

ASX RELEASE

Aussie Broadband acquires AGL Telco assets and enters strategic partnership to drive future growth

11 February 2026

Aussie Broadband Group (ASX:ABB) has signed an agreement to acquire the telecommunications business of AGL Energy Limited (ASX:AGL) ('AGL Telco'), including its customer assets. The acquisition will add an estimated combined 350,000¹ broadband services and mobile connections to Aussie Broadband's customer base together with 46,000 voice services. The acquisition is expected to complete in June 2026 and the migration is expected to be complete in H1 FY27.

Importantly, an agreement has also been signed to establish a long-term exclusive partnership between the two companies to drive continued growth, leveraging Aussie Broadband's network infrastructure and customer service expertise, and AGL's strong brand equity, existing large customer base and energy bundled offers.

Highlights

- Aussie Broadband to acquire AGL Telco, which at 31 December 2025 consisted of approximately 218,000 NBN services, 144,000 mobile connections and 46,000 voice services¹
- Under a long-term exclusive partnership agreement, AGL will continue to promote telecommunications services under the AGL brand, with the telecommunications services and customer experience provided by Aussie Broadband
- The agreement is expected to deliver estimated Revenue of approximately \$235 million and underlying EBITDA of approximately \$21 million in the 12 months following migration²
- Aussie Broadband expects to grow AGL Telco connections (excluding voice services) to more than 500,000 over five years

¹ Minimum number of connections to be migration ready. The totals include services under both AGL and Southern Phone brands.

² Based on 350,000 connections at the completion of migration. Underlying EBITDA excludes one-off costs associated with the transaction and the migration and establishment of the service and any contract incentive amortisation.

- An upfront consideration of \$115 million will be paid in ABB shares with approximately 22 million shares expected to be issued to AGL in June 2026. Further ABB shares of up to \$10 million will be issued in \$2 million tranches, subject to meeting specified net growth hurdles. These shares will be issued within ABB's 15% placement capacity as permitted under ASX Listing Rule 7.1
- The acquisition is expected to be EPS accretive in the first year following completion of migration of the existing AGL Telco customers to Aussie Broadband's network which is expected to commence in Q1 FY27 and expected to be complete in H1 FY27
- Following the migration of AGL Telco and More/Tangerine³ services to the Aussie Broadband network, Aussie Broadband is expected to become the third largest NBN service provider⁴, with broadband connections expected to exceed 1.25 million. In addition, Aussie Broadband is expected to service almost 400,000 mobile connections across its segments.

AGL is one of the largest energy retailers in Australia, currently supplying around 4.5 million energy and telecommunications services across residential, business and wholesale customers. Through the acquisition of Southern Phone in 2019, and since launching its own broadband and mobile products in 2020 and 2021 respectively, AGL Telco has successfully grown its services (inclusive of voice services) to over 400,000 as at 31 December 2025.

The acquisition of AGL Telco and the long-term partnership with AGL is a financially material and strategically significant milestone for Aussie Broadband as the Company strengthens its position as one of the largest NBN providers and expands its presence in mobile through multiple sales channels. The agreement is expected to deliver a combined 350,000 additional NBN services and mobile connections once migration is complete and approximately \$21 million in underlying EBITDA in the first year post migration. Further net growth in connections, as well as scale benefits and efficiency gains from network synergies are expected to deliver significant upside to earnings over time. Aussie Broadband expects to generate EBITDA margins for AGL Telco in accordance with our Look-to-28 strategic plan target of at least 12.5%.

The Asset Sale Agreement includes other customary provisions including warranties and limited termination rights for material adverse change and insolvency events.

³ See ASX announcement on 25 August 2025

⁴ Based on the NBN Wholesale Market Indicators Report for September 2025 issued by ACCC on 4 December 2025 and adjusted for volumes expected to be migrated to ABB

In consideration for the acquisition of AGL Telco, and in recognition of the value of the long-term exclusive partnership with AGL, Aussie Broadband will issue \$115 million in ABB shares to AGL under a Share Subscription Agreement upon completion of the transaction, expected to occur in June 2026, representing 22 million fully paid ordinary shares based on the 90 day VWAP to 9 February 2026. The shares to be issued to AGL will represent approximately 7.5% of ABB's current issued capital, making AGL a substantial shareholder in the Company following the issue. Further ordinary shares equivalent to up to \$10 million will be issued to AGL (in increments of \$2 million) subject to meeting net connection growth targets over time. Subject to limited carve outs in each case, the Share Subscription Agreement includes certain standstill and disposal restrictions and control transaction voting restrictions.

Migration of AGL's customer base is expected to occur during H1 FY27. Following the migration, AGL will continue to market the AGL Telco branded products via existing channels, supported by bundled product offerings and marketing efforts and in accordance with agreed service standards. Customer contracts will be acquired by Aussie Broadband with service provision and customer experience for the telecommunication services being solely managed and operated by Aussie Broadband.

In recognition of the long-term partnership, ABB has agreed to certain exclusivity obligations to AGL relating to the promotion and sale of energy products, and AGL has agreed to exclusivity obligations in relation to its promotion and sale of telecommunications services. The partnership has no fixed term but includes certain termination rights for each party including in the event of insolvency, material breach and, material damage to reputation or goodwill, and for AGL, termination rights for repeated material performance target failures, by ABB and certain change of control events. AGL has the right to buy back the AGL branded telecommunications customer contracts at a commercial value in the event of a termination of the collaboration agreement by either party.

Commenting on the agreement, Aussie Broadband Group CEO, Brian Maher said:

"We are delighted to have secured this strategically significant transaction with AGL which will see Aussie Broadband further cement its position as a leading provider of fast and reliable NBN services in Australia. To be chosen by one of the largest and most trusted energy providers in Australia as their partner in connectivity is a further testament to the outstanding quality and reliability of our network and the service we provide to our partners and customers.

"This transaction provides a significant boost to our connections and EBITDA from 2H FY27, and we look forward to working with AGL to drive further growth for both parties and deliver a great experience to our new AGL Telco customers.

“FY27 is set to be a year of significant growth for Aussie Broadband as we migrate approximately 350,000 broadband and mobile connections from AGL in addition to the 290,000 More/Tangerine NBN connections to be migrated in the current financial year, becoming the third largest NBN service provider. I also look forward to providing an update on performance when we release our half year results later this month.”

AGL’s Managing Director and CEO, Damien Nicks added:

“We look forward to working with Aussie Broadband as we continue to improve our integrated product offering across energy and telecommunications. We have been immensely impressed with Aussie Broadband’s strong focus on reliability and quality of the network. We want to provide the best possible experience to customers, and we are confident that Aussie Broadband can deliver exactly that across broadband, mobile and voice services.”

Aussie Broadband will host an analyst and investor briefing today at 2:00pm AEDT. To participate, please register via the link below:

<https://s1.c-conf.com/diamondpass/10053192-gh76t5.html>

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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 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>