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

Sydney, 30 August 2024

TPG Telecom Limited Results for Half Year Ended 30 June 2024 – Appendix 4D and Half Year Report

TPG Telecom Limited (ASX: TPG) today releases its results for the half year ended 30 June 2024.

Please find attached TPG Telecom Limited's Appendix 4D and 2024 Half Year Report.

Iñaki Berroeta, Chief Executive Officer and Managing Director, and John Boniciolli, Group Chief Financial Officer, will present TPG Telecom's results via webcast, followed by a live question-and-answer session at 10.30am (Sydney time), on Friday, 30 August 2024.

Webcast link: https://loghic.eventsair.com/184653/942848/Site/Register

A replay of the webcast will be available via the same link following the presentation.

Authorised for lodgement with ASX by:

Trent Czinner
Company Secretary
TPG Telecom Limited

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TPG Telecom Limited
Appendix 4D

TPG Telecom Limited

(ABN 76 096 304 620)

and its controlled entities

Lodged with the Australian Securities Exchange ('ASX') under Listing Rule 4.2A.3.

The ASX Appendix 4D covers the group consisting of TPG Telecom Limited and its controlled entities ('the Group').

This Appendix 4D report should be read in conjunction with the TPG Telecom Half-Year Financial Report 2024 incorporating information including the Directors' Report and Financial Report.

ASX Appendix 4D for the half-year ended 30 June 2024

(Previous corresponding period: Half-year ended 30 June 2023)

Results for announcement to the market

Reported results

		30 JUN 2024	30 JUN 2023	CHANGE
Revenue from ordinary activities	$m	2,711	2,708	— %
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	$m	974	941	4 %
Profit from ordinary activities after tax for the half-year attributable to owners of the Company	$m	29	48	(40)%
Basic earnings per share attributable to owners of the Company	cps	1.6	2.6	(38)%
Diluted earnings per share attributable to owners of the Company	cps	1.6	2.6	(38)%

Dividend information

	AMOUNT PER SHARE	FRANKED AMOUNT PER SHARE
Final dividend for FY23	9.0 cents	100 %
Interim dividend for FY24	9.0 cents	87 %

The interim dividend for FY24 has a record date of 13 September 2024 and will be paid on 11 October 2024.

Net Assets

		30 JUN 2024	30 JUN 2023
Net assets per security	$	6.17	6.34

Net Tangible Assets

		30 JUN 2024	30 JUN 2023 restated
Net tangible assets per security	$	(1.25)	(1.19)

Net tangible assets are calculated by deducting the value of intangible assets and right-of-use asset from the net assets of the Group. It should be noted that valuable assets owned by the Group, such as mobile spectrum licences and indefeasible rights of use of bandwidth capacity, are classified as intangible assets and are therefore excluded from the Group's net tangible assets.

Details of entities where control has been gained or lost during the period

			EQUITY HOLDINGS	
NAME OF ENTITY	COUNTRY OF INCORPORATION	DATE OF CONTROL GAINED/LOST	30 JUN 2024 %	30 JUN 2023 %
Orchid Cybertech Services Incorporated	Philippines	19th February 2024	—	100

Details of investments in joint ventures

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDINGS 30 JUN 2024 %	EQUITY HOLDINGS 30 JUN 2023 %
3GIS Pty Limited	Australia	50	50
3GIS Properties (No 1) Pty Limited	Australia	50	50
3GIS Properties (No 2) Pty Limited	Australia	50	50
Tovadan Pty Limited	Australia	50	50
Mondjay Pty Limited	Australia	50	50

The Consolidated Financial Statements contained within the TPG Telecom Half-Year Financial Report 2024, of which this report is based upon, has been reviewed by PricewaterhouseCoopers.

Half-Year Financial Report 2024

Contents

Lodged with the Australian Securities Exchange ('ASX') under Listing Rule 4.2A.

The ASX Appendix 4D and Half-Year Financial Results of TPG Telecom Limited (ABN 76 096 304 620) and its controlled entities for the half-year ended 30 June 2024.

Directors’ report

The Directors present their report, together with the Half-Year Financial Report of TPG Telecom Limited (the ‘Company’) and its controlled entities (collectively referred to as ‘TPG Telecom’ or the ‘Group’) for the half-year ended 30 June 2024 (‘HY24’) in compliance with the provisions of the *Corporations Act 2001*.

