

Market Announcements Office
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Sydney, 23 June 2022

2022 Investor Day Presentation – Correction to Appendix slide 66

TPG Telecom Limited (ASX: TPG) advises that there are some minor corrections to Appendix slide 66 of the Investor Day Presentation lodged earlier today. Please find attached the amended Investor Day Presentation including the corrected Appendix slide 66.

Authorised for lodgement with ASX by:

Trent Czinner
Company Secretary
TPG Telecom Limited

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TPG Telecom Limited

Investor Day

23 June 2022

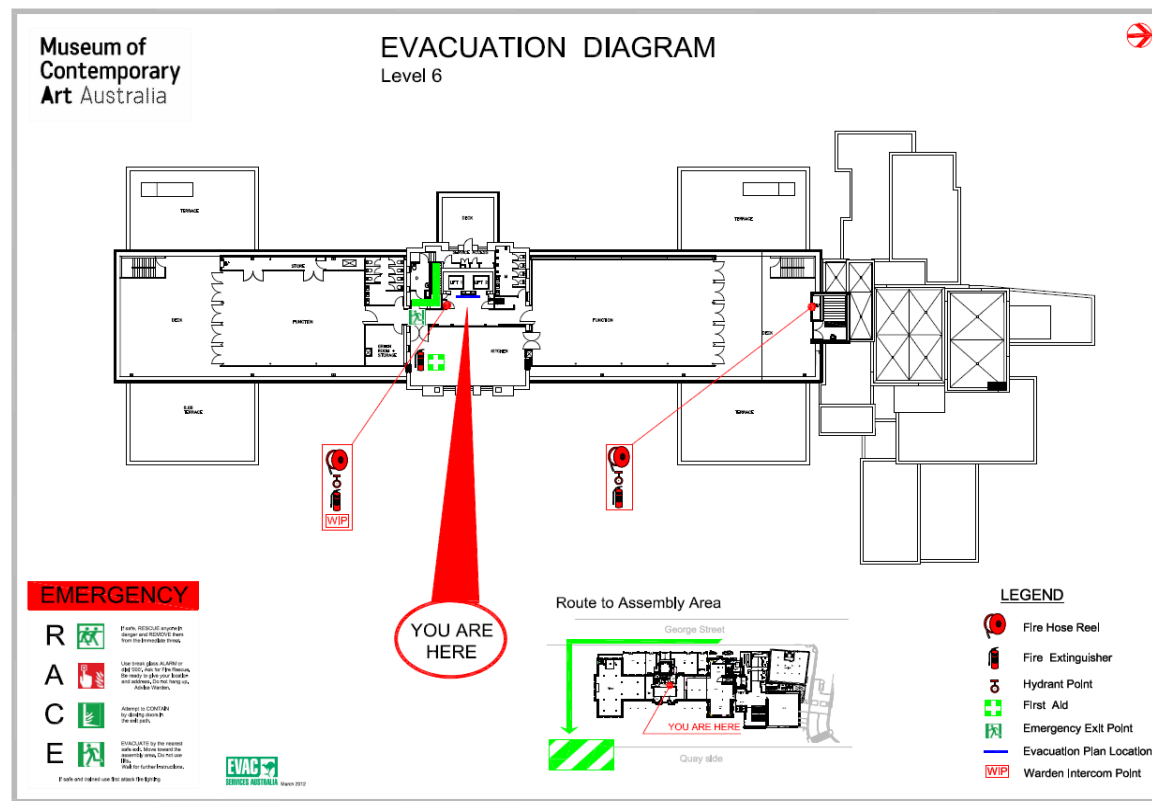


Acknowledgement of Country



'Listening to Land - Connecting to Country' by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji),
We are 27 Creative

TPG Telecom acknowledges the Traditional Custodians of Country throughout Australia and the lands on which we and our communities live, work and connect. We pay our respects to their Elders, past, present and emerging.



Wi-Fi details:
MCA_Venues
MC@3v3nt\$

Today's agenda

09:30 Introduction

09:55 Consumer

10:20 Enterprise, Government & Wholesale

10:45 Break

11:00 Customer Operations

11:15 Networks and Technology

11:30 Capital Allocation

12:00 Summary and Q&A

12:45 Lunch

 Iñaki Berroeta

Chief Executive Officer & Managing Director

 Kieren Cooney

Group Executive, Consumer

 Jonathan Rutherford

Group Executive, Enterprise, Government & Wholesale

 Ana Bordeianu

Group Executive, Customer Operations & Shared Services

 Giovanni Chiarelli

Chief Technology Officer

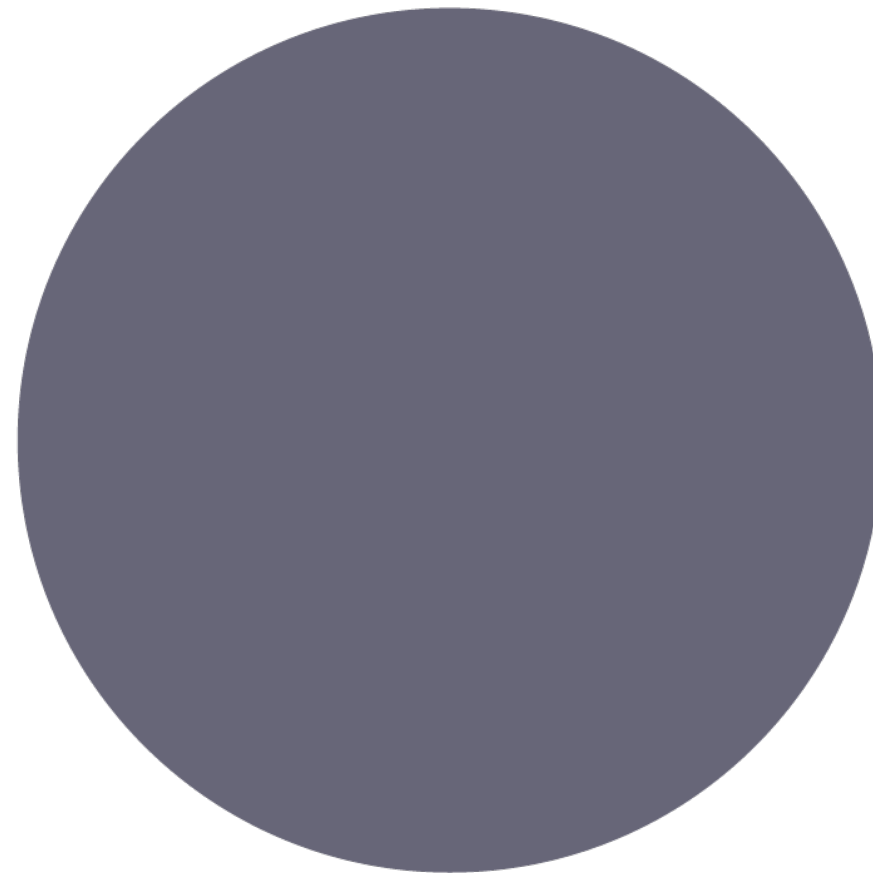
 Grant Dempsey

Chief Financial Officer

Introduction

Iñaki Berroeta

Chief Executive Officer & Managing Director



Introducing the **Executive Leadership Team**

Presenting today



Group Executive Consumer

Kieren Cooney

>25 years of executive experience in CEO and CXO roles across telco, tech, and media



Group Executive Enterprise, Government & Wholesale

Jonathan Rutherford

>20 years of executive experience across B2B commercial, marketing and sales in telco and consulting



Group Executive Customer Operations & Shared Services

Ana Bordeianu

>20 years of executive experience across customer relations, and operations roles in telco



Chief Technology Officer

Giovanni Chiarelli

>30 years of executive experience across network infrastructure and technology in telco



Chief Financial Officer

Grant Dempsey

>35 years of executive experience across investment banking, finance and strategy



Group Executive People Experience

Vanessa Hicks

>20 years of executive experience across human resources and customer operations roles in telco

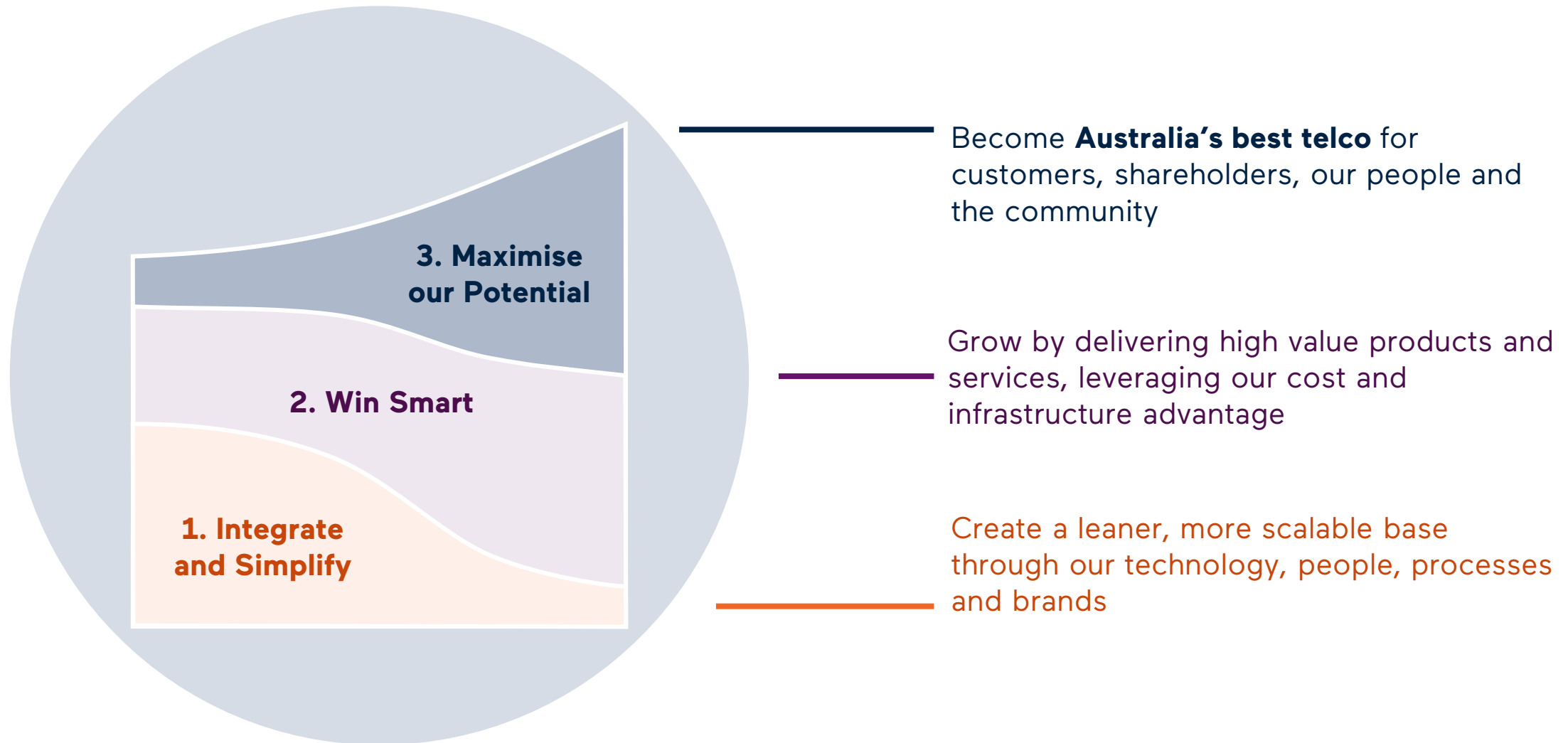


Group Executive Legal & External Affairs, and Company Secretary

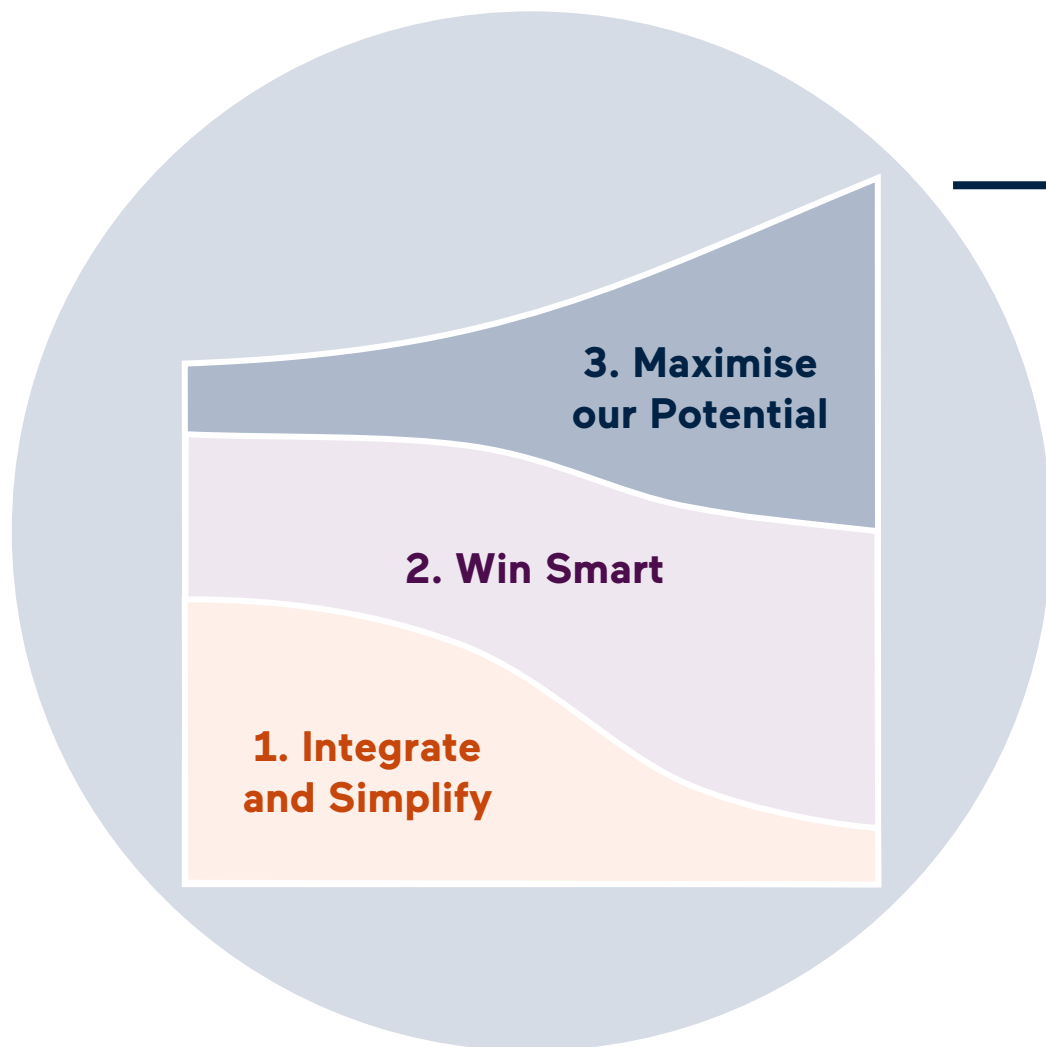
Trent Czinner

>25 years of executive experience across legal and corporate affairs in telco

Our values and **three guiding principles** shape our strategy and ambition



Our ambition is to be **Australia's best telco** for customers, shareholders, our people and the community



Best for customers

- Great value enabled by low-cost model
- Simple, integrated telco product choices
- Efficient and easy customer experiences

Best for shareholders

- Capture service revenue opportunity
- Leverage cost advantage to scale growth
- Allocate capital to drive returns

Best for our people and community

- Employer of choice in Australian telco
- Deliver on our sustainability strategy
- Contemporary, inclusive charity partnerships

