EBITDA and operating cash flows in 1H FY21
- PPE spend related to fibre roll out
- Intangible spend on systems development and IP addresses
- Debt reduced through convertible note conversion and repayment of bulk of external debt
- Successful IPO raised \$40m gross proceeds

Looking ahead



**Aussie
Broadband**

Bloody good broadband

Continued growth

Residential

- Marketing spend will be accelerated for the remainder of the year to take advantage of opportunities as they present
- Additional focus on bundling with new campaigns to target existing customers towards multiple products
- Using nbn focus on fast campaign to further target growth into 100 Mbps and above tiers

Business

- Adding further pre sales engineering functions to target customers with more complex needs
- Business specific marketing now operating at scale and providing strong lead generation
- Business sales call centre increased and achieving good conversion results

Carbon

- Focus now shifting from onboarding MSPs into scaling up order volume from existing MSPs
- Continued platform development with mobiles the next product to be added into the platform



Fibre project

- Fibre build now operating at scale with over 150km currently under construction
- Builds are now underway in Victoria, New South Wales and Western Australia
- Queensland and South Australia presently in final design
- Exploring partnerships to reduce the need to construct redundancy paths and access regional POIs not originally contemplated in the initial project design
- Pipeline of direct fibre customer orders building with signed orders ahead of forecast

Network growth

- Next phase of network expansion underway to take the company past the present 500,000 connection design
- Presently assessing vendors and design pathways to support 1 million connections

Relaunch of mobiles

MVNO agreement signed with Optus Wholesale

- Will replace existing MVNO (mobile virtual network operator) agreement for access to the Telstra mobile network
- Will transition our existing 19,000 mobile customers on to the Optus network
- Flexible agreement with the ability for Aussie to create new plans without the need for wholesaler involvement
- We will offer 4G failover for both residential and business nbn customers
- Includes access to the full Optus 5G network and fixed wireless offering
- Expecting new plans and handsets to be available Q4 FY2021



Refreshed marketing



Switch to freakin' fast internet

For a bloody good price.

powered by nbn

5000+ 5 star reviews

Aussie Broadband

Bloody good broadband

Freakin' fast internet backed by our 100% Australian based team.

Home Fast

Typical evening speed 99Mbps

\$89/month

for the first 6 months (normally \$99/m)

Unlimited data

Use code: FAST10

Home Superfast

Typical evening speed 248Mbps

\$99/month

for the first 6 months (normally \$129/m)

Unlimited data

Use code: FAST30

Save up to **\$180** on freakin' fast internet!

Sign up online at aubb.me/freakinfast or use the QR code below.

*T&Cs. Additional charges may apply for new developments or subsequent line installs. Typical evening speeds (7pm-11pm). Based on the ACMA Measuring Broadband Australia Report. Valid as of Dec 2020. *Service not available at all premises. Advertised prices are inclusive of the discounted offer, \$10 off for 6 months on Home Fast plans and \$30 off for 6 months on Home Superfast and Home Ultrafast plans. General T&Cs apply. For more info visit aussiebroadband.com.au/legal. Offer only available to new customers and valid until 31/03/2021.

Stream The Crown like you've never streamed it before.

UltraFast nbn™ plans now just \$99 per month.

Aussie Broadband

Bloody good broadband

aussiebroadband.com.au

powered by business nbn

Internet slowing down your business?

Go faster with Australia's top-rated telco.

5000+ 5 star reviews

Aussie Broadband

Bloody good broadband

Guidance

As noted by the Reserve Bank of Australia recently, a high degree of uncertainty continues to surround Australia's economic outlook. The potential exists for further COVID-19 geographic lockdowns as outbreaks occur, with associated bandwidth usage impacting the company's CVC and network costs.

The company is accelerating its investment in marketing in H2 which impacts short term EBITDA but drives long term growth. The company expects an impact from the NBN HFC stop sell which has been allowed for in the guidance below.

As a result, the Board provides the following updated guidance for FY2021:

	Updated Guidance for FY2021	Prospectus
Revenue	\$345 million to \$355 million	\$338.0 million
Normalised EBITDA ¹	\$13.0 million to \$15.0 million	\$12.3 million
Residential broadband ²	380,000 to 410,000	368,172
Business broadband ³	37,000 to 42,000	Not provided
Total broadband	417,000 to 452,000	Not provided

1. Normalised EBITDA is EBITDA excluding IPO costs

2. Residential broadband connections

3. Business broadband includes small business, enterprise and wholesale services

Thank you

investors@aussiebb.com.au