Board of Directors

Details of Directors of the Company who held office at any time during or since the end of the half-year period are set out below:

Name
Fok Kin Ning, Canning (Chairman)
Iñaki Berroeta
Pierre Klotz
Robert Millner AO
Antony Moffatt
Dr Helen Nugent AC
Frank Sixt
Arlene Tansey
Jack Teoh
Serpil Timuray

Review of financial performance

Introduction and business overview

TPG Telecom provides telecommunications services to consumers, businesses, enterprises, governments and wholesale customers in Australia. The Group markets its services through multiple well-known brands including Vodafone, TPG, iiNet, AAPT, Lebara and felix. The Group provides around 7.6 million fixed and mobile telecommunications services to customers across more than 5,700 mobile sites and approximately 35,000 kilometres of metropolitan, inter-capital and subsea cable systems. The Group employs approximately 3,500 people across Australia and Guam.

Directors' report continued
Review of financial performance continued

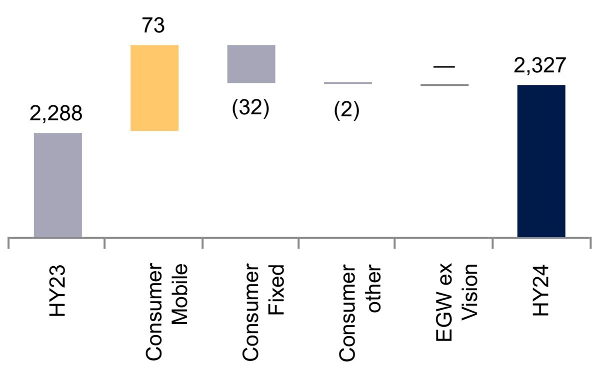
Key financial metrics

The following section provides an overview of key financial metrics and operating performance. Readers of this report seeking to obtain a better understanding of the performance of the Group should read this section in conjunction with the consolidated financial statements and refer to the HY24 Investor Presentation available via the ASX and on the Company's website at tpgtelecom.com.au/investor-relations.

Service revenue

Service revenue[1] was $2,327 million, an increase of $39 million or 1.7% (HY23: $2,288 million). This increase reflected solid Mobile service revenue growth driven by a higher average subscriber base and refresh of Postpaid Mobile plans, partially offset by lower Fixed service revenue in the Consumer segment and flat revenue in Enterprise, Government and Wholesale[2].

Service revenue bridge ($m)



EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA) was $974 million, an increase of $33 million or 3.5% (HY23: $941 million). This reflected service revenue growth, direct cost efficiencies in both Mobile and Fixed and modest growth in operating expense, which grew at a lower rate than HY23. EBITDA included material one-off costs of $5 million due to transaction costs related to TPG's ongoing strategic review of its fibre infrastructure assets and the regional network sharing agreement with Optus. Excluding material one-offs, EBITDA was $979 million, up 2.2% (HY23: $958 million).

The cost of telecommunication services was $754 million, a decrease of $30 million or 3.8% (HY23: $784 million). This decrease primarily reflected lower NBN input costs from a lower NBN average subscriber base.

Handsets and hardware margin was $2 million, a decrease of $9 million (HY23: $11 million). This decrease reflected intense promotional discounting activities in the handset market.

Total operating expense was $611 million, an increase of $26 million or 4.4% (HY23: $585 million), primarily reflecting growth in overall employee and outsourced services costs.

Employee benefits expense was $219 million, up 6.8%. This reflected the impact of higher salaries in a competitive labour market as well as additional headcount to support business simplification and IT modernisation and build capacity in specific areas such as network security. These factors outweighed the reduction in employee benefits expense from outsourcing the company's Manila shared service operations.

Other operating expense was $206 million, up 14.4%, primarily reflecting the transfer from employee expense to outsourced services costs of the Manila shared service operations, as well as an increase in advertising and promotion activity.

Technology expense was $186 million, down 7.0%, reflecting the non-recurrence of costs associated with the unsuccessful regional network sharing proposal with Telstra in HY23. Technology expense was otherwise broadly flat, reflecting a combination of one-off benefits in HY24 and efficiencies achieved throughout the business despite an inflationary environment.

Excluding material one-offs relating to transaction costs in both periods, including the Telstra network sharing proposal costs in HY23, total operating expense was $606 million, an increase of $38 million or 6.7% (HY23: $568 million).

