



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

Sydney, 6 May 2021

Chairman's Address and CEO & Managing Director Address and Presentation

The virtual 2021 Annual General Meeting (**AGM**) of TPG Telecom Limited (ASX:TPG) is being held today at **10.00 am**.

In accordance with ASX Listing Rule 3.13.3 copies of the address to be given at the AGM by Mr Canning Fok, Chairman and the address and presentation to be given by Mr Iñaki Berroeta, CEO and Managing Director are attached.

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Public





TPG Telecom
Annual General Meeting
6 May 2021
Chairman's Address

Opening remarks

Today's meeting is an historic moment – TPG Telecom's first AGM as a merged company following last year's merger between TPG and Vodafone Hutchison Australia.

I am honoured to have taken the role of Chairman in March following the resignation of David Teoh. I would like to thank David for his leadership of the Board since we merged last year.

Indeed, there have been many changes since the last AGM of TPG Telecom in December 2019, when it had the ticker code TPM. Some of you would have attended that AGM as TPM shareholders.

TPG Telecom has now become the second largest listed telecoms company in Australia.

We are a company serving more than five million mobile customers and more than two million fixed customers.

We own and operate nationwide telecommunications infrastructure, including Australia's second largest fixed network, a 4G mobile network with coverage reaching more than 23 million Australians, and a 5G network which is being rolled out.

The company's 2020 performance and achievements are vindication that we are better and stronger together – for shareholders, customers, employees and the community.

Executive team and our people

The leadership of the unified Executive Team, led by CEO Iñaki Berroeta, has been key to the delivery of the company's progress and outcomes in 2020.

Our people have also worked extremely hard, to deliver stronger competition and excellent service to customers.

On behalf of the Board, I thank our people and the Executive team for their hard work.

Strategic priorities

Following the merger, there are more opportunities to deliver on TPG Telecom's potential.

Your company is working hard every day to realise these benefits.

The company's strategic priorities to drive, enable and support growth have the unanimous support of the Board, which is working well and cohesively together.

Most important is to continue to roll out 5G and modernise our mobile and fixed networks.

We will also look to maximise the use of our own infrastructure, grow share in the Enterprise sector and deliver a target of \$70 million in cost synergies this year alone.

Iñaki will discuss these priorities in more detail shortly.

Financial performance and dividend

Despite the challenges of 2020, we maintained a strong focus on financial performance to support returns to TPG shareholders.



In April, we paid a fully franked maiden dividend of 7.5 cents per share in respect of the first six-month period post-merger.

This was made possible through the generation of \$342 million net cash flow in that period.

The company also reported a 2020 net profit after tax of \$734 million.

Sustainability

Turning now to our commitment to operate both sustainably and responsibly.

Playing our part in a sustainable future is a key priority for the Board.

We have recently announced a commitment to power our Australian operations with 100 per cent renewable electricity by 2025. We are also working to introduce energy saving technologies in our network.

TPG will also continue to build on its gender diversity and inclusion for all employees.

Remuneration

An important part of our strategy is to ensure our approach to remuneration for Executives supports both short and longer term alignment between employees and shareholders. We have outlined our approach to executive pay in detail in the Remuneration Report section of the 2020 Annual Report.

From the start of this year, Executive remuneration has shifted to a new, single approach that links our purpose, strategic priorities and our remuneration principles.

We have spent a tremendous amount of time working to get the balance right between delivering value for shareholders, and attracting, incentivising, and retaining the best possible leadership talent.

Board renewal

We have recently seen changes in TPG Telecom's board and we are at the start of a new chapter.

The merger of Vodafone Hutchison Australia and TPG has brought the drive, ambition and challenger spirit into one organisation and it will always be part of our company.

In March, David and Shane Teoh announced their decision to resign from the Board.

David chaired the board during the critical months after the merger and we thank him for his contribution. David made his reasons known in a letter to shareholders but as a private person he did not wish to say any more. As Chairman, David was focussed on the 5G network rollout, creating value from our assets and ensuring a profitable merged company - and that is also my focus.

We also thank Shane for his work on the board of TPG both before and after the merger.

We are pleased to have Jack Teoh on the board to represent the Teoh shareholding and Jack is being put forward for election today.

Today, three directors are nominated. They are Mr Frank Sixt for re-election, Jack Teoh, as I mentioned and Mr Antony Moffatt, both for election. You will hear from each of them later in the meeting.