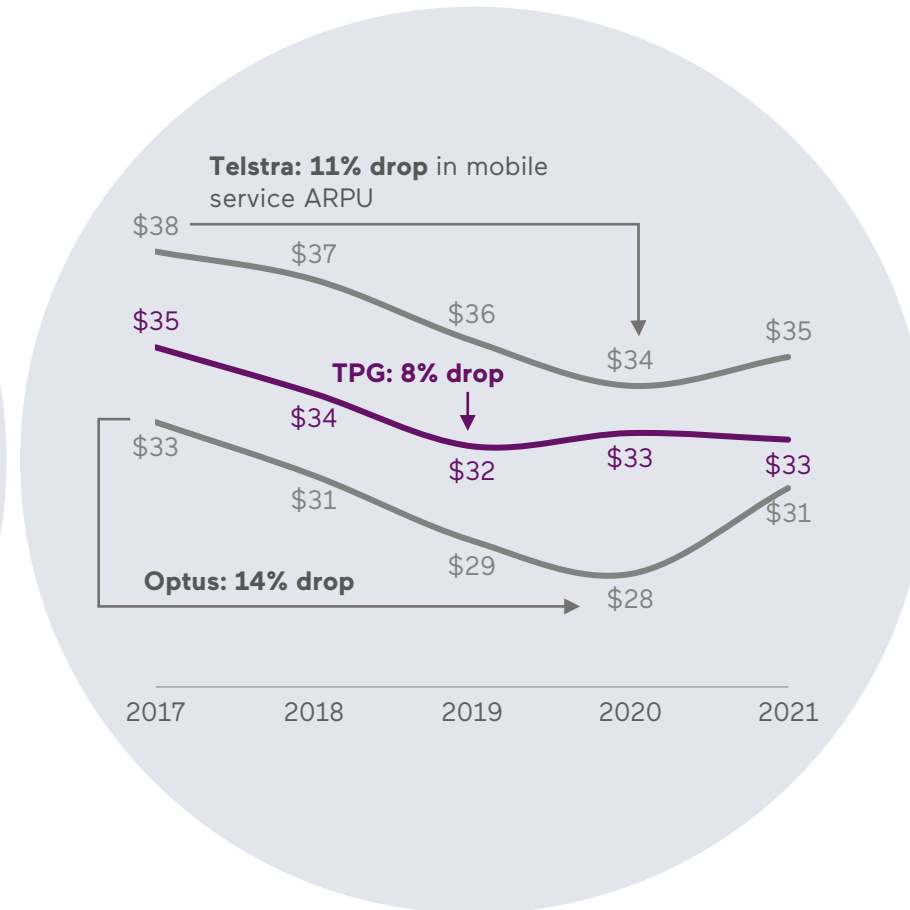
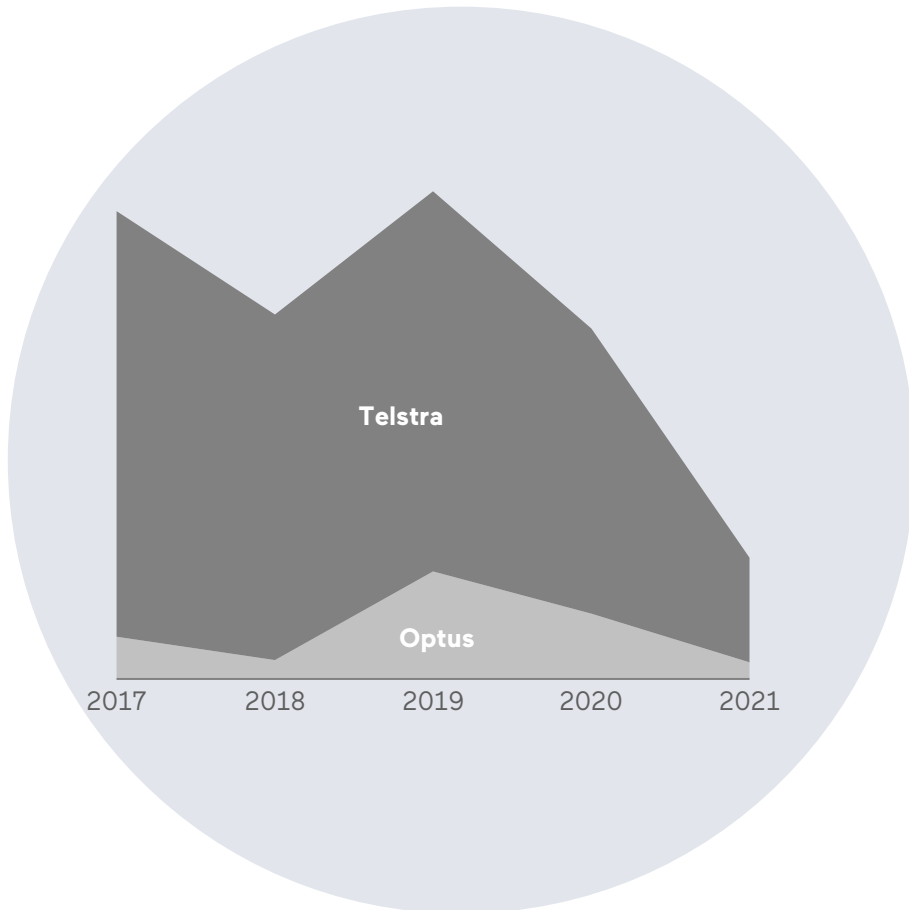
Today, we are highlighting 10 **key strategic initiatives**

	Strategic initiative	Presenter	Current state	Opportunity
1	Grow Consumer Mobile service revenue	Kieren	c. \$1.8b service revenue	>60% increase in addressable market ¹
2	Drive Consumer Fixed profitability	Kieren	Strong NBN-led subscriber base	On-net penetration and margin upside
3	Accelerate cross-selling	Kieren	20% of households with >1 product	Integrated marketing, churn reduction
4	Grow in Enterprise and Government	Jonathan	c. \$700m revenue	\$1b revenue by 2025
5	Unlock value in Wholesale	Jonathan	High quality but under-utilised assets	Enhance utilisation and return on assets
6	Consolidate customer platforms and journeys	Ana	Multiple overlapping platforms	Streamlined platforms and capabilities
7	Improve customer experience	Ana	Multiple payment gateways	Simpler, better customer payments
8	Simplify technology landscape	Giovanni	Complex architecture of 600+ systems	Simple, scalable architecture
9	Achieve national 5G coverage	Giovanni	Metro-focused 4G-dominant network	National 5G coverage by 2025
10	Embed capital allocation framework	Grant	Uncertainty around financial objectives	Clear frameworks targeting higher returns

1. Addressable market increase based on population in top 5 cities vs 98.8% total national coverage following proposed regional network sharing agreement (subject to regulatory approval)

We are **exiting a period of market distortion** in Mobile created by competitor access to non-recurring NBN income

>\$10b in NBN payments over the past five years¹ ... funded a period of intense price- discounting²



Today, in a market returning to growth, TPG is uniquely positioned due to a **>60% increase in addressable market** from network expansion initiatives³

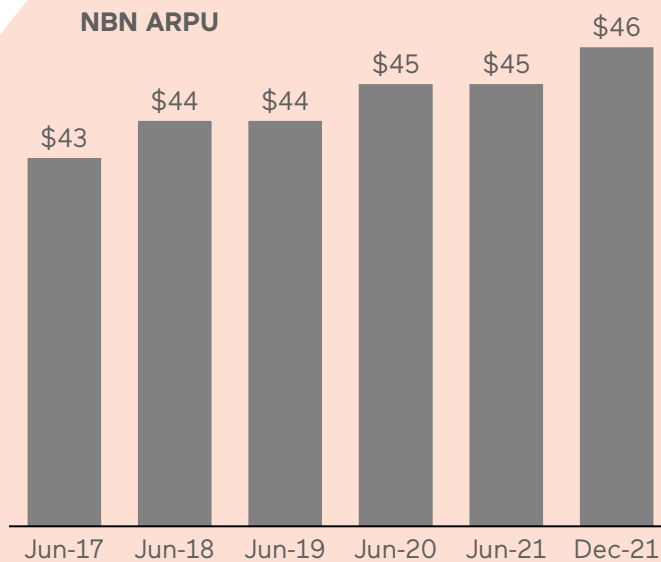
1. Source: company disclosures and TPG analysis based on calendar year end

2. ARPU calculated on total mobile service revenue and simple average of total mobile closing base (excluding IoT where disclosed); Optus data excludes Fixed Wireless from FY21 onwards; 2017 is December HY for both Telstra and Optus

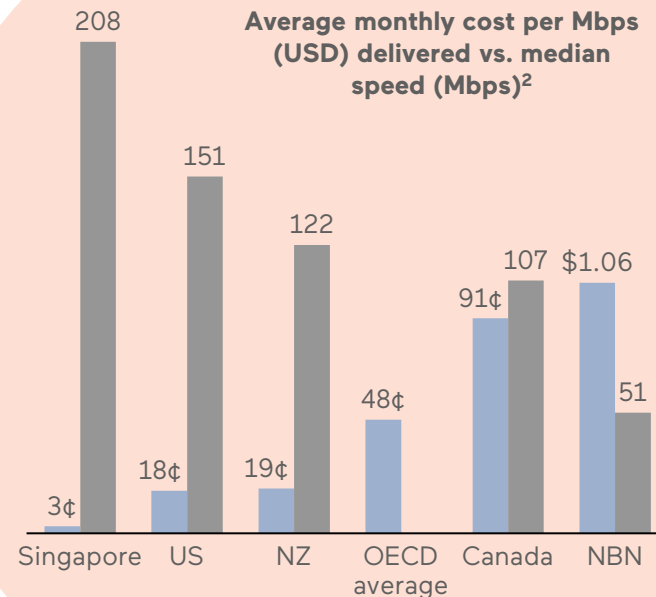
3. Addressable market increase based on population in top 5 cities vs 98.8% total national coverage following proposed regional network sharing agreement (subject to regulatory approval)

NBN pricing continues to create both **challenges** and **opportunities** in our Fixed business

Pricing continues to rise¹



... despite poor global comparisons



More predictable NBN pricing is desirable – but **on-net alternatives** can deliver a **better customer experience** while unlocking wholesale value for TPG

1. Source: NBN Co company reports
2. Source: cable.co.uk, Ookla Speedtest global index

We have **solid performance momentum** going into 2H FY22

	FY21 results recap	Progress update
Merger synergies	\$125-150m to be delivered one year early in FY22	 Organisation simplification implemented in 1H
Network expansion	Announced regional sharing agreement with Telstra	 Regulatory process under way, supported by metro 5G build
Tower Assets	Strategic review progressing	 Close of sale to OMERS anticipated in 3Q
Fixed Wireless	Aiming to double customer base to 160k in FY22	 c. 110k customers currently; actions to accelerate in 2H
Enterprise, Government & Wholesale	\$1b revenue target for Enterprise and Government in FY25	 Landmark customer wins in Enterprise  Functional separation approved for Wholesale residential access network in 1H
Financial momentum	Strong FY21 result despite market conditions	 Improving operational momentum supporting outlook
Mobile recovery	Return of subscriber growth November to January	 Net adds expected to be >120k in 1H

1. Proposed regional network sharing agreement subject to regulatory approval
2. Tower Assets sale subject to customary conditions precedent and expected close in third quarter of FY22

We are progressing our **sustainability strategy**



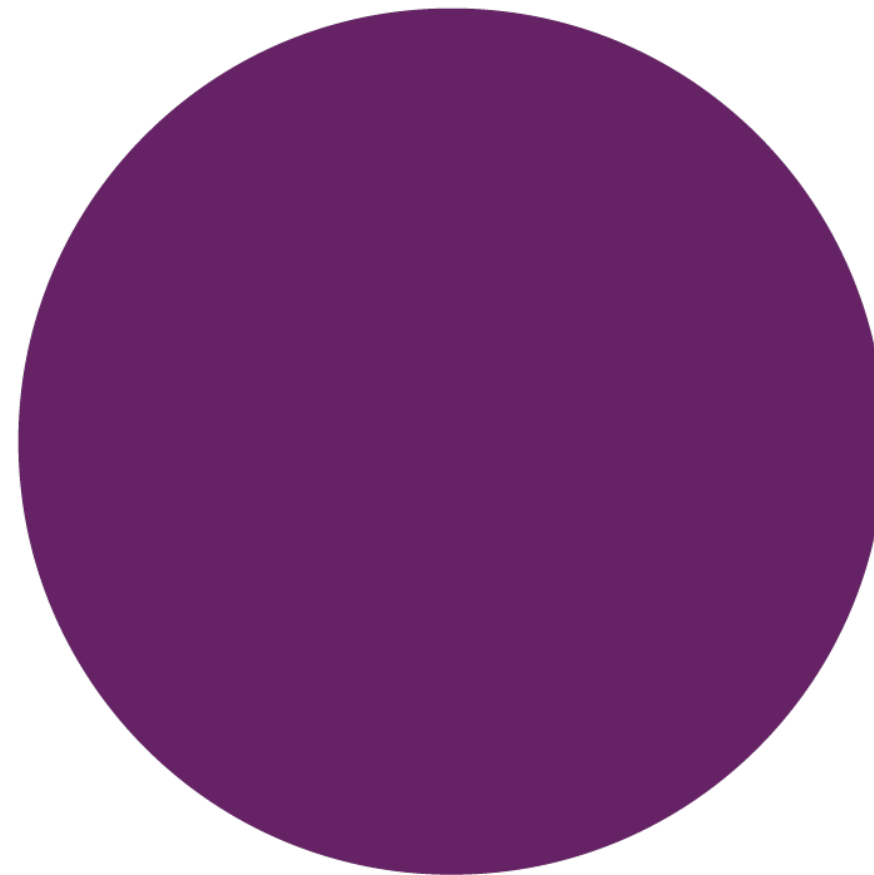
Considerable progress made on all fronts in 2022 to date

- Awarded 5-star Employer of Choice rating
- On track to complete Net Zero modelling by end of 2022
 - TPG Foundation relaunched with new charity partners

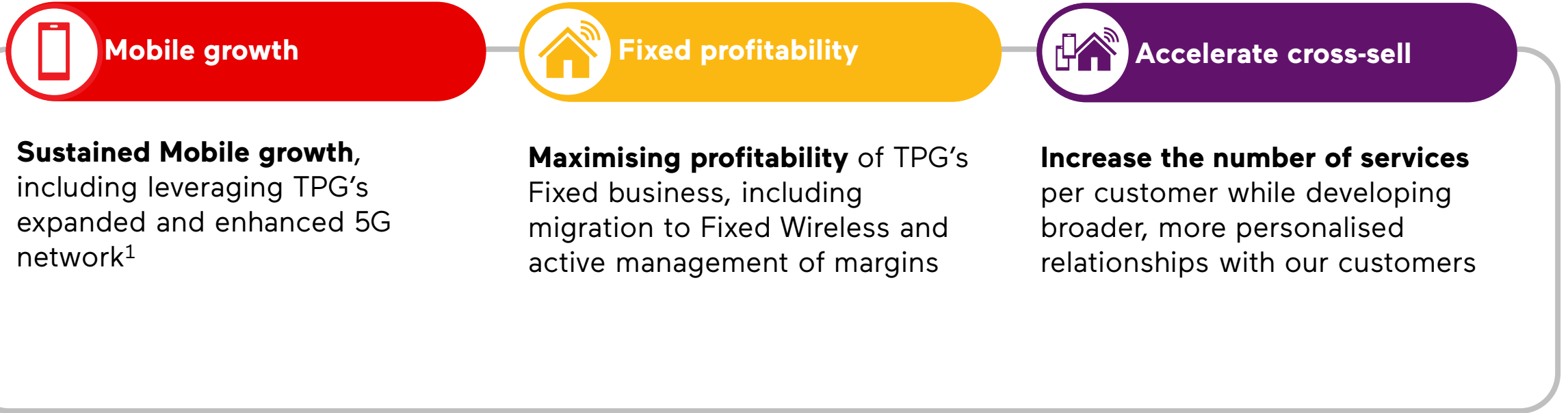
Consumer

Kieren Cooney

Group Executive Consumer



Three key pillars underpin TPG's Consumer growth strategy



1. Regional network sharing agreement is subject to regulatory approval

TPG's strengths are well matched to consumers' needs

The 2022 telco consumer



Cost of living anxiety



Distrust of complexity



"I just want it to work"



The world is opening up again

The TPG advantage

Value leadership



Simplicity and focus



Network enhancements¹



Global brand and roaming leadership

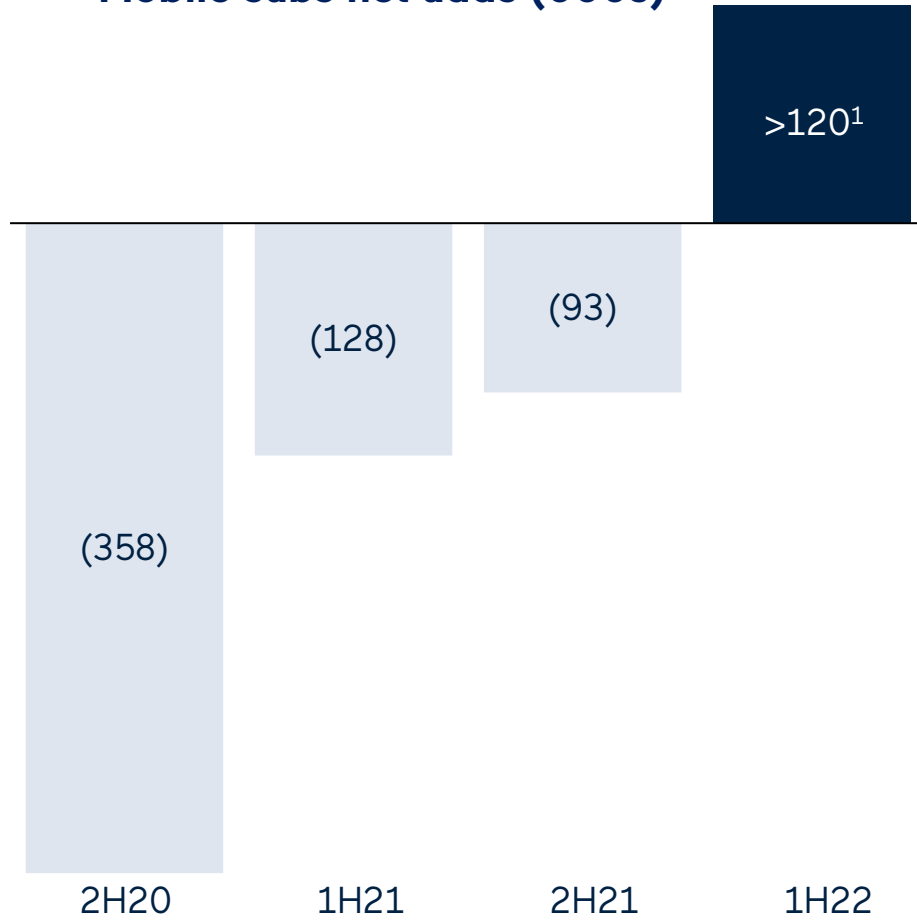


tpg TELECOM

1. Regional network sharing agreement is subject to regulatory approval

Mobile business returning to growth in 1H22

Mobile subs net adds (000s)