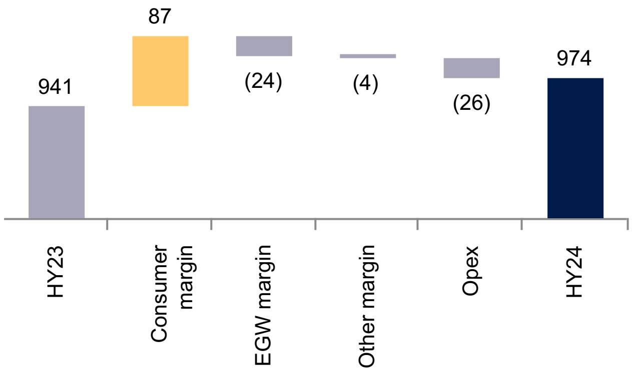
[1] Service revenue excludes revenue from handsets, accessories and other hardware products.

[2] Vision Network wholesale revenue is recognised in the Enterprise, Government and Wholesale segment and Vision Network retail revenue and wholesale cost is recognised in the Consumer segment. Intersegment charges (Wholesale revenue and costs) are eliminated at the Group level.

Directors' report continued

Review of financial performance continued

EBITDA bridge ($m)



NPAT

Net profit after tax (NPAT) was $29 million, a decrease of $19 million (HY23: $48 million). The reduction reflected an increase in depreciation and amortisation expense from increased capital investment in network and technology capability over the past two years and an increase in financing costs arising from a new tower lease agreement for existing sites signed in August 2023 and higher average interest rates on bank borrowings.

Earnings per share

Earnings per share (EPS) was 1.6 cents, a decrease of 1.0 cent (HY23: 2.6 cents).

EPS adjusted for customer base amortisation and material one-offs[3] was 4.8 cents, a decrease of 1.4 cents, or 22.6%, (HY23: 6.2 cents).

Return on Invested Capital

Return on Invested Capital[4] was 5.6% (HY23: 5.8%[5]). The decrease reflected slightly higher net operating profit after tax (NOPAT) on a higher invested capital base, reflecting the scale of investment in network and technology capabilities over recent years.

Operating Free Cash Flow

Operating Free Cash Flow[6] (OFCF) was $278 million, an increase of $340 million (HY23: $(62) million). This increase reflected higher EBITDA and improved working capital and capital expenditure outcomes.

Cash capital expenditure excluding spectrum was $567 million (HY23: $670 million). The reduction in HY24 was due to a lower rate of capital additions as the rate of investment slowed and changes in supplier payment timing.

Working capital movement in HY24 was $(13) million (HY23: $(227) million). This included a $117 million movement, reflecting a lower impact than HY23 from the change in funding strategy for mobile handset payment plan receivables, to use bank borrowings rather than selling receivables to third parties. Net of this movement, there was a positive working capital movement of $97 million, primarily reflecting lower receivables due to lower consumer demand for handsets, accessories and hardware provided through payment plans.

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[3] Measures statutory NPAT adjusted by adding back customer base amortisation and material one-offs (subject to discretion of the Board), and divided by weighted number of shares on issue. HY24 NPAT adjusted on this basis was $89 million (HY23: $116 million).

[4] Return on Invested Capital (ROIC) measures net operating profit after tax (NOPAT) on a 12-month rolling basis, adjusted to remove customer base amortisation and material one-offs (subject to discretion of the Board), divided by average invested capital excluding goodwill, brand and customer base intangibles.

[5] HY23 ROIC has been restated to FY24 guidance basis. As a result, HY23 NOPAT is no longer adjusted to exclude $16 million of transformation costs as material one-offs.

[6] Operating Free Cash Flow (OFCF) measures cash flow from operations less capital expenditure (excluding spectrum payments), finance lease repayments and finance lease interest (which is accounted within cash flow from financing activities).

Review of financial performance continued

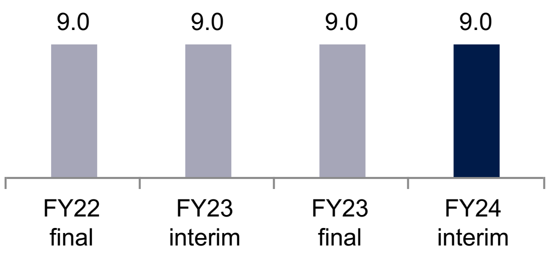
Dividend

The TPG Telecom Board has declared an interim dividend of 9.0 cents per share to be paid on 11 October 2024. This dividend will be 87% franked, reflecting the full utilisation of historically generated franking credits as previously disclosed to the market.

TPG Telecom's dividend policy is to pay a dividend of at least 50% of Adjusted NPAT[7], which was $264 million in HY24, a decrease of $40 million or 13.2% (HY23: $304 million[8]).