I am very pleased that Frank, Jack and Tony have nominated for re-election and they will continue to make significant contributions to the Board.



Closing remarks

In closing, I can assure you that since our merger not even ten months ago, the company has come together better and faster than we expected.

2020 and the start of 2021 have been challenging, but even with continuing uncertainty due to COVID, our year-to-date results are tracking well against our expectations and we will enter the second half of 2021 with increased confidence.

I thank all shareholders for your continued support.



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CEO and Managing Director's Address

Next week, it will be ten months since the merger was implemented and during that time much has been achieved or is underway.

We have accelerated our 5G mobile network rollout, with services now available in more than 500 suburbs in cities and major centres and with more than half a million customers using 5G mobile devices on our network.

At the recent millimetre wave auction, we secured spectrum holdings in all available licence areas which will significantly increase capacity for our fixed wireless and 5G mobile services.

And today, I am pleased to announce that we will begin inviting selected customers to access our 5G fixed wireless services next month. Take-up of our fixed wireless services has been encouraging as we expand the service across more brands and channels.

We have launched felix - Australia's first telco brand – powered by 100 per cent renewable electricity, and we have set a target that by 2025 we will have 100 per cent renewable electricity powering the company's entire Australian operations. Over the coming years we will increase our focus on environmental sustainability.

We continue to strengthen our enterprise propositions leveraging new NBN products and our significant fibre assets and build capabilities. In the last quarter, we have been awarded contracts with two major companies which have national and international operations.

Fibre roll out to our mobile sites is ahead of schedule and we have integrated in excess of 400 small cells enhancing coverage and capacity in our network.

We are also working on our cultural program and teams integration as we continue to leverage our culture as a primary company asset.

We now have a harmonised approach to remuneration and workplace policies which support employees to be at their best. Company engagement is tracking above expectation, and more of our office spaces, systems and processes are coming together as our integration progresses.

I thank all our people for their commitment and enthusiasm and for working hard every day – often in challenging circumstances throughout 2020 – for our customers, shareholders and the future of TPG Telecom.

Strategic Priorities

All of these significant achievements are delivering consistently on our strategy which with the Board's unanimous backing, is allowing us to deliver the opportunities from the merger.



We have three growth priorities:

- First, to grow our share of converged households. Having brought our mobile and fixed broadband capabilities together, we are able to provide a richer portfolio of products to each of our customers.
- Second, to make the most of our extensive network infrastructure assets by providing compelling on-net broadband services to more customers.
- and finally, to drive competition and growth in Enterprise, Government and Wholesale, with whole-of-business telecommunications solutions.

To support these priorities, we will continue rolling out 5G on our wireless network and transform IT and Digital to improve customer experience, simplify the business and improve our company's efficiency.

Underpinning this is our cost synergy program with a target of \$70 million in 2021 alone – along with organisational integration.

Investing in Our Network

At the end of last year we renewed our tower arrangements with Axicom allowing us to upgrade our Axicom sites to 5G. It will also increase the speed of our 5G roll out with more than 400 Axicom sites to be upgraded with 5G equipment.

We are on track to reach 85 per cent 5G population coverage in the top six cities of Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra by the end of the year.

Our increased scale allows us to offer more compelling propositions to customers across our mobile and fixed products supporting customer needs and driving growth.

A good example is our strong result at the recent 26 GHz spectrum auction.

The millimetre wave spectrum we acquired will complement our current spectrum holdings and allow us to deliver an excellent 5G experience for customers. The spectrum will be used to offer 5G fixed services to the mass market as an NBN alternative, and to boost performance for 5G mobile services. The \$108.2 million fee for the spectrum, which we intend to pay in five equal annual instalments from this year, was an excellent outcome for shareholders.

While upgrading to the next generation of mobile technology, we continue to focus on improving our network.

Watching video is what customers do most on their devices – and our mobile network has been built for video.

For the first quarter in 2021 our 4G and 5G network was ranked number one of the Australian mobile networks for video experience by Open Signal, a leader in measuring user experience of mobile devices.

And for 5G alone, Open Signal ranked our network equal winner on all key experience metrics of 5G video Experience, 5G Games Experience and 5G Voice App Experience.

In the same period - from January to March this year - we were also recognised as being number one for consistent quality, uplink speeds and latency across common coverage areas by independent network benchmarking firm, Tutela.



With our fixed and mobile capabilities and scale, we are driving stronger competition in the consumer and enterprise segments.