1. Includes Enterprise subscribers



Customer Value



International travel

Cyclical in nature, growth may be bumpy in 2H



Acquisition focused on key promotional periods



Active churn management



5G network



Network expansion enables **further growth from under-penetrated markets**



Churn reduction – *addressing the largest driver of churn*



Metro acquisition – *urban customers that value regional coverage*



Regional acquisition – *providing real choice for >4M regional customers¹*

1. Regional network sharing agreement is subject to regulatory approval

Network expansion supports our **three levers of service revenue growth**



Addressable market¹



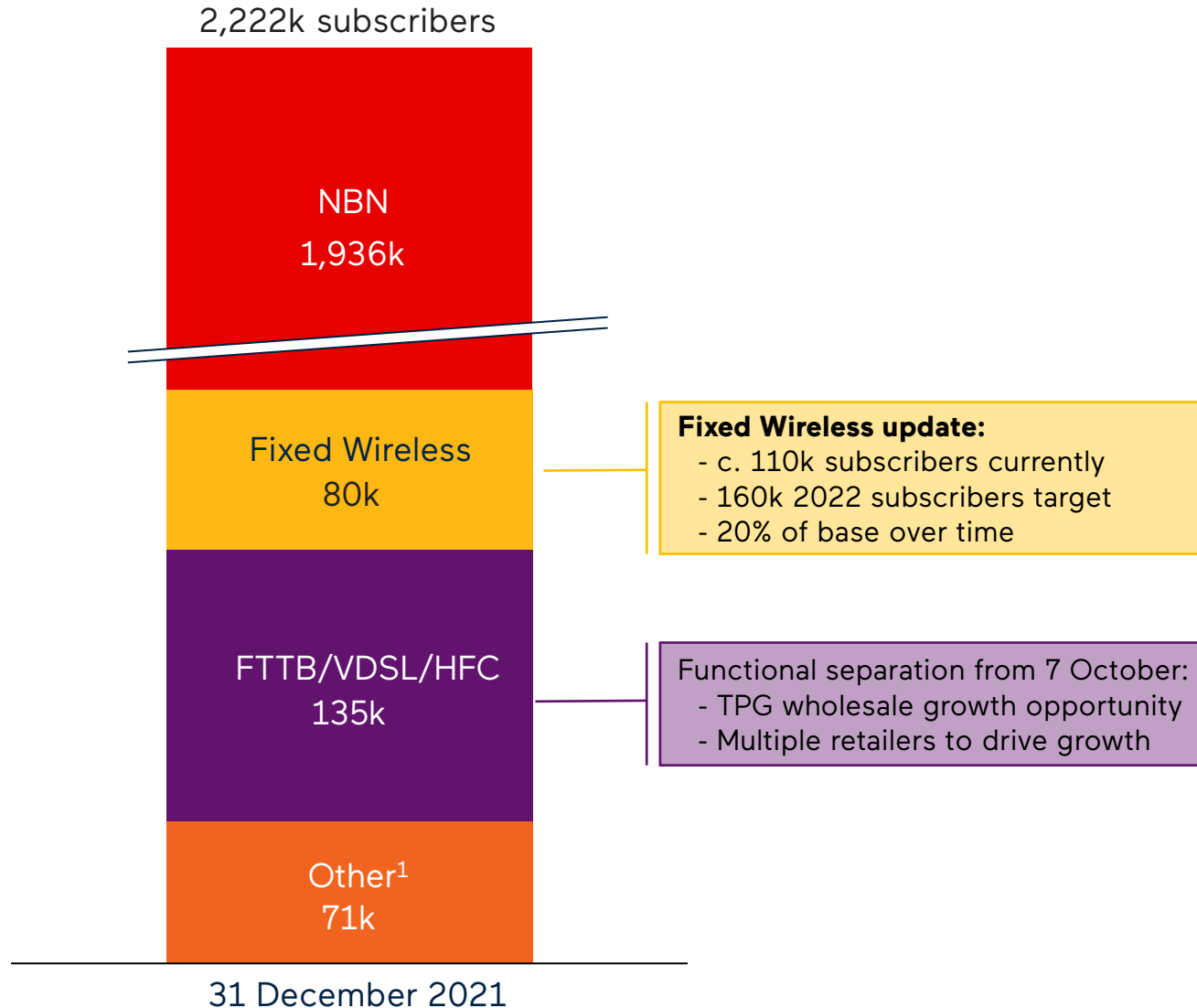
Product quality



Customer mix

1. Addressable market increase based on population in top 5 cities vs 98.8% total national coverage with regional network sharing (subject to regulatory approval)

Focus on fixed profitability through on-net, product and pricing mix



1. 'Other' includes ADSL and other off-net

FIBRE TO THE BUILDING (FTTB)

Great service and reliable connection

★★★★★ published 2 months ago

5G HOME BROADBAND PREMIUM PLAN

Great value, reliable, and fast

★★★★★ published 3 months ago

5G HOME BROADBAND PREMIUM PLAN

5G v NBN.....a world of difference

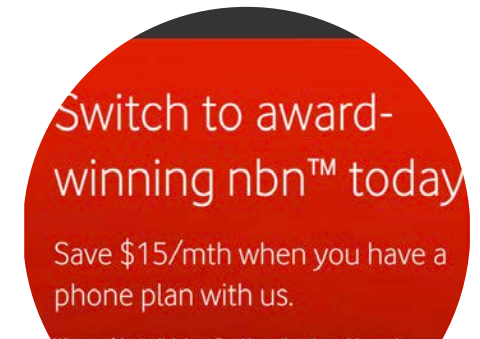
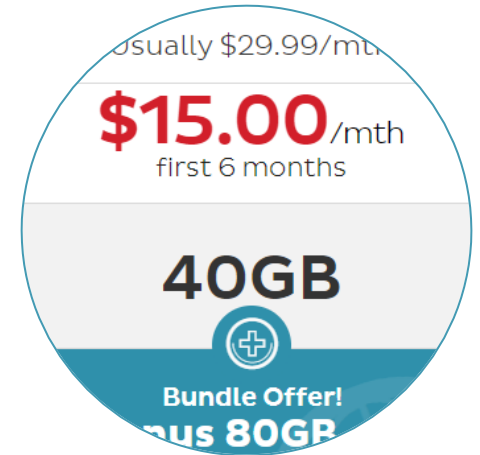
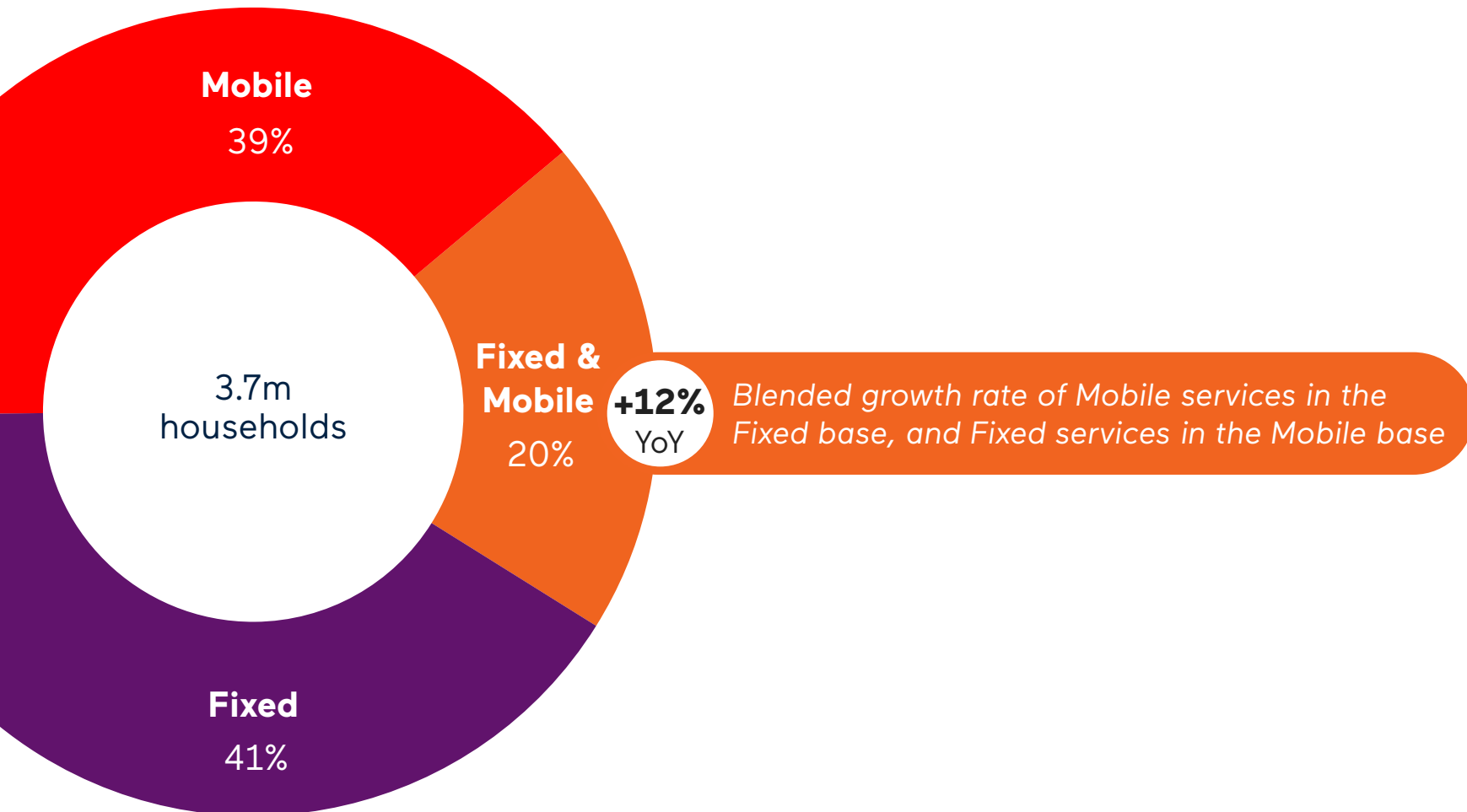
★★★★★ published 3 months ago

5G HOME BROADBAND PREMIUM PLAN

Better than NBN

★★★★★ published 1 month ago

Considerable opportunity to **accelerate cross-selling**



Introducing the **Consumer Leadership Team**



**Group General Manager
Commercial Planning
& Strategy**

Claire Awramenko

20 years in product, marketing, strategy and sales in telco



Chief Marketing Officer

John Casey

30 years in marketing in telco and media



Group General Manager Sales

James Gully

20 years in sales in telco and media



Group General Manager Fixed Products

Andrew O'Connor

16 years in product management and strategy in telco



Group General Manager Mobile Products

Arthur Panos

20 years in product and commercial in telco



Group General Manager Customer Lifecycle Management

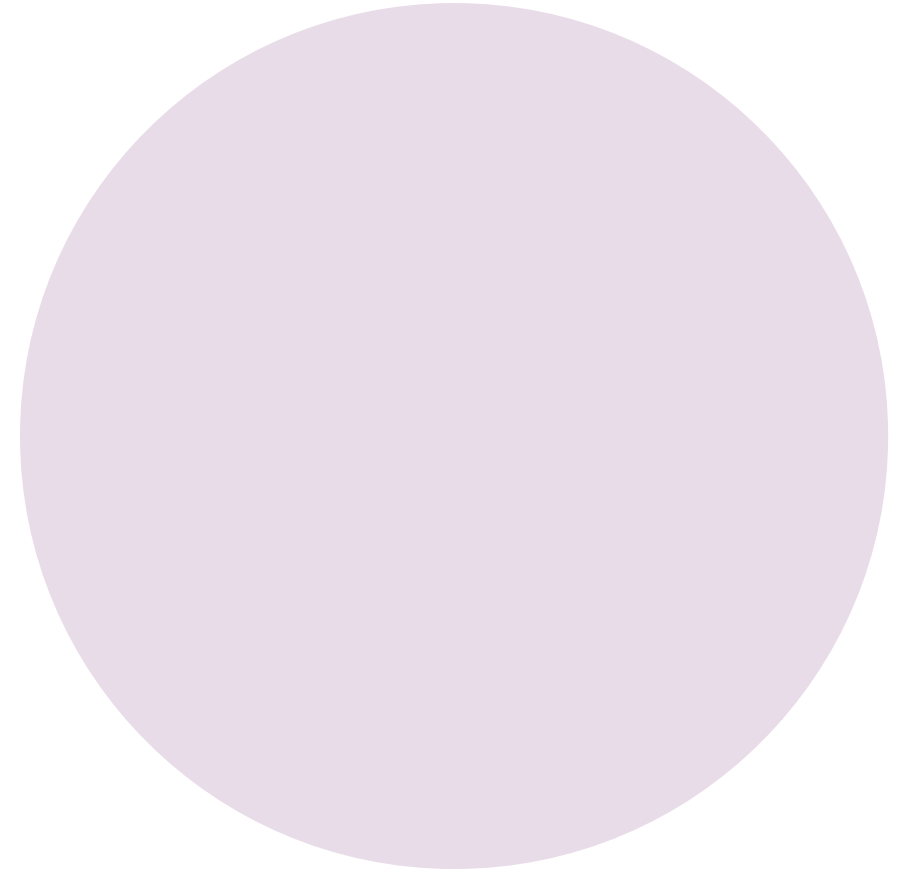
Paul Tierney

15 years in finance, strategy, sales and marketing in telco

Enterprise, Government & Wholesale

Jonathan Rutherford

Group Executive, Enterprise, Government & Wholesale



Enterprise, Government and Wholesale Agenda



Grow in Enterprise & Government

Grow our Enterprise & Government revenue to \$1b within the >\$9b addressable market by FY25



Unlock value in Wholesale

Continue to expand product offering and crystallise opportunities from underutilised assets and infrastructure

Grow in Enterprise & Government: we see an opportunity to grow through four key growth platforms

Grow in Enterprise connectivity

>25% Fixed data subscriber growth

Accelerated **momentum in government** segment:

- City Wi-Fi rollouts
- Australian Health Practitioner Regulation Agency

Win small business in Fixed and Mobile

TPG Telecom **mobility launch** in July 2022

Converged **digital customer experience**

New **telesales** channel

Converged connectivity through 4G Fixed Wireless

Build network managed services and security

SD-WAN rollout with >350 sites in 3 months

Deployed TPG's largest SD-WAN solution to **>1,000 retail sites**

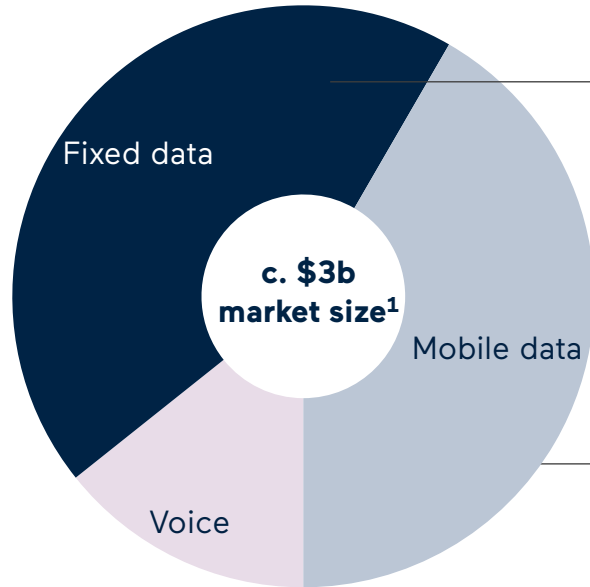
Enhance IoT & Mobile Private Network solutions

Landmark **first Mobile Private Network contract**

+23% growth in IoT connections over the past 12 months

TPG is well positioned to **Grow in Enterprise connectivity** as technology transitions takes place

TPG can grow market share from ~10% to ~16%...



Grow on-net fast fibre connections by

- o increasing penetration (no incremental capex) and
- o expanding footprint

Extend reach through NBN – expanded addressable market

Leverage 5G mobile & Fixed Wireless – new addressable markets for TPG

- o Average global Enterprise data volumes increased 42% annually 2020 to 2022²

1. Source: Company data, Analysys Mason research.

2. Data volume growth sourced from Statista

TPG has built a **strong reputation** for delivering connectivity



Required **better support and a robust approach** in managing connectivity nationally

First wide scale, **national SD-WAN** solution including fixed and mobile connectivity



Lifeline requires **network continuity and resiliency**

SD-WAN solutions deployed to over 20 sites

Provide **24/7/365 customer support**



Wanted a national **high-speed network** with a focus on **security** and **reliability**

750 VPN & 390 dedicated internet services

TPG deployed **within 9 months** - ahead of schedule



Required **largest SD-WAN solution** to Mosaic brands' **1,000 retail stores**

Over 850 sites were delivered in 3 months

Ensured **no 'off-air' time** during transition

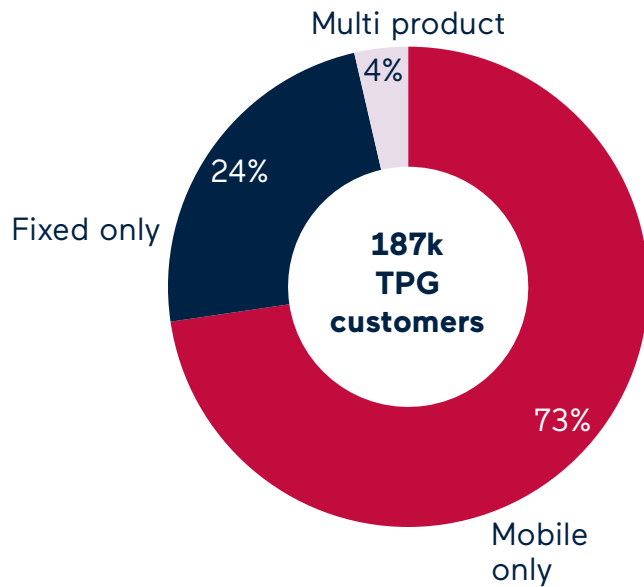
The opportunity to **win small business in Fixed and Mobile** has been unlocked through merger

TPG with currently only 4% multi product customers...