Dividends paid in HY24 were $167 million (HY23: $167 million).

Dividends per share (cents)

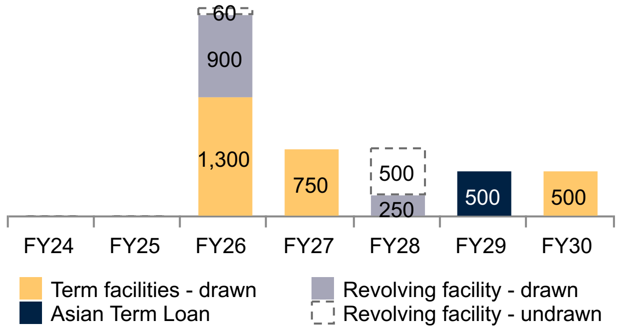


Net debt

Net borrowings (gross borrowings less cash) were $4,111 million at 30 June 2024, an increase of $151 million (31 December 2023: $3,960 million). Gross borrowings were $4,188 million at 30 June 2024, an increase of $112 million (31 December 2023: $4,076 million).

The increase in borrowings reflected a payment of $128 million for the 3.7GHz spectrum in January 2024 and the transition to funding handset receivables with bank borrowings.

Debt maturity profile as at 30 June 2024 ($m)



[7] For the purpose of dividend calculation, Adjusted NPAT is defined as statutory Net Profit After Tax adding back material one-offs (subject to discretion of the Board), customer base intangible amortisation, spectrum amortisation and non-cash tax expense.
[8] Adjusted NPAT in HY23 has been restated to FY24 guidance basis. As a result, $16 million of transformation costs were no longer excluded from Adjusted NPAT in HY23.

Directors' report continued

Review of financial performance continued

Business segment and product highlights

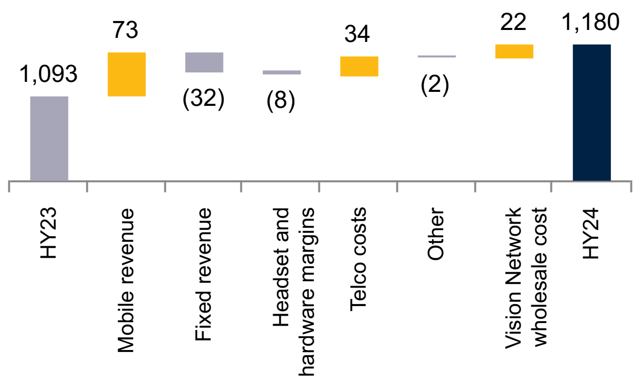
Consumer segment

Consumer Mobile service revenue was $1,029 million, an increase of $73 million or 7.6% (HY23: $956 million). This increase primarily reflected a higher average number of subscribers, and benefits from the refresh of Postpaid Mobile plans offset by heightened promotional activity during the period.

Fixed service revenue was $839 million, a decrease of $32 million or 3.7% (HY23: $871 million). This decrease primarily reflected lower average NBN subscribers, partly offset by continued growth in Fixed Wireless subscribers and initial benefits from a plan refresh for lower speed-tier NBN plans.

Consumer cost of telecommunication services was $692 million, a decrease of $56 million or 7.5% (HY23: $748 million). This decrease reflected lower intersegment charges arising from lower Vision Network wholesale costs and lower NBN input costs due to lower average NBN subscribers, offset partially by increased NBN wholesale pricing.

Consumer gross margin bridge ($m)

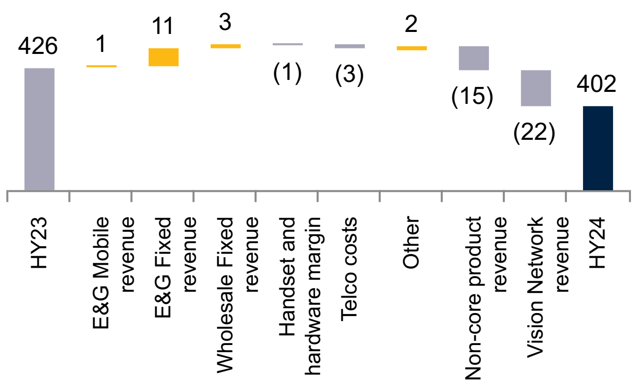


Enterprise, Government and Wholesale segment

Enterprise, Government and Wholesale revenue was $531 million, a decrease of $26 million or 4.7% (HY23: $557 million). This decrease was primarily due to a reduction in wholesale prices in the Vision Network residential broadband access business to stimulate demand from retail service providers.