We are scaling up cross-selling initiatives capitalising on the high NPS of our customers across our multi-brand portfolio.

TPG Telecom Executive Team

Leading our people at TPG Telecom is a highly experienced and driven Executive Team leveraging on the talent of TPG and VHA and also incorporating new talent from the market.

I want to acknowledge Steve Banfield who has decided to leave the company in November.

Steve has been part of the TPG group for over 20 years and he has decided it's time to move on. I thank him for his considerable contribution to TPG.

It has been a pleasure working with Steve during the merger integration where he has brought the finance teams together and produced the first set of results and annual report of the merged company.

I look forward to working with Steve during a smooth transition to his successor which we will announce in due course.

Better and Stronger Together

As we move through 2021, and reflect on last year, 2020 was a year that shaped us.

We had clear priorities to complete the merger, fast track the deployment of our 5G network, maintain our focus to provide great services to our customers, drive financial performance, and build a strong company for the future.

We are privileged to be in the telecommunications industry which was so critical to the lives of all Australians throughout 2020.

The challenges in 2020 were significant. The mobile market contracted for the first time ever due to global travel restrictions and we were impacted by the ongoing migration of services to the NBN.

We navigated these external challenges while completing the merger, integrating the two businesses and recovering from the merger approval delay and 5G vendor restrictions.

Our 2020 results demonstrate that even during a period of unprecedented challenges, the company fundamentals are strong.

As the merger was effective from 26 June 2020, reported figures for 2020 include twelve months of the company formerly named Vodafone Hutchison Australia combined with six months and four days' of TPG Corporation.

The Group's reported revenue increased 24 per cent to \$4.35 billion and EBITDA increased 18 per cent to \$1.39 billion.

Reported net profit after tax was \$734 million which includes a one-off \$820 million accounting credit to income tax expense.



Proforma results - which simulate what the Group's results would have been if the merger had been effective throughout 2019 and 2020 - show that Proforma revenue decreased six per cent to \$5.52 billion and EBITDA decreased 10 per cent to \$1.79 billion.

Our people are our greatest asset and they have been essential to the support of our customers and to deliver for our shareholders during our merger progress.

Canning has already touched on our result for shareholders, including the dividend.

Last year, we helped more than 220 thousand customers in financial hardship through initiatives such as Vodafone's \$10 Stay Connected plan and other relief measures.

We also maintained a strong focus on providing a great experience for customers.

From a cultural integration point of view, and I am pleased at how well our people are working together to deliver our strategic priorities.

Together we are building a new culture at TPG Telecom. It will be a culture with customers at the heart and one which encompasses the best parts of the two businesses.

In a physical sense, have brought our people together, including the consolidation of four office buildings in Sydney and Melbourne.

And our hybrid working model is supporting our people to be at their best, providing a flexibility and a safe working environment.

Closing

In closing, we have moved into 2021 with increased momentum and confidence.

We are already a third of the way through 2021 and we are tracking well against our forecast for the year.

The merged TPG Telecom is a better and stronger company – for customers, shareholders and our people.

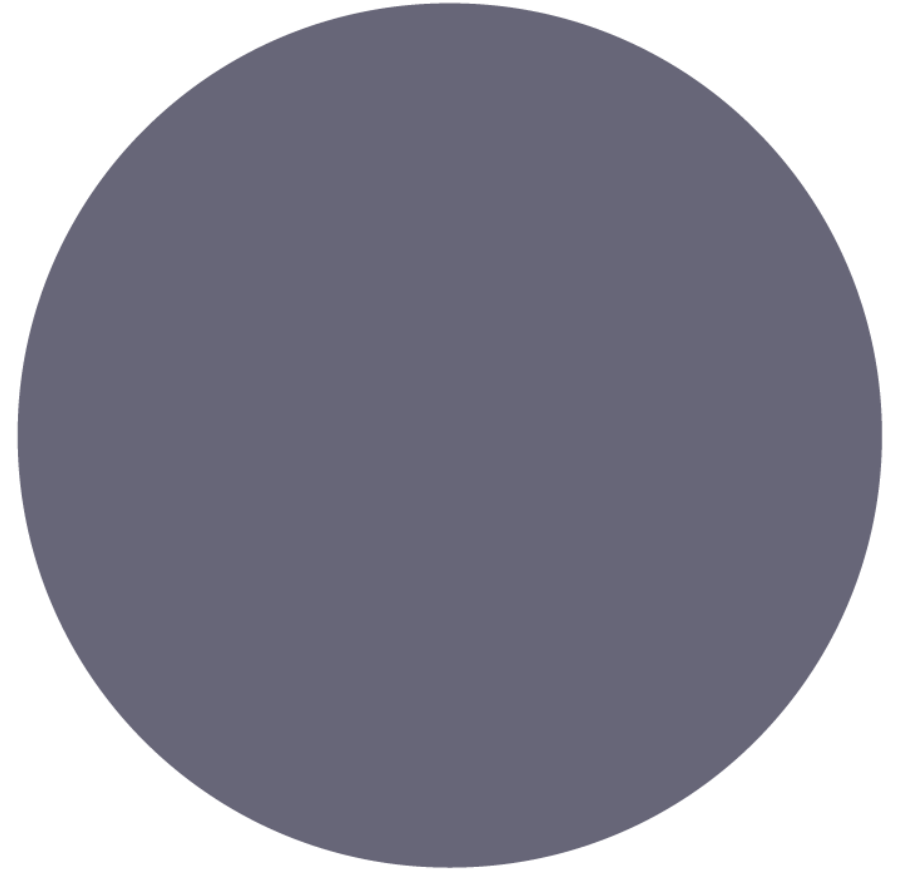
Thank you, to you our shareholders, for your continued support.