...has an opportunity to grow through a series of cross sell initiatives

Near term activities

Expanded opportunities to grow over time



Scale our telesales and direct to business channels



Launch broadband cross sell offer to 132k small business mobile customers¹



Add mobile to TPG for bundled product offering



Launch **small business add-ons** with security and software



Scale our **online** channels



Improved **analytics** to reduce churn and drive sales

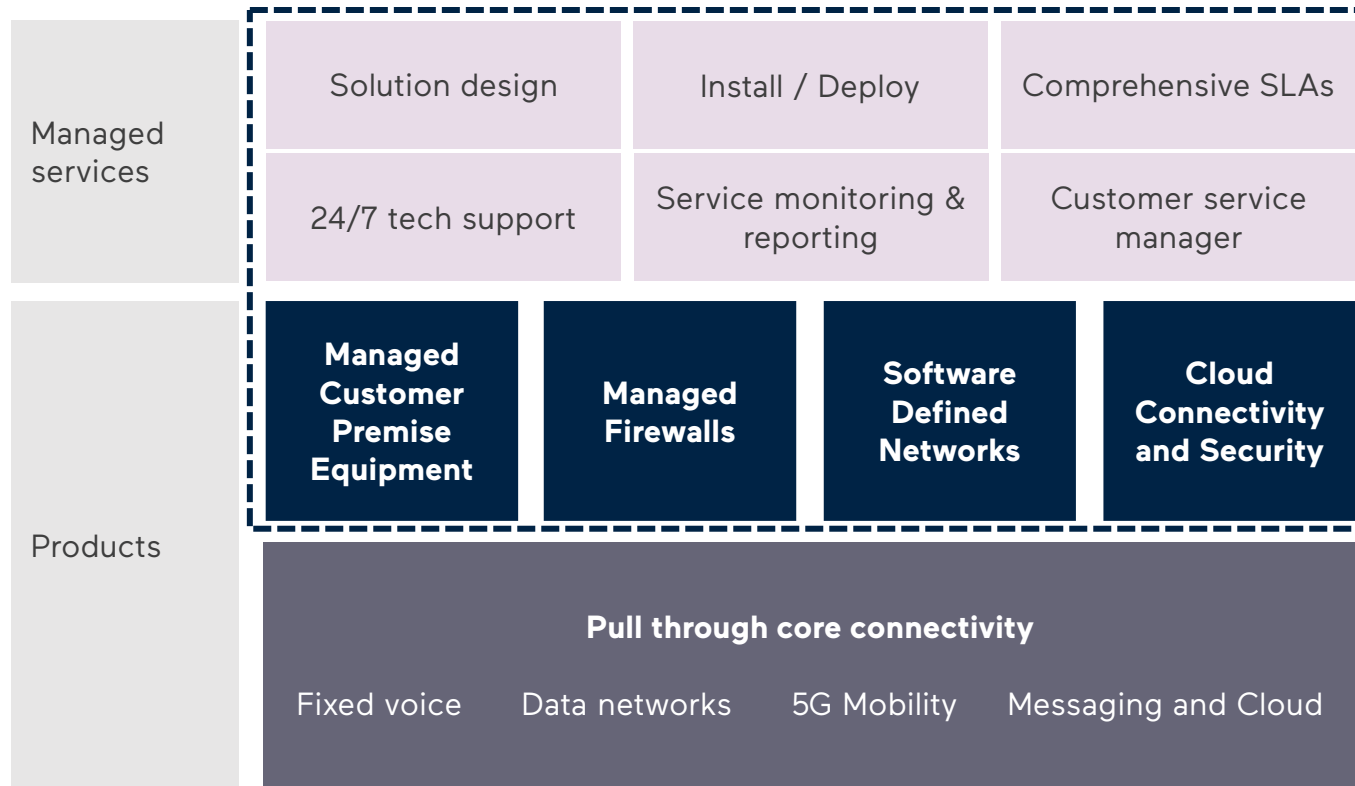


1. TPG, iiNet Small/Home office Fixed revenue currently reported in Consumer segment

TPG will expand its portfolio to businesses and **build network managed services and security** services

TPG can use expanded product portfolio to grow core business

Managed services brings larger opportunities



Increases average deal size and creates **pull through** for more connectivity

Blended **margin remains very attractive**

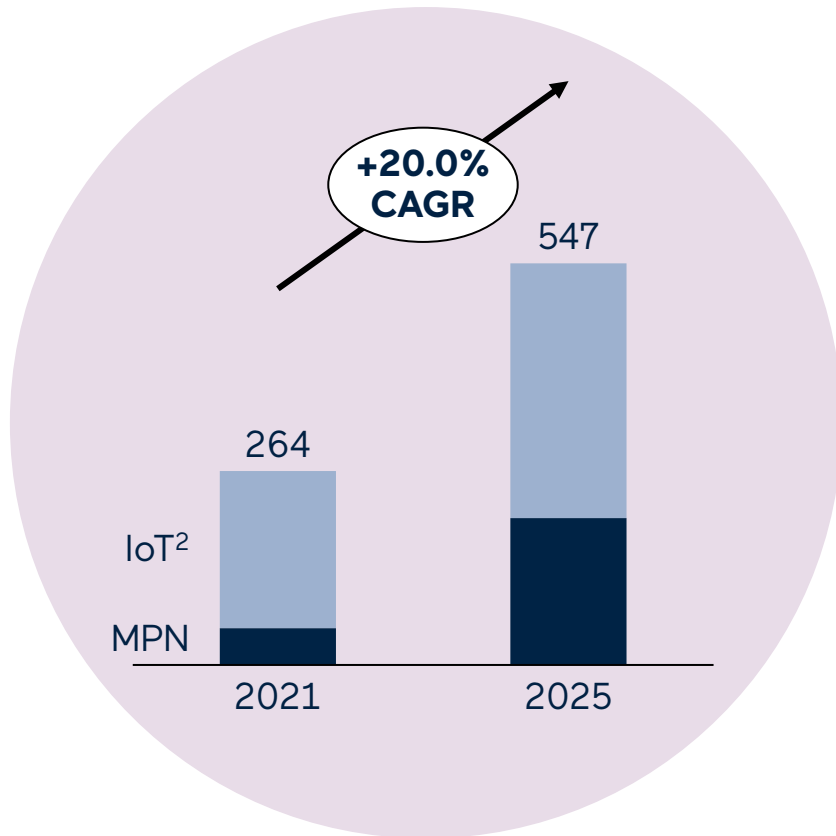
Lower churn

FORTINET

cisco Meraki

TPG is well positioned to leverage its infrastructure to enhance the portfolio with **IoT and Mobile Private Networks** solutions

IoT & MPN market revenue projected to grow¹



Key ingredients for MPN and IoT²



Strong partnerships



Global experience



Reach



Relevant network technologies and spectrum (CAT-1, NB IoT, 5G)

TPG early wins in specific industry verticals



Mining

Energy

Ports

Manufacturing

Transportation

Technology maturity

1. Source: Analysys Mason research

2. IoT market shown is mainly connectivity, however there is a larger opportunity to package device & application solutions working with partners

Enterprise, Government & Wholesale Agenda



Grow in Enterprise & Government

Grow our Enterprise & Government revenue to \$1b within the >\$9b addressable market by FY25

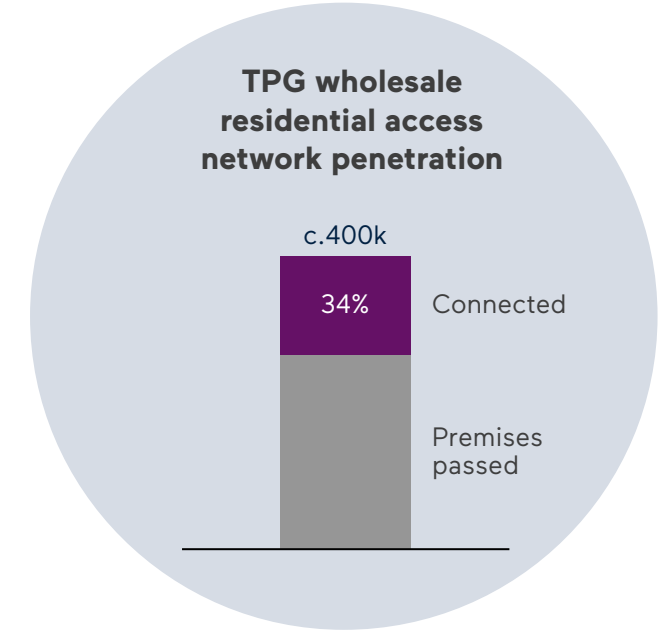
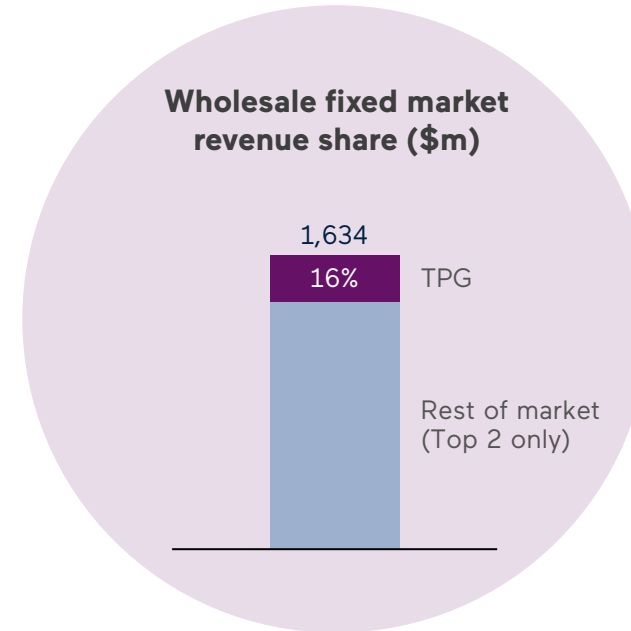
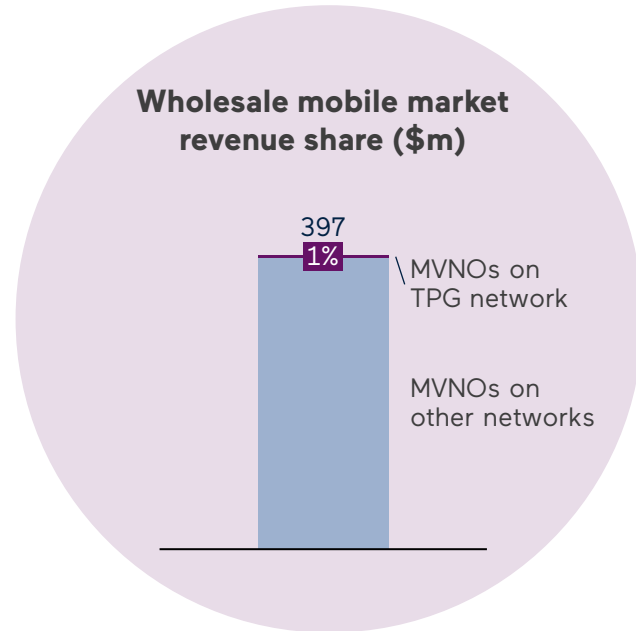


Unlock value in Wholesale

Continue to expand product offering and crystallise opportunities from underutilised assets and infrastructure

TPG's wholesale strategy aims to **unlock value** from its mobile and fixed assets

Opportunity



Progress

On track to launch **MVNE platform** 2H22

New MVNO partner expected in 2H22

Capability to offer **5G** from 2H 2022

Launched '**Fast Fibre10G**'

13% increase in Fast Fibre buildings over the past 17 months

Functional separation approved by the regulator on 7 April 2022 (coming into effect 7 October)

GFast launched 19 May 2022

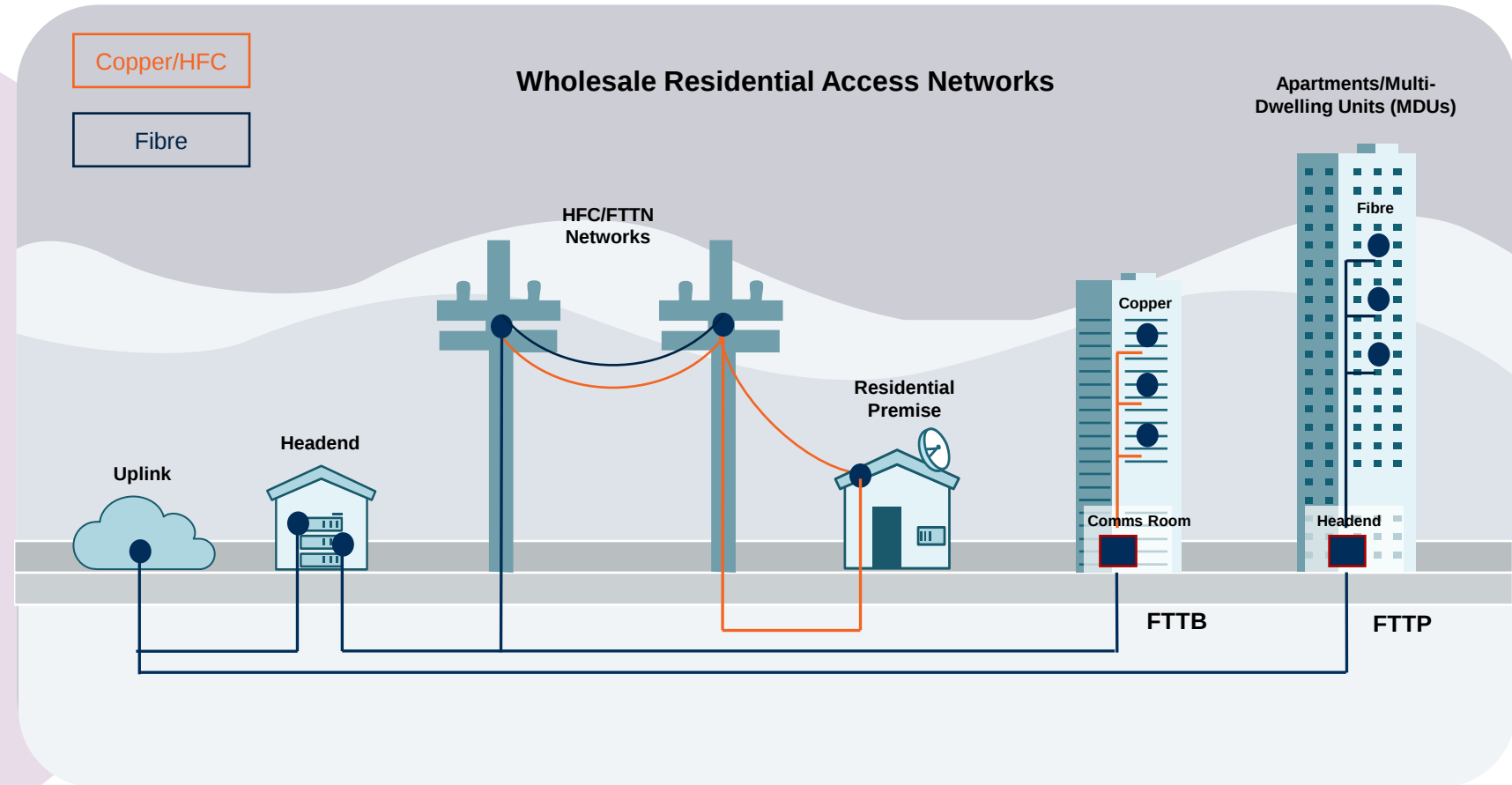
Wholesale Residential Access Networks enhancing go-to-market options for TPG in on-net fixed broadband

A national wholesale business for TPG's four on-net broadband networks (FTTB, FTTP, HFC and FTTN)

c. 135,000 premises connected with over 400,000 premises passed

\$100m+ revenues per annum¹

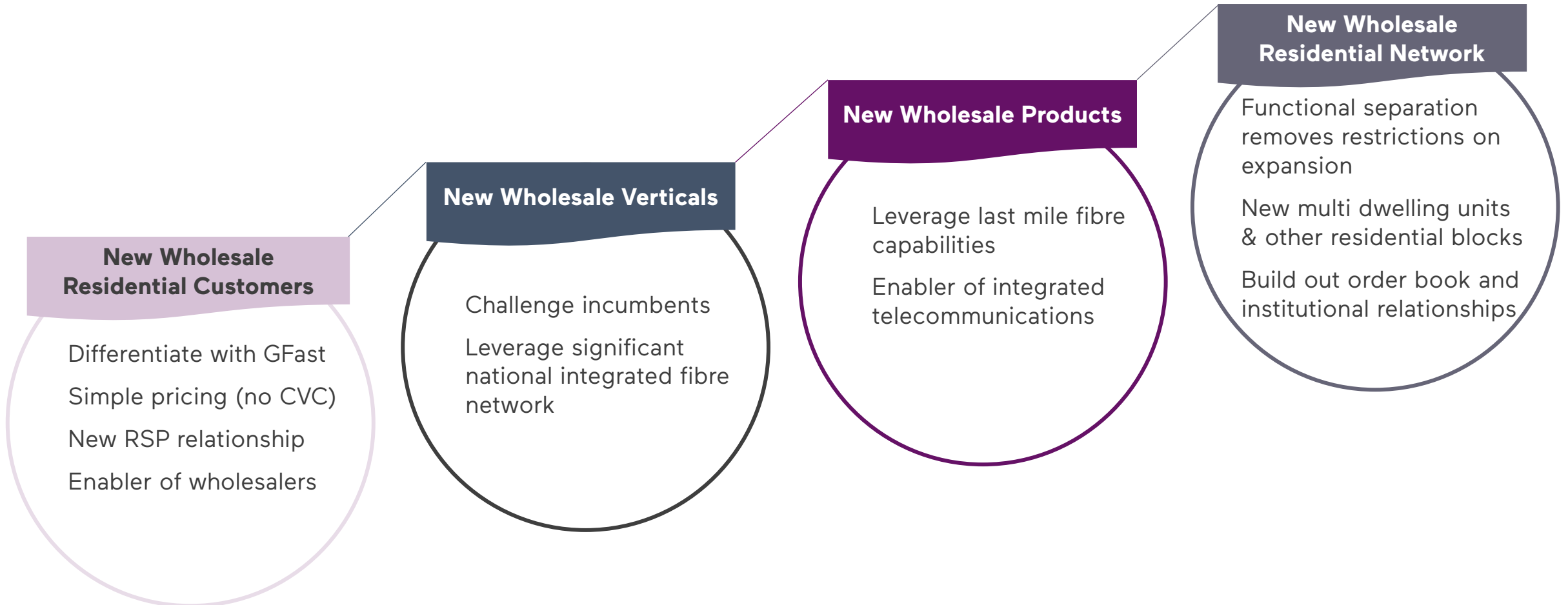
First major telco in Australia with **GFast technology** enabling 1Gbps speeds on FTTB network²