Excluding Vision Network, Enterprise, Government and Wholesale revenue was $495 million, a decrease of $4 million or 0.8% (HY23: $499 million) amid challenging market conditions. This reflected continued growth in TPG Telecom's Fast Fibre and NBN Enterprise Ethernet services, offset by a $15 million impact from declining provision of non-core products.

Enterprise, Government and Wholesale gross margin bridge ($m)



Directors' report continued
Review of financial performance continued

Mobile subscriber numbers and ARPU

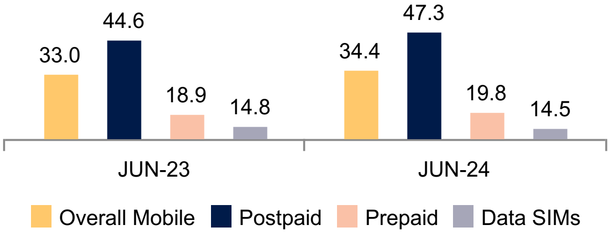
Mobile subscribers increased by 64,000 in the half, bringing the total to 5.52 million. The increase reflected a new Mobile Virtual Network Operator[9] (MVNO) onboarded during the period. Subscriber growth slowed following a period of strong growth bolstered by elevated inbound travellers in 2022. Further, churn was elevated during the period due to the shutdown of the 3G mobile network.

Postpaid Mobile subscribers decreased to 2.92 million, down 47,000 from 31 December 2023. Prepaid Mobile subscribers increased to 2.20 million, up 13,000.

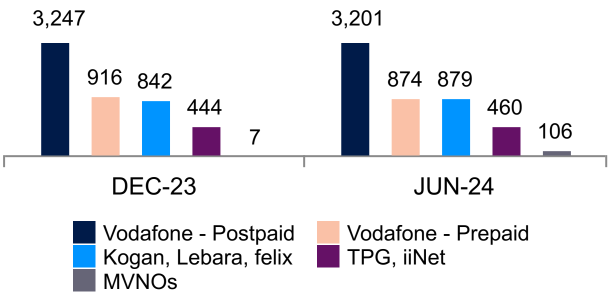
Average Revenue Per User (ARPU) for Mobile was $34.4 per month, an increase of $1.4 or 4.2% (HY23: $33.0). This reflected benefits from Postpaid plans refreshes, which were partly offset by customers downgrading to lower-cost plans and promotions during the period.

Postpaid ARPU was $47.3 per month, an increase of $2.7 or 6.1% (HY23: $44.6). Prepaid ARPU was $19.8 per month, an increase of $0.9 or 4.8% (HY23: $18.9). The increase in Prepaid ARPU reflected lower promotional discounts within the existing Prepaid subscriber base and early benefits from plan refreshes for Vodafone and Lebara.

Mobile ARPU by subscriber type ($m)



Mobile subscribers by brand (000's)



Total Fixed subscribers and AMPU

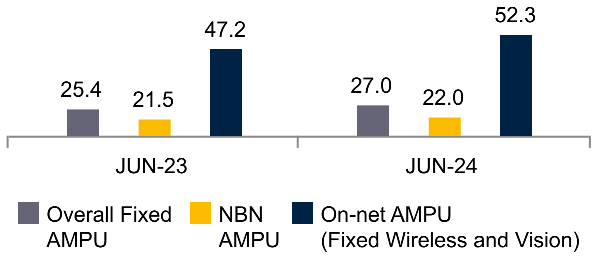
Fixed subscribers decreased by 30,000 in the half, bringing the total to 2.10 million. The decrease reflected aggressive competition from smaller and non-telco NBN providers.

NBN subscribers decreased to 1.73 million, down 41,000 reflecting intense competition as well as customer moves from NBN to Fixed Wireless services.

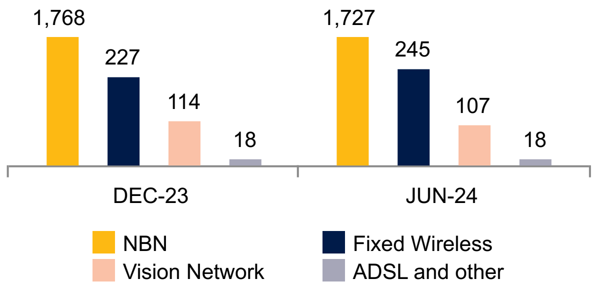
Fixed Wireless subscribers increased to 245,000, up 18,000 from 31 December 2023. TPG subscribers on Vision Network decreased to 107,000, down 7,000.