2021 Annual General Meeting

Welcome

CEO and Managing Director Address

Mr Iñaki Berroeta



Continuing to deliver for customers and shareholders

Networks

- 5G network live in over 500 suburbs with over 500,000 5G enabled smartphones on our network.
- Secured 26 GHz spectrum in all available licence areas.
- Targeting 100% renewable energy for Australian operations by 2025.

Customers & Products

- 5G fixed wireless services set to launch in June.
- Awarded contracts from two major companies with national and international operations.
- Launched carbon neutral, digital-native mobile brand, felix.

Synergies & Integration

- Completed merger amid regulatory and COVID related challenges.
- Synergies and integration program on track.
- Culture program has delivered harmonised approach to workplace policies and benefits.

2021 Strategic Priorities

Capitalising on strengths and opportunities to drive growth

How we will drive growth

Bring more of our products into even more Australian households

Launch 5G fixed wireless services and bring more customers onto our infrastructure

Increase focus on Enterprise, Government and Wholesale

How we will enable growth

Continue rolling out 5G network to reach scale in major cities

Transform IT & Digital to enhance and simplify the customer experience

How we will become stronger

Deliver more of the benefits of the merger to our customers and shareholders

Unify our culture, experience and organisation as one company

Investing in our network

- Accelerated 5G rollout, on track for 85% population coverage in top six cities by end of 2021.
- Acquired 26 GHz spectrum to deploy 5G fixed wireless services and to boost performance for 5G mobile services.
- Ranked #1 for 4G / 5G video experience and equal winner on key experience metrics by Open Signal.
- Ranked #1 for consistent quality, uplink speeds and latency across common coverage areas by Tutela.

TPG Telecom Executive Team



Inaki Berroeta
Chief Executive Officer
and Managing Director



Stephen Banfield
Group Chief Financial Officer



Ana Bordeianu
Acting Group Executive
Enterprise and Government



Kieren Cooney
Group Executive Consumer



Trent Czinner
Group Executive Legal
and External Affairs and
Company Secretary



Dan Lloyd
Group Executive Wholesale



Vanessa Hicks
Group Executive People
Experience



Rob James
Group Chief Digital and
Information Officer



Barry Kezik
Executive General Manager
Mobile and Fixed Networks



Craig Levy
Chief Operating Officer



Reggie Naik
Executive General Manager
Fibre Operations and Access
Network Deployment

Better and Stronger Together

Our Shareholders

- Generated \$342¹ million of net cash flow in first six months post-merger.
- Reduced net debt to \$4.2 billion as at 31 December 2020 with over \$1 billion of headroom in debt facilities.
- Delivered maiden dividend of 7.5 cents per share.

Our Customers

- Supported more than 220,000 customers in financial hardship during COVID.
- Improved market competition and drove value for consumers, businesses and the public sector as a full-service telecommunications provider.
- Increased customer digital engagement across consumer brands.

Our People

- Building a new and inclusive customer-focused culture.
- Brought our people together, including consolidation of four office buildings.
- Hybrid working model ensures safe and flexible environment which enables our people to be at their best.

Notes

1. Excluding merger transaction costs.