1. Revenue currently reported within Consumer segment

2. Download speed

Wholesale Residential Access Networks creating an opportunity to grow highly profitable wholesale platform



Introducing the **Enterprise, Government and Wholesale Leadership Team**



**Head of
Transformation,
Planning &
Workstream Lead**

Abeer Al-Kharouf

15 years in telco
across product,
marketing, strategy
and transformation



**General Manager
Commercial**

Jeremy Howe

20 years in commercial
in telco, media and
tech



**General Manager
Enterprise &
Government
Operations**

Gabrijela Juel

25 years in customer
and sales operations in
Australian and
international telcos



**General Manager
Wholesale & Carrier**

Justin Middleton

20 years in finance,
carrier relations and
wholesale in telco



**General Manager
Sales & Customer
Solutions**

Chris Russo

30 years in telco with
expertise in enterprise
sales and customer
experience

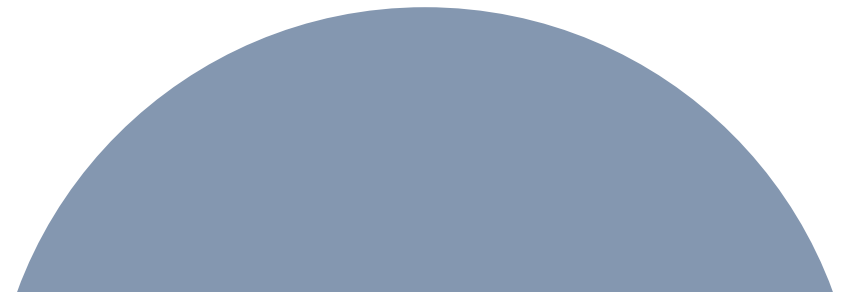
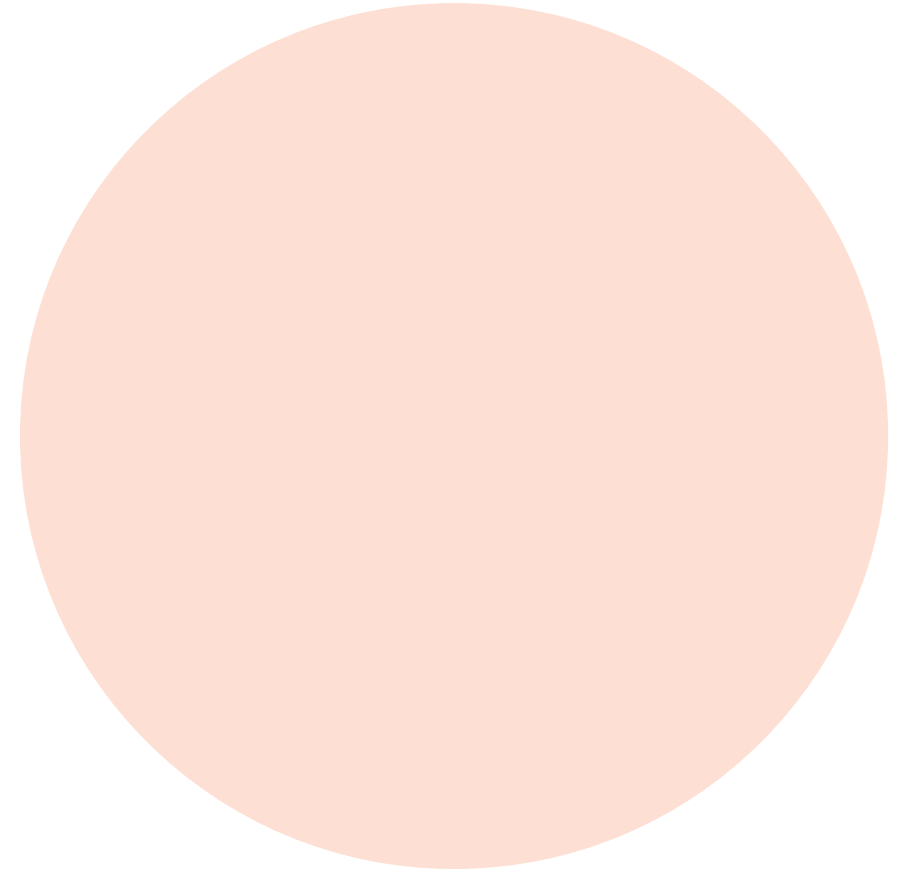
Operations, Technology & Network

Ana Bordeianu

Group Executive, Customer Operations & Shared Services

Giovanni Chiarelli

Chief Technology Officer



Operations, Technology & Network Agenda



Consolidate customer platforms and journeys

Consolidating contact centres and platforms to driving operational efficiency



Improve customer experience

Enhancing customer's digital journey by implementing of payment gateway



Simplify technology landscape

Removing overlaps and complexities in IT architecture



Achieve national 5G coverage

Accelerated 5G rollout and network deployment strategy

We are **simplifying our customer journey** to improve customer experience

Simplification of our customer journey



Discover



Find & buy



Use



Manage & pay



Support



**Renew or
cancel**

- Initially focused on the critical stages of **use, manage & pay, and support**
- Creating a **standardised approach to deliver** products and services by simplifying over 600 systems (multiple payment gateways and contact centre platforms)
- Investing in technology and innovation to **improve automation and self-service**
- Enhancing **customer's digital experience** by removing the pain points



Consolidating contact centres platforms into **a single platform with multiple capabilities** to drive operational efficiency and flexibility

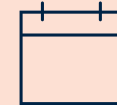
- Introducing **Genesys Multicloud CX** to TPG and iiNet brands (Vodafone brand already enrolled)
- The platform will be leveraged **across all brands and segments**
- Utilising **a single platform with multiple capabilities**, down from four
- Implementation expected to be **complete in mid 2023**



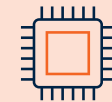
Cloud Contact Centre Platform



Stable and scalable telephony solution that **improves customer queuing**



Effective, flexible contact centre environment driving **significant operational efficiencies**



Addition of web-based solutions to **improves self-service** options for our customers



Improving **customer experience** through enhancing payment options

Digital customer experience



Service & care



Front-end website



Data



Billing



Order management

Streamlining payments experience is in progress

- Simplifying to **one strategic payment partner – Braintree** for all brands
- **Improving cost base** by retiring three legacy payment gateways and leveraging our scale across all brands
- Introducing **new digital payment methods** including “buy now pay later” option
- Enhancing **online sales capabilities**
- Planned delivery in phases starting 2022



Introducing the **Customer Operations Leadership Team**



**General Manager
Manila Shared
Services**

Irwin Bustamante

19 years in contact
centre and shared
services



**General Manager
Customer Operations
Support**

Jarrod Creagh

18 years in operations in
telco, finance and
consulting



**General Manager
Customer Care**

Virginia Papinyan

20 years in customer
care and solutions in
telco and contact centre



**General Manager
Customer Operations**

Tarun Sharma

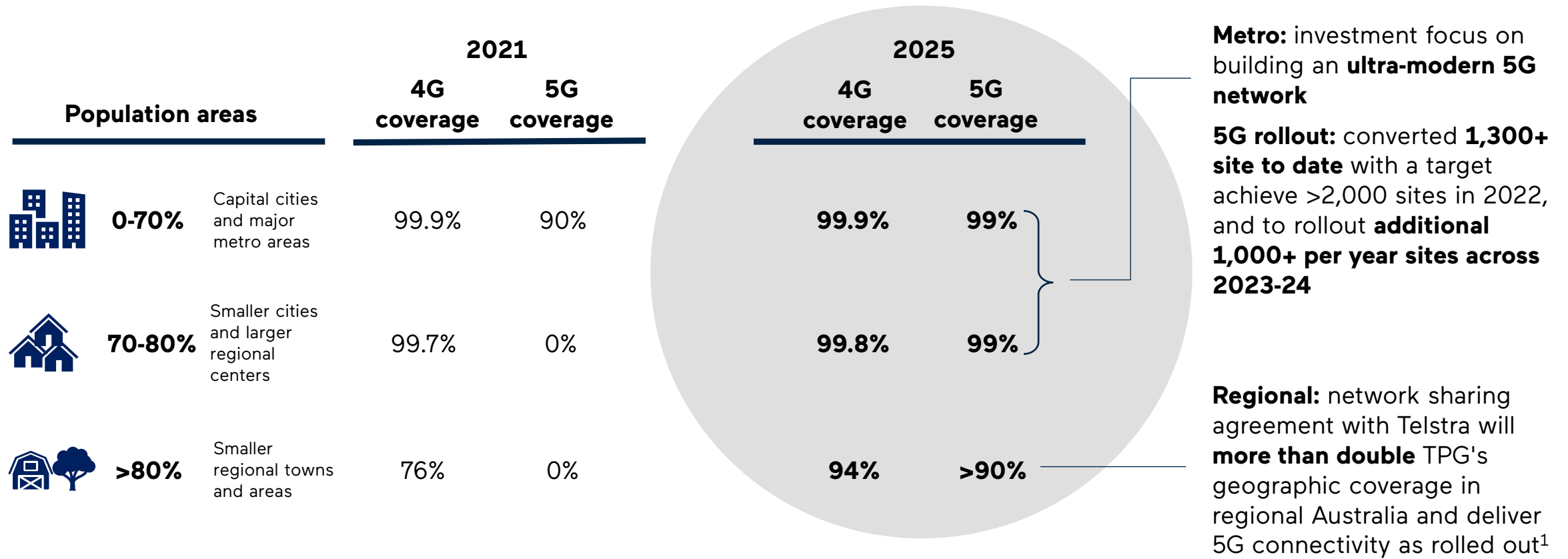
15 years in finance,
operations and customer
marketing in telco and
hospitality

Simplifying IT architecture to **enhance digital experience and drive operational and cost efficiency**

		2021	Potential opportunity
	Simplifying systems (#)	600+	<400
	Implementing public cloud	15%	>60%
	Consolidating technology centres (#)	42	<30

- **Fully-digital stack**, to enable simplified customer journeys and advanced analytics
- Architecture based on **best-in-class technologies**
- Analysis of costs, benefits and the investments required are being assessed

A step change in **network capability, enabling real 4G & 5G choice to millions of Australians** across both metro and regional areas



1. Regional network sharing agreement is subject to regulatory approval

5G rollout ahead of schedule, **efficiently deploying network upgrade with world-class innovation**

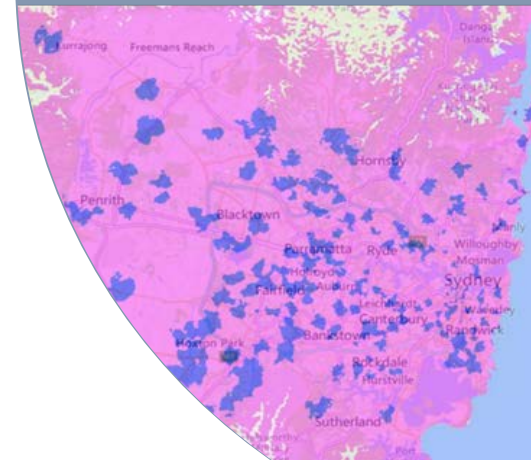


5G rollout ahead of schedule and 2022 coverage targets will be achieved in advance

- Innovative way to pre-assemble and test all the new radio equipment and physical infrastructure on the ground
- Minimised cell downtime with lower impact on customers
- Reduced deployment cost with a single on-site intervention

One of the first 5G standalone core network commercially live in the world

- Launched in December 2021 - all 5G sites are standalone enabled
- 5G coverage and capacity more efficiently delivered
- Key building block toward new use cases - high speed broadband and ultra-low latency

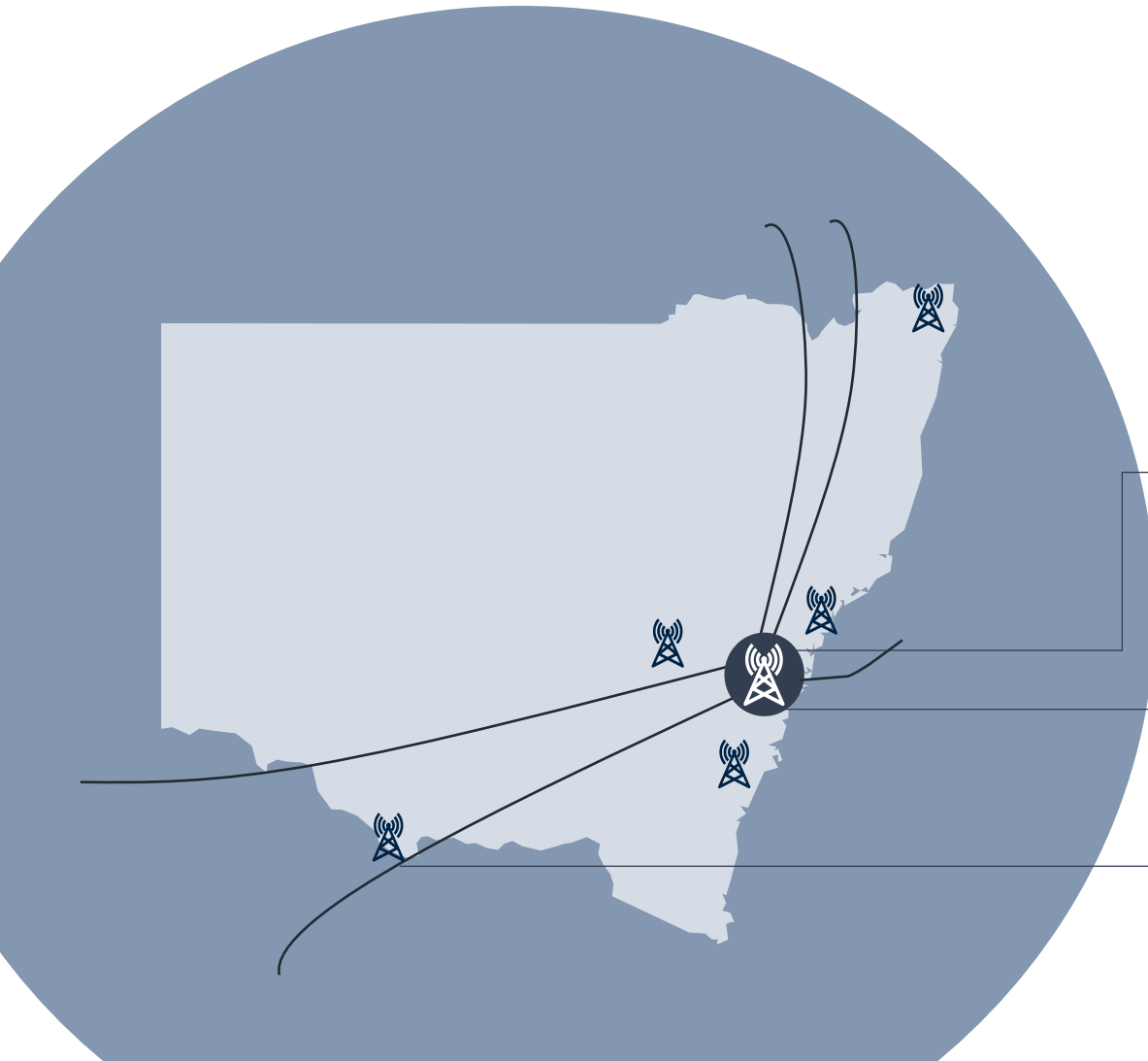


4G

5G



Combined fibre and mobile infrastructure to **provide high-quality and cost-efficient service** to our customers



Spectrum

- Strengthened spectrum holdings post-merger with >\$500 million cash outlay avoided
- mmWave may become the alternative to the current C-Band for 5G Fixed Wireless

Mobile network

- Over **5,000 mobile sites** with **over 85%** connected to high-capacity **fibre back-haul**
- c. 700 new towers in the next 10 years to boost coverage in metro, larger regional centres

Metro fibre

- **10,000 km of fibre** across **20,000+ sites** include **450 points of interest** for business grade products
- Deployment to target locations with higher opportunities to migrate customers on-net

Inter-capital & other

- **31,000 km** of cable infrastructure
- In 2022, upgraded PPC-1, the submarine cable connecting Sydney to Guam (US)

Introducing the **Technology & Network Leadership Team**



**Executive General
Manager
IT & Digital**

Mandie de Ville

20 years in information
technology in banking,
insurance and telco



**General Manager
Technology Demand &
PMO**

**Acting General
Manager Technology
Security**

Bill Fowler

20 years in network
operations &
engineering and
technology security in
telco



**General Manager
Technology Service
Operations**

Fiona Jelley

20 years in networks and
operations across the
telco, retail and banking



**Executive General
Manager
Network &
Infrastructure**

Barry Kezik

30 years in networks and
engineering in telco



**General Manager
Technology Strategy &
Innovation**

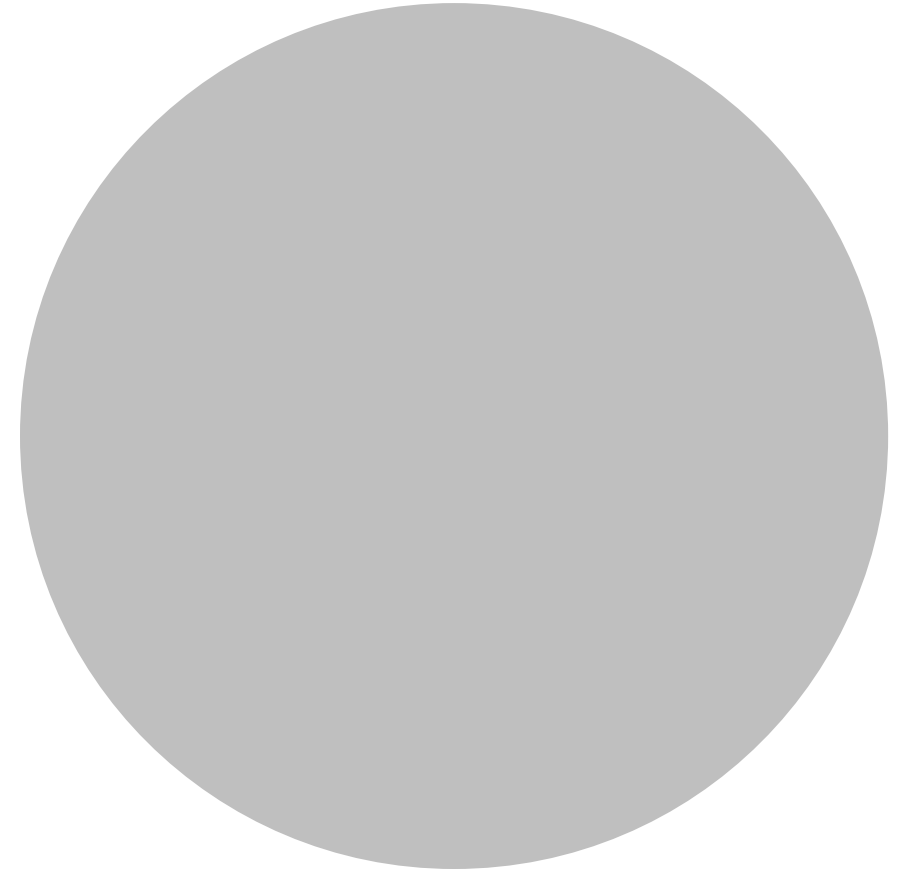
Yago Lopez

15 years in mobile
networks infrastructure
and engineering in telco

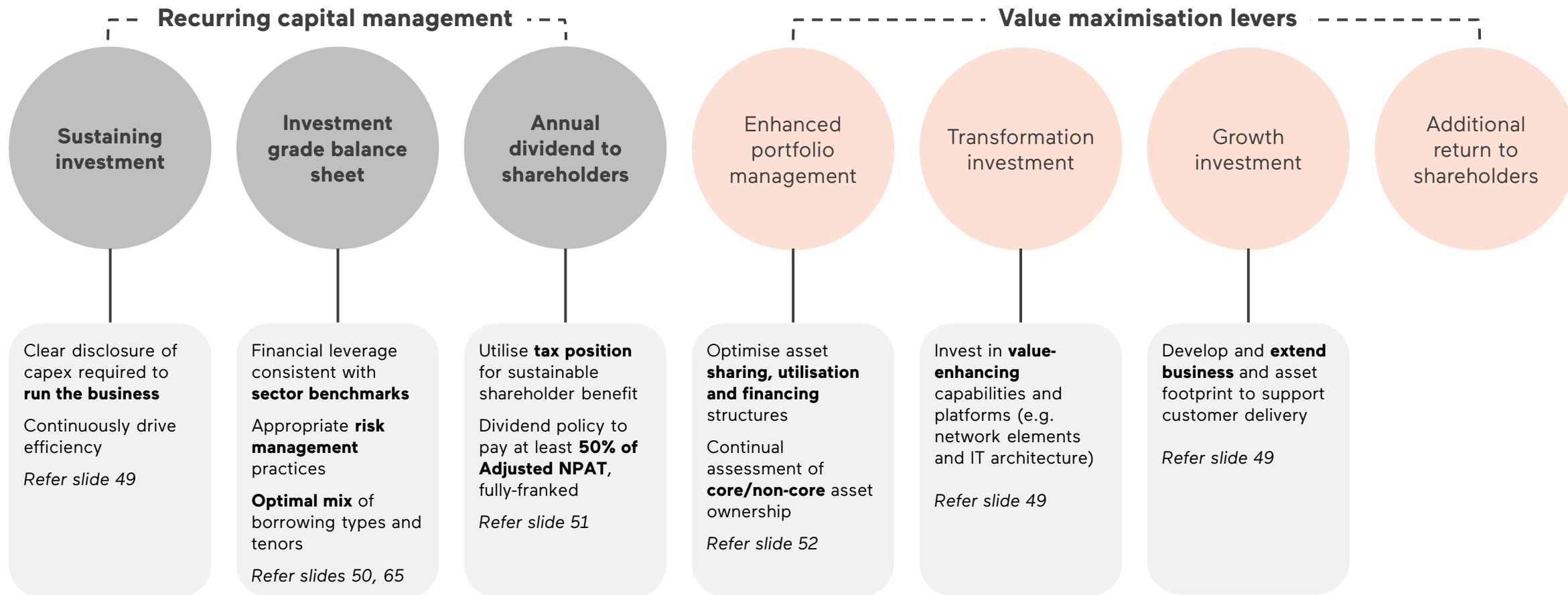
Capital Allocation

Grant Dempsey

Chief Financial Officer

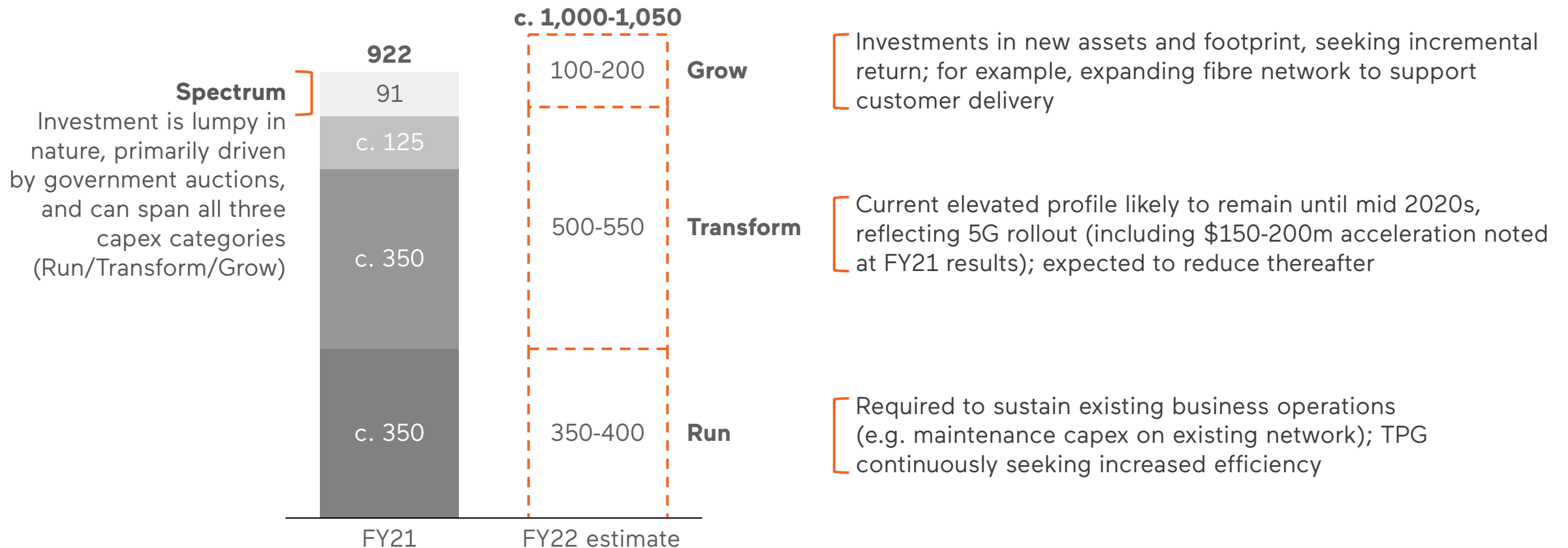


Disciplined **capital allocation framework** drives our growth and return aspirations



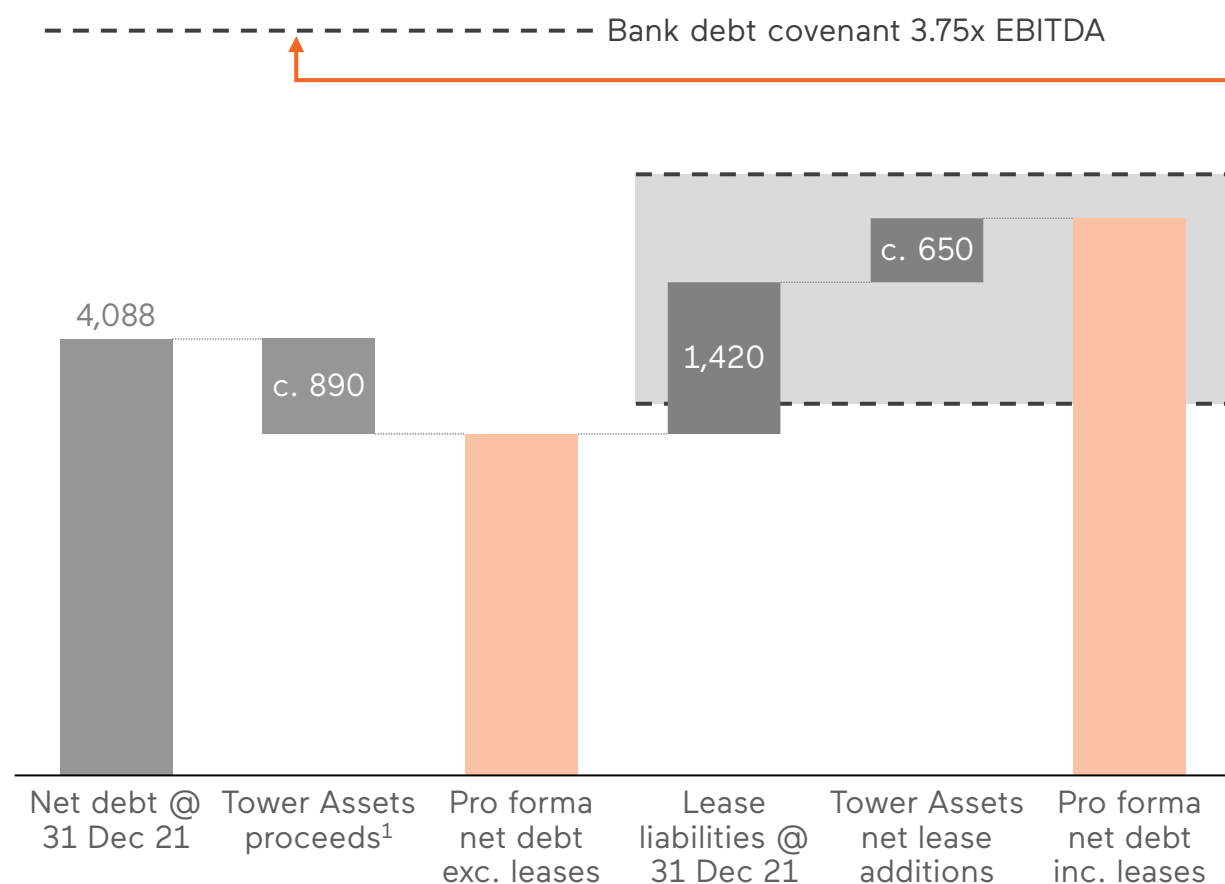
Accelerated capex in the **short to medium term** to enable 5G coverage nationally in 2025

Indicative capex profile (\$m)



Balance sheet in line with **targeted leverage range** reflecting asset portfolio optimisation and robust cash flow

Impact on borrowings of proposed Tower Assets sale¹



Post debt reduction, TPG will have >\$3.3 billion headroom relative to bank covenant of 3.75x (relative to FY21 EBITDA)

Notional investment grade credit range of 2-3 times EBITDA, including leases, (relative to FY21 EBITDA)²

Risk management

Post Tower Assets sale, fixed rate proportion of total debt goes up to c. 40% as ratio of leases to bank debt increases (from c. 25% at 31 Dec 2021)

Strategies being developed to extend tenor, diversify sources of debt and reduce total volume of facilities

1. Tower Assets sale subject to customary conditions precedent and expected close in third quarter of FY22

2. In addition to bank debt and leases, TPG has off balance sheet handset receivable financing of c. \$700m

Dividend policy to pay out **50% of Adjusted NPAT**, derived from statutory NPAT, to reflect recurring earnings base

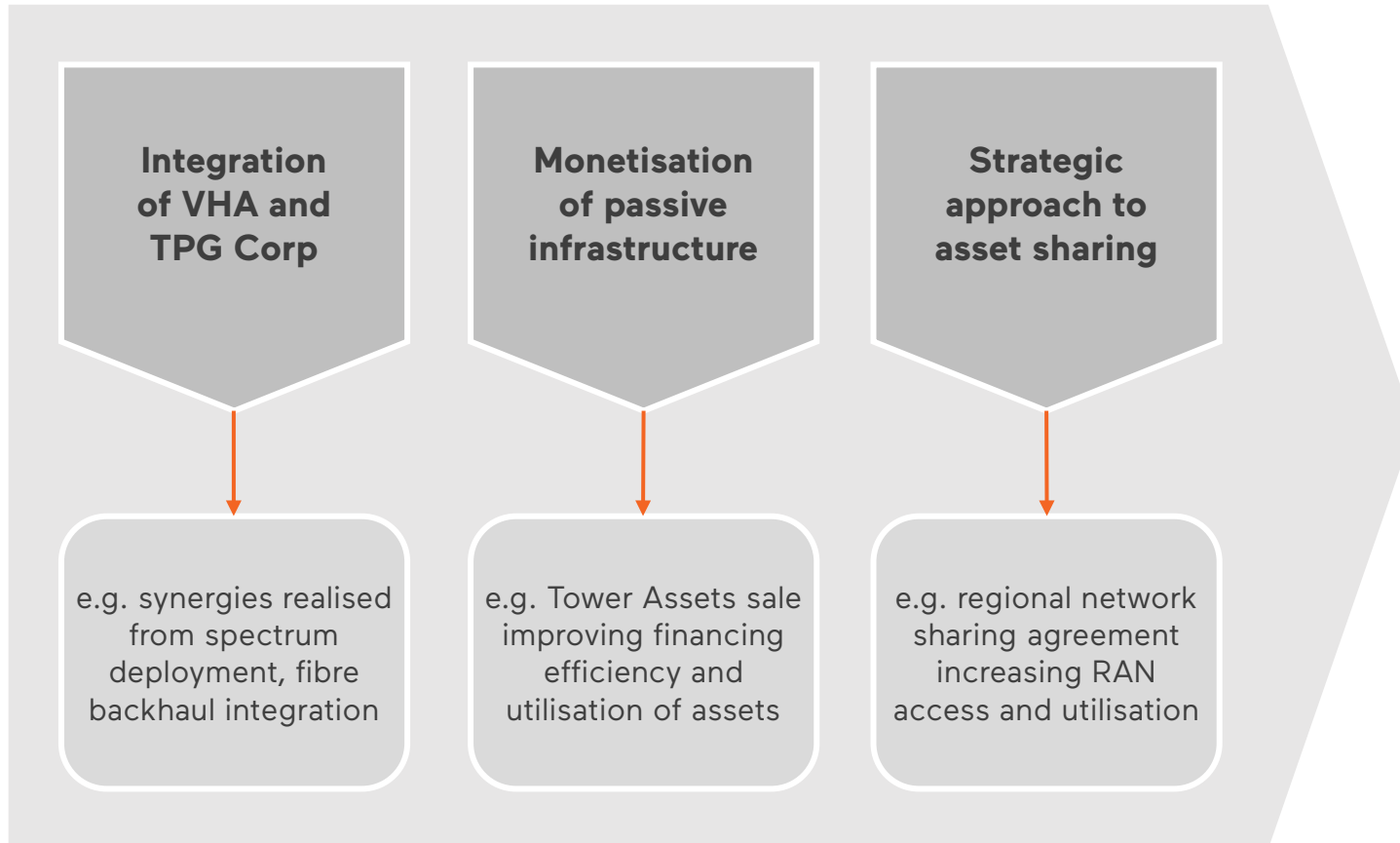
Calculation of Adjusted NPAT from statutory NPAT

(\$m unless stated)	2H20	FY21	FY22 modelling considerations
Statutory NPAT	651	110	One-off items (2H22) to include impacts of Tower Assets sale and regional network sharing agreement ¹
+ acquired intangibles amortisation	82	160	Acquired customer base amortisation c. \$160m per annum (refer slide 61)
+ spectrum amortisation	128	260	Spectrum amortisation c. \$200-300m per annum subject to future auctions (refer slide 61)
+ non-cash tax expense	(594)	49	Effective tax rate c. 30%; \$477m tax losses remained at 31 December 2021 (refer slide 64) 2H22 expected to include utilisation of tax losses against Tower Assets sale (refer slide 64)
+ restructuring costs	11	4	Costs related to integration, simplification and transactions (1H22 c. \$35m) Treatment of one-off items noted in statutory NPAT above to be considered
= Adjusted NPAT	278	583	Note: TPG Telecom will not report any additional definition, e.g. "underlying" profit
@ 50%	139	292	Dividend policy to pay at least 50% of Adjusted NPAT, franked to 100%, subject to Board approval - FY21 dividend reflected pay-out ratio of 53%
Shares on issue (billions)	1.86	1.86	- \$417m franking credits available at 31 December 2021 (see slide 64)
= dividends per share (¢)	7.5	16.5	

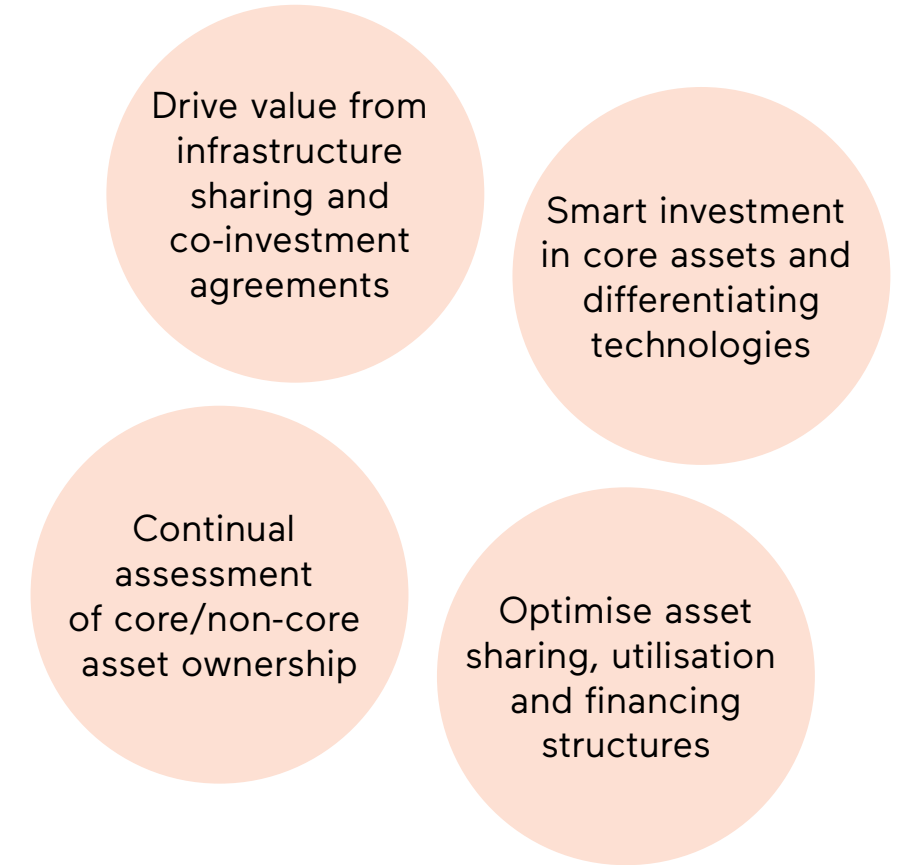
1. Tower Assets sale subject to customary conditions precedent and expected close in third quarter of FY22; regional sharing agreement subject to regulatory approval; Tower Assets impact includes anticipated c. \$350-400m accounting gain; regional sharing agreement includes c. \$150m onerous lease recognition and \$70-75m write-down on decommissioned network infrastructure

Enhanced portfolio management already **unlocking value**, with further opportunity ahead of us

Examples of activities already undertaken¹



Ongoing focus



1. Tower Assets sale subject to customary conditions precedent and expected close in third quarter of FY22; regional sharing agreement subject to regulatory approval

Summary of **key financial impacts** of FY22 activities

	2022	Beyond 2022
Operating earnings	• Mobile subs momentum (>120k in 1H) • Fixed Wireless continuing to target 160k subs base • Enterprise and Government customer wins	• Consumer: service revenue growth in Mobile; improved profitability in Fixed • Roaming revenue and international travel to continue to recover • Enterprise and Government targeting \$1b revenue in 2025 • Unlocking value in Wholesale
Synergies and restructuring	• Merger cost synergies of \$125-150m to be realised • Excludes one-off costs (c. \$35m in 1H)	• Ongoing assessment of simplification opportunities
Regional network sharing agreement¹	• Recognition of onerous lease provision of c. \$150m • \$70-75m write-down of decommissioned infrastructure	• All else equal, c. \$(40)m impact to FY23 EBITDA • Cash break-even requires 100-200k new subs • Materially value accretive to TPG Telecom over time
Tower Assets sale²	• c. \$890m net proceeds to pay down bank debt • Net utilisation of c. \$80m (tax affected value) of tax losses • c. \$350-400m accounting gain • c. \$650m net increase in lease liabilities	• Negligible impact on operating EBITDA • Slight decrease in depreciation expense as new right-of-use asset depreciated over 20-year period • Lower bank debt partially mitigates impact of rising interest rate environment

1. Subject to regulatory approval

2. Tower Assets sale subject to customary conditions precedent and expected close in third quarter of FY22

Introducing the **Finance Leadership Team**



**Deputy Chief
Financial Officer**

Sean Crowley

25 years in various
finance roles in telco



**General Manager
Transformation**

Enda Finnerty

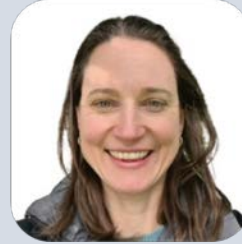
20 years in various
finance roles in
telco



**General Manager
Strategy & Capital
Markets**

James Hall

15 years in capital
markets, strategy
and corporate
affairs in industrials,
energy and telco



**Head of Financial
Planning &
Shareholder
Reporting**

Nicole Kuziow

19 years in various
finance roles in
telco



**General Manager
Risk & Audit**

Nish Mathias

16 years in risk &
audit and finance in
telco, property,
insurance and
banking

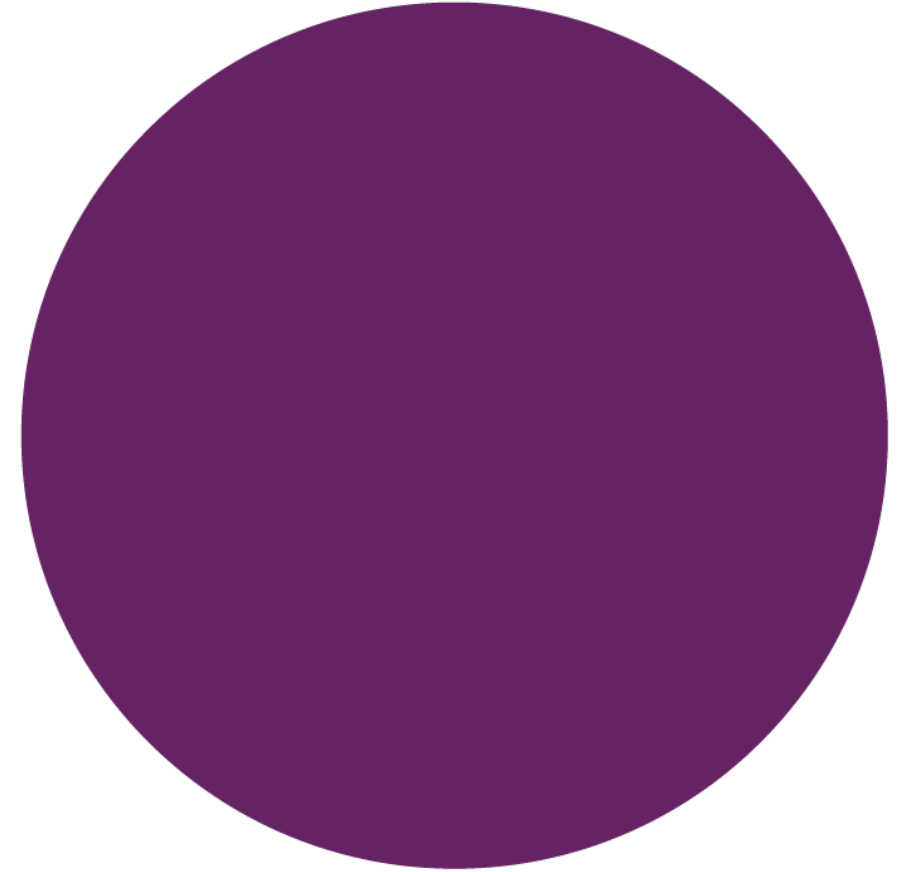


**General Manager
Property &
Procurement**

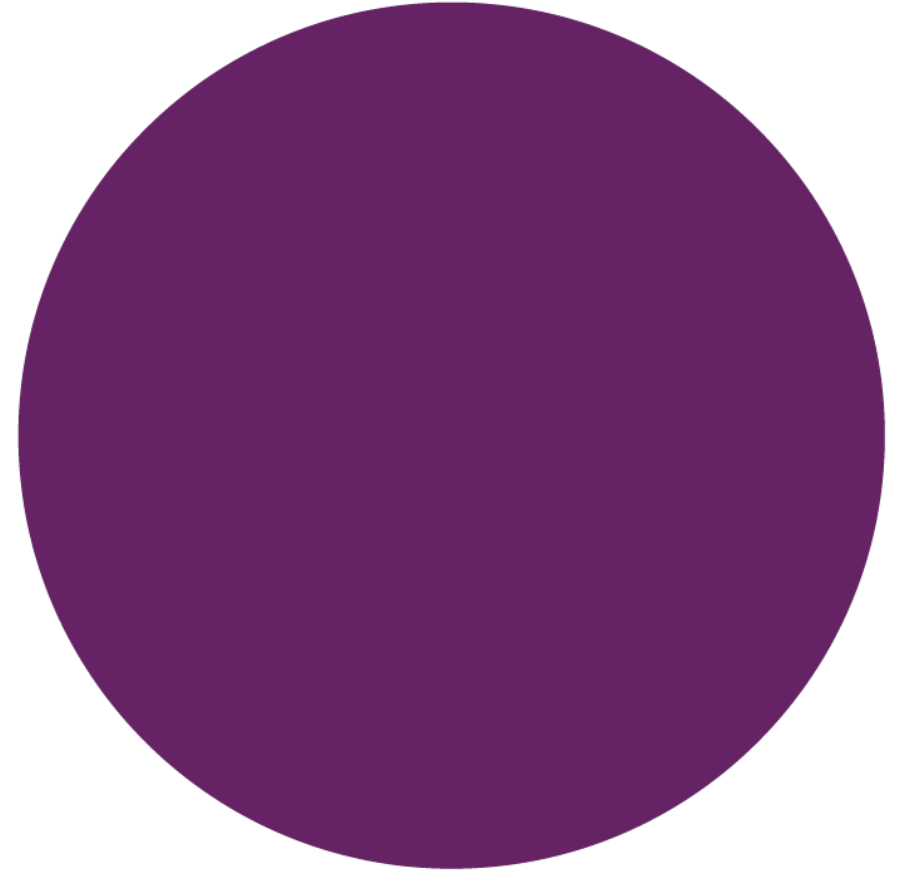
Jonathon Purbrick

16 years in
procurement and
property in telco,
retail and health

Summary and Q&A



Appendix



1. Income statement summary

\$m		FY20 ¹	FY21	Change
Service revenue ²	See slide 58	4,547	4,372	(3.8%)
Handset, accessories and hardware ²	See slide 59	916	920	0.4%
Total revenue		5,463	5,292	(3.1%)
Other income	See slide 59	17	45	164.7%
Cost of provision of telco services ³	See slide 59	(1,610)	(1,608)	(0.1%)
Cost of handsets sold	See slide 59	(903)	(891)	(1.3%)
Other margin costs		(70)	(48)	(31.4%)
Gross margin		2,897	2,790	(3.7%)
Employee benefits expense	See slide 60	(413)	(377)	(8.7%)
Technology costs ³	See slide 60	(350)	(358)	2.3%
Other operating expenses	See slide 60	(345)	(325)	(5.8%)
EBITDA		1,789	1,731	(3.2%)
Depreciation and amortisation	See slide 61	(1,422)	(1,423)	0.1%
Results from operations		366	308	(16.1%)
Net financing costs	See slide 61	(189)	(149)	(21.4%)
Profit before income tax		177	159	(10.4%)
Income tax expense		(54)	(49)	(9.7%)
Net profit after tax		123	110	(10.6%)

1. FY20 results presented on pro forma basis to simulate what the Group's results would have been if the merger had been effective throughout the whole of FY20

2. Fixed setup fees has been re-allocated from service revenue to handset, accessories and hardware

3. Net intercompany costs has been re-allocated from technology costs to cost of provision of telco services

2. Income statement: service revenue

	FY21 (\$m)	Commentary
Consumer		
	3,479	Primarily dependant on subscriber numbers and ARPU
Mobile postpaid	1,319	Subscriber numbers driven by:
Mobile prepaid	439	- International travel normalising and recovery of longer term migration
Fixed service and voice	1,717	- Increase in addressable market from regional network sharing agreement ¹
Other	4	- General population growth
		ARPU driven by:
		- Competitive markets dynamics across Mobile and Fixed
		- Recovery of international roaming
Enterprise, Government and Wholesale		
	894	Mobile driven by small office/home office (SOHO), small to medium business and enterprise customers
Mobile	172	Fixed driven primarily by connectivity services on NBN and TPG's own fibre network
Fixed	386	Other includes ancillary services such as paging, machine to machine and IoT revenue
Other	44	Wholesale comprises connectivity or backhaul on TPG's network to other telcos and wholesale customers, including MVNOs
Wholesale	291	

1. Addressable market increase based on population in top 5 cities vs 98.8% total national coverage with regional network sharing (subject to regulatory approval)

3. Income statement: cost of provision of telco services

	FY21 (\$m)	Commentary
Handset, accessories and hardware		
Revenue	920	Revenue largely offset by cost of handsets sold Periodic variability driven by new handset launches
Cost	891	
Other income		
Income	45	To include spectrum income from regional network sharing agreement ¹
Cost of provision of telco services		
Consumer	1,414	Regional network sharing agreement to drive higher costs higher offset partially by cessation of domestic roaming costs ¹ NBN access fee trend subject to regulatory process (Special Access Undertaking) International roaming costs expected to increase in line with roaming revenue Enterprise & Government: - NBN access costs expected to increase with sales growth - Other third-party telco costs to go down driven by increased sales on TPG network
Enterprise and Government	120	
Wholesale	71	
Other	3	

1. Regional network sharing agreement subject to regulatory approval

4. Income statement: operating costs

	FY21 (\$m)	Commentary
Employee benefits expense		
Superannuation	377	Includes salaries, leave and incentives
Others	33	Recurring salaries expense expected to decline in FY22 (excluding one-off impacts)
	344	To include one-offs in FY22 arising from redundancies
Technology costs	358	Includes network operating cost, IT support and electricity cost
		Technology costs expected to trend higher in FY22 as a result of network rentals and electricity cost
		Electricity costs partially hedged on rolling 3 year basis
Other operating expenses		
Marketing	325	Includes consulting, marketing, admin and facilities expense
Consulting and outsourced services	110	Marketing costs may increase to support service revenue growth
Admin & other	130	To include one-offs in FY22 arising from consulting
	85	

5. Income statement: D&A and financing costs

	FY21 (\$m)	Commentary
Depreciation and amortisation		
	1,423	
Depreciation of PPE	615	Network infrastructure depreciated over between 3 and 25-year useful life Excluding impact of other increases from PPE and other assets, Tower Assets and regional sharing agreement likely to move total depreciation lower ¹
Depreciation of ROU	141	Amortisation of intangibles in FY21 comprised spectrum (\$261m), computer software (\$161m), contract costs (\$65m) and indefeasible rights of use (\$20m)
Amortisation of intangibles	507	Spectrum licence useful life: 11 to 20 years Computer software useful life: 3 to 7 years
Amortisation of acquired intangibles	160	Amortisation of acquired intangibles to continue at current rate for c. 9 years
	2021	
Net financing costs		
	149	
Interest & finance charges	79	Impact of increase in interest and finance charges from higher interest rates partially offset by reduced bank debt following receipt of Tower Assets proceeds ¹
Lease finance costs	62	Lease finance costs to increase with creation of new 20-year lease as a result of Tower Assets sale ¹
Amortisation of borrowing costs	9	
Interest income	-1	
	2021	

1. Tower Asset sale subject to customary conditions precedent and expected close in third quarter of FY22; regional network sharing agreement subject to regulatory approval

6. Balance sheet summary: Assets

\$m -	FY20	FY21	Change	Commentary
Cash and cash equivalents	120	202	82	
Trade and other receivables	431	476	45	Movement primarily influenced by handset receivables financing activity
Assets held for sale	2	-	(2)	To increase temporarily at 30 June 2022 due to timing of Tower Assets sale ¹
Other current assets	130	155	25	Includes inventory and pre payments
Total current assets	683	833	150	

\$m	FY20	FY21	Change	Commentary
Property, plant and equipment	3,258	3,422	164	To increase due to 5G rollout; some one-off impacts from regional network sharing agreement and Tower Assets sale ^{1,2}
Right of use assets	1,012	1,294	282	To increase reflecting new 20-year lease obligation under Tower Assets sale ¹
Spectrum licenses	2,325	2,251	(74)	Timing of spectrum auctions primarily driven by government auctions
Other intangible assets	11,144	10,893	(251)	Includes \$8.5b goodwill, \$1.4b customer base, \$424m brand names, \$285m software, \$172m indefeasible right-of-use assets, \$50m contract costs
Deferred tax assets	264	262	(2)	Reduces as tax losses utilised
Other non-current assets	138	231	93	
Total non-current Assets	18,141	18,353	212	

1. Regional network sharing agreement subject to regulatory approval

2. Tower Asset sale subject to customary conditions precedent and expected close in third quarter of FY22

7. Balance sheet summary: Liabilities

\$m	FY20	FY21	Change	Commentary
Trade and other payables	927	1,118	191	Movement due to timing of invoices paid
Lease liabilities	92	61	(31)	
Other current liabilities	437	488	51	Includes government grants and other payables
Total current liabilities	1,456	1,667	211	

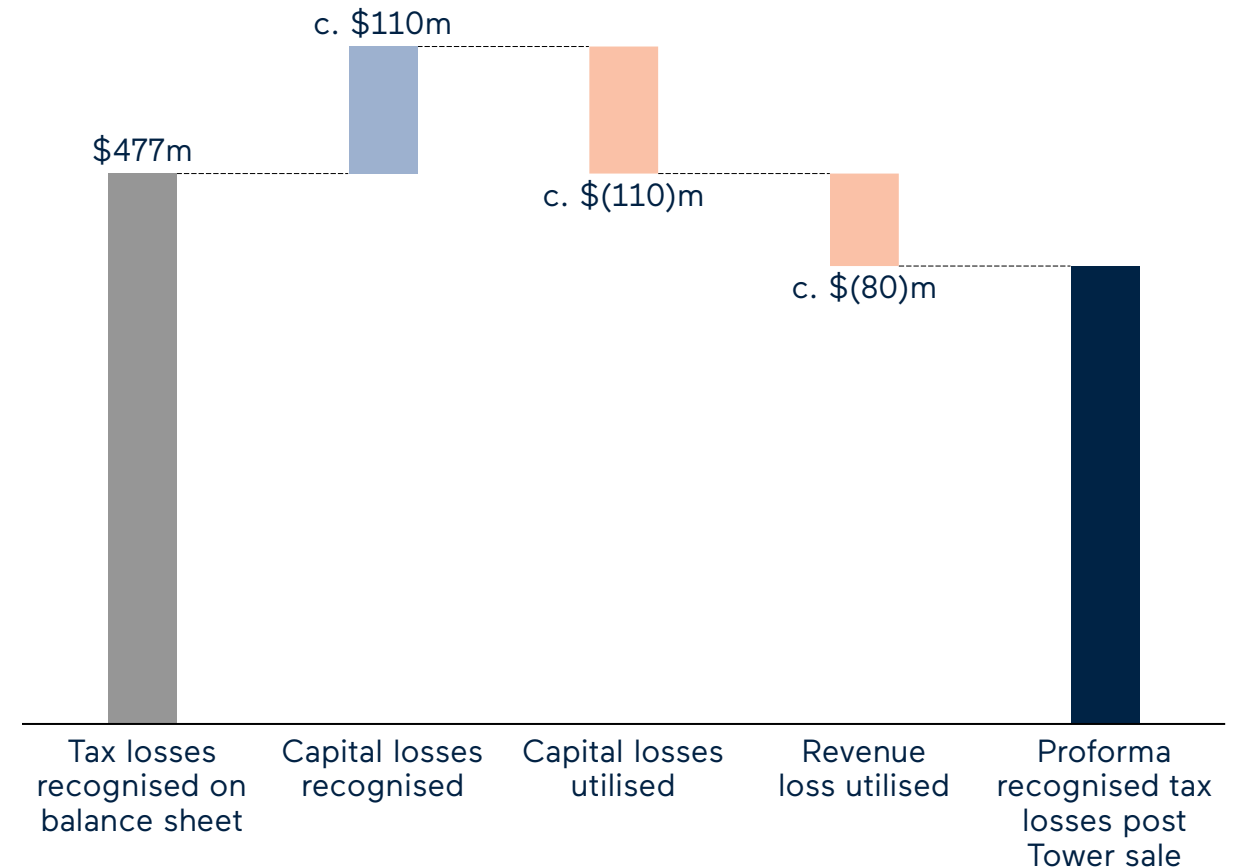
\$m	FY20	FY21	Change	Commentary
Borrowings	4,330	4,290	(40)	Net proceeds from Tower Assets sale of \$890m will be used to reduce borrowing ¹
Lease liabilities	1,051	1,359	308	Net increase of c. \$650m with a new 20-year lease entered into as apart of the Tower Assets sale ¹
Other non-current liabilities	95	152	57	
Total non-current liabilities	5,476	5,801	325	

1. Tower Assets sale is subject to customary conditions precedent and expected close in third quarter of FY22

8. Tax position

- Sale of **Tower Assets** results in TPG:
 - Recognising and utilising c. \$360m of capital losses
 - Utilising c. \$270m of already recognised (\$1,590m) revenue losses¹
- TPG Telecom had additional **unrecognised tax losses** of \$2,275m from the Vodafone and '3' merger at 31 December 2021. These losses are subject to an available fraction calculation. (Refer to Note 6 of FY21 financial statements for further detail.)
- TPG Telecom had \$417m **franking credits** available to shareholders for subsequent financial years at 31 December 2021. (Refer to Note 23 of FY21 financial statement for further detail.)

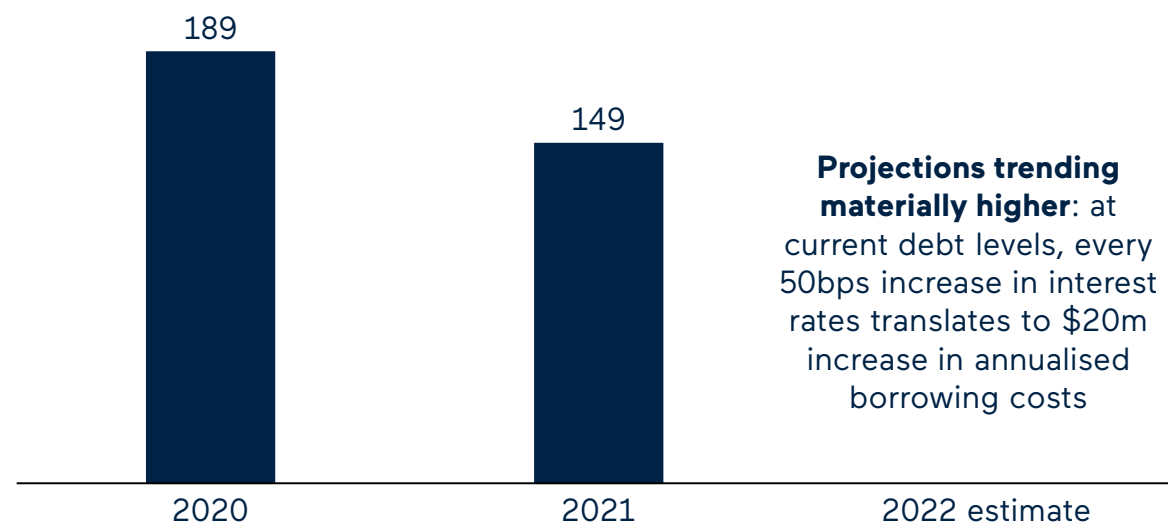
Tax effected impact Tower Assets tax loss recognition/utilisation



1. Tower Assets sale is subject to customary conditions precedent and expected close in third quarter of FY22

9. Financial risk management

Interest expense (\$m)

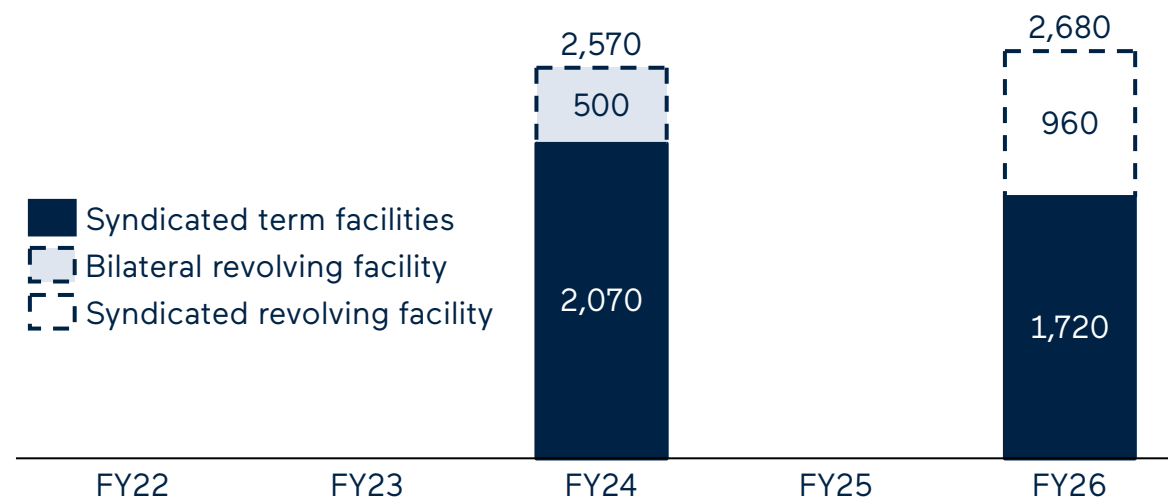


Approximately 25% of borrowings (bank debt and leases) were considered fixed rate at 31 December 2021 due to lease proportion

Post Tower Assets sale, fixed rate proportion will increase to approximately c. 40% of borrowings as leases proportion increases

Further interest rate hedging activity is challenging at present as a result of extreme volatility in interest rate markets

Debt facilities (\$m)



Revolving facilities largely undrawn at present

Strategies being developed to extend tenor, diversify sources of debt and reduce total volume of facilities

10. FY21 and pro forma FY20 – half yearly view

\$m	CONSUMER						ENTERPRISE, GOVERNMENT & WHOLESALE					
	Pro forma 1H20	Pro forma 2H20	Reported 1H21	Reported 2H21	1H Change	2H Change	Pro forma 1H20	Pro forma 2H20	Reported 1H21	Reported 2H21	1H Change	2H Change
Service revenue	1,815	1,812	1,735	1,743	(4.4%)	(3.8%)	471	448	439	455	(6.7%)	1.5%
Handset, accessories and hardware	367	476	402	425	9.7%	(10.7%)	26	49	48	45	89.4%	(8.2%)
Total revenue	2,182	2,288	2,138	2,168	(2.0%)	(5.2%)	496	496	487	499	(1.8%)	0.5%
Other income	-	-	-	-	-	-	2	4	9	9	289.6%	114.1%
Telco costs	(700)	(707)	(697)	(717)	(0.5%)	1.5%	(96)	(107)	(98)	(93)	1.9%	(13.1%)
Cost of handsets sold	(361)	(463)	(377)	(426)	4.2%	(8.0%)	(30)	(49)	(45)	(43)	51.9%	(10.9%)
Other margin costs	(33)	(30)	(22)	(21)	(32.3%)	(28.6%)	(4)	(4)	(2)	(2)	(46.1%)	(37.4%)
Gross margin	1,088	1,089	1,042	1,004	(4.2%)	(7.8%)	368	342	350	370	(4.8%)	8.2%
Hardware gross margin (\$m)	5	13	26	(1)	392.1%	(111.1%)	(4)	-	3	1	(165.1%)	-
Service gross margin (\$m)	1,082	1,076	1,016	1,005	(6.1%)	(6.6%)	373	342	347	368	(6.7%)	7.8%
Service gross margin (%)	59.6%	59.4%	58.6%	57.7%	(1.1pp)	(1.7pp)	79.1%	76.3%	79.1%	81.0%	-	4.7pp

\$m	OTHER						GROUP					
	Pro forma 1H20	Pro forma 2H20	Reported 1H21	Reported 2H21	1H Change	2H Change	Pro forma 1H20	Pro forma 2H20	Reported 1H21	Reported 2H21	1H Change	2H Change
Service revenue	-	-	-	-	-	-	2,286	2,260	2,174	2,198	(4.9%)	(2.8%)
Handset, accessories and hardware	-	-	-	-	-	-	392	524	451	469	14.9%	(10.5%)
Total revenue	-	-	-	-	-	-	2,678	2,784	2,625	2,667	(2.0%)	(4.2%)
Other income	6	5	8	20	32.3%	272.7%	8	9	17	28	104.5%	203.5%
Telco costs	-	-	(1)	(1)	-	-	(797)	(813)	(797)	(811)	-	(0.3%)
Cost of handsets sold	-	-	-	-	-	-	(391)	(511)	(422)	(469)	7.8%	(8.2%)
Other margin costs	-	-	-	-	-	-	(37)	(33)	(24)	(24)	(33.9%)	(29.6%)
Gross margin	6	5	6	18	9.0%	244.9%	1,462	1,436	1,399	1,391	(4.3%)	(3.1%)
Hardware gross margin (\$m)	-	-	-	-	-	-	1	13	28	-	-	-
Service gross margin (\$m)	6	5	6	18	9.0%	244.9%	1,461	1,423	1,370	1,392	(6.2%)	(2.2%)
Service gross margin (%)	-	-	-	-	-	-	63.9%	62.9%	63.0%	63.3%	(0.9pp)	0.4pp

Note: Totals may not add up due to rounding

11. Summary of share escrow and governance arrangements

Shareholder name	% shareholding at 13 July 2020 ¹	% shareholding at 23 June 2022 ²	Summary of share escrow arrangements
"Teoh Family" David Teoh and associated persons	17.12%	14.21%	No sale of TPG Telecom shares in 24 month period after 13 July 2020 that would result in the Teoh Family having <13.70% shareholding (ie. not less than 80% of the Teoh Family's shareholding as at 13 July 2020). Limited exceptions to the restriction. In late 2021, Teoh Family sold 2.91% resulting in current 14.21%. From 13 July 2022, Teoh Family free to sell all of its remaining shares.
"CKHH" CK Hutchison Holdings Limited (via a wholly-owned subsidiary)	11.14% (total 25.05% look-through interest inclusive of JVCo's shareholding)	11.14% (total 25.05% look-through interest inclusive of JVCo's shareholding)	No sale of TPG Telecom shares in 24 month period from 13 July 2020. Limited exceptions to the restriction. From 13 July 2022, CKHH free to sell all of its shares.
"Vodafone" Vodafone Group plc (via a wholly-owned subsidiary)	11.14% (total 25.05% look-through interest inclusive of JVCo's shareholding)	11.14% (total 25.05% look-through interest inclusive of JVCo's shareholding)	No sale of TPG Telecom shares in 24 month period from 13 July 2020. Limited exceptions to the restriction. From 13 July 2022, Vodafone free to sell all of its shares.
"JVCo" Vodafone Hutchison (Australia) Holdings Limited (50% owned by CKHH and 50% owned by Vodafone)	27.82%	27.82%	No sale of TPG Telecom shares in 24 month period from 13 July 2020. Limited exceptions to the restriction. From 13 July 2022, JVCo free to sell all of its shares provided the conditions below are satisfied

Provided they have >40% aggregate interest in TPG Telecom's shares, CKHH, Vodafone and JVCo have agreed:

- not to vote on the appointment or removal of TPG directors, other than in respect of up to two directors nominated by each of CKHH and Vodafone, the Managing Director and the independent directors; and
- not to vote against a resolution appointing a director where, because TPG's constitution sets a maximum of 10 directors, that appointment is necessary so that the board includes two directors nominated by CKHH, two directors nominated by Vodafone, the Managing Director and two independent directors.

This restriction ceases on 13 July 2023.

Under the JVCo Shareholders' Agreement (to which TPG is not a party), CKHH, Vodafone and JVCo have agreed that:

- during the period from 13 July 2022 to and including 12 July 2023, the sale by JVCo of any TPG shares must be agreed to by both CKHH and Vodafone; and
- at any time on and from 13 July 2023, either CKHH or Vodafone can require JVCo to sell TPG shares subject to certain conditions having been satisfied including that:
 - o JVCo has offered to sell to the JVCo shareholder who did not make the request for JVCo to dispose of the TPG shares, and that shareholder has declined to purchase the TPG shares;
 - o no more than 10% of the TPG shares on issue may be disposed of by JVCo in any 9 month period; and
 - o unless otherwise directed by JVCo, the TPG shares are disposed of via on-market trades.

1. 13 July 2020 was the TPG/ VHA scheme implementation date. Percentage holdings based on substantial holding notices filed by the Teoh Family, CKHH and Vodafone, and on TPG Telecom company records

2. Based on the substantial shareholder notice filed by the Teoh Family

Disclaimer

This presentation contains certain forward-looking and unaudited information. Such information is based on estimates and assumptions that, whilst considered reasonable by the group at the date of preparation, are subject to risks and uncertainties. Actual results and achievements could be significantly different from those expressed in or implied by this information.

COVID is likely to continue affecting parts of the group's business. However, the dynamic nature and continuing uncertainty surrounding COVID makes it impossible to accurately predict or forecast the extent of the impact on the group's business or future financial or other performance.

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