Average Margin Per User (AMPU) across all Fixed technologies[10] was $27.0 per month, an increase of $1.6 or 6.3% (HY23: $25.4). This primarily reflected the growth of Fixed Wireless subscribers, higher retail margin on Vision Network and benefits from NBN plan refreshes for lower speed-tier products.

Fixed broadband AMPU by technology type



Overall Fixed subscribers (000's)[10]



[9] Due to the recency of Lyca Mobile MVNO contract, TPG only included active Lyca subscribers (these are the 98,000 active network account users in June) in TPG's total mobile subscriber base at 30 June 2024, rather than including all registered Lyca subscribers.

[10] Includes all Consumer and small office/home office (SOHO) NBN, Fixed Wireless and Vision Network broadband products but excludes fixed voice products and Enterprise, Government & Wholesale fixed Data & internet products. AMPU calculation excludes Vision Network intersegment costs, which are eliminated at the Group level.

Directors' report continued

Review of financial performance continued

Consolidated income statement overview

Set out below is a condensed version of the Group's income statement, together with commentary highlighting key points that were not already covered in the key financial metrics section.

	HY24 $m	HY23 $m
Revenue		
Service revenue	2,327	2,288
Handset and hardware revenue	384	420
Total revenue	**2,711**	**2,708**
Other income	10	11
Cost of telecommunication services	(754)	(784)
Cost of handsets and hardware sold	(382)	(409)
Technology expense	(186)	(200)
Employee benefits expense	(219)	(205)
Other operating expense	(206)	(180)
EBITDA	**974**	**941**
Depreciation and amortisation	(741)	(722)
Operating profit	**233**	**219**
Net financing costs	(190)	(150)
Profit before tax	**43**	**69**
Income tax expense	(14)	(21)
Profit after tax	**29**	**48**
Attributable to:		
Owners of the Company	**29**	**48**
Earnings per share (cents)	**1.6**	**2.6**

Depreciation and amortisation

Depreciation and amortisation was $741 million, an increase of $19 million or 2.6% (HY23: $722 million). This increase primarily reflected a larger asset base as a result of network and technology investment over recent years and a higher intangible amortisation due to a higher mix of capitalised software spend, which was amortised over a shorter period than other investment.

Net financing costs

Net financing costs were $190 million, an increase of $40 million or 26.7% (HY23: $150 million). This increase reflected market interest rate increases during 2023 and a new tower lease agreement for existing sites signed in August 2023.

Income tax expense

Income tax expense was $14 million, a decrease of $7 million (HY23: $21 million). Income tax expense represents the Group's profit before tax for the period multiplied by the applicable corporate tax rate of 30%.

Review of financial performance continued

Consolidated balance sheet overview

Set out below is a condensed version of the Group's balance sheet as at 30 June 2024, together with commentary highlighting key points that were not already covered in the key financial metrics section.

	30 JUN 2024 $m	31 DEC 2023 $m
Cash and cash equivalents	77	116
Trade and other receivables	973	968
Inventories	79	117
Other current assets	73	83
Total current assets	**1,202**	**1,284**
Trade and other receivables	443	469
Property, plant and equipment	3,767	3,795
Right-of-use assets	1,658	1,709
Spectrum licences	1,726	1,737
Other intangible assets	10,413	10,484
Deferred tax assets	160	171
Other non-current assets	19	19
Total non-current assets	**18,186**	**18,384**
Trade and other payables	938	1,174
Contract liabilities	306	294
Lease liabilities	143	122
Other current liabilities	125	132
Total current liabilities	**1,512**	**1,722**
Borrowings	4,188	4,076
Lease liabilities	2,074	2,112
Other non-current liabilities	139	141
Total non-current liabilities	**6,401**	**6,329**
Net assets	**11,475**	**11,617**
Contributed equity	18,399	18,399
Reserves and accumulated losses	(6,924)	(6,782)
Total equity	**11,475**	**11,617**

Cash and cash equivalents

Cash and cash equivalents were $77 million at 30 June 2024, a decrease of $39 million (31 December 2023: $116 million).

Trade and other receivables

Current and non-current trade and other receivables were $1,416 million at 30 June 2024, a decrease of $21 million (31 December 2023: $1,437 million). This reflected lower consumer demand for handsets, accessories and hardware provided through monthly payment plans.

Property, plant and equipment

Property, plant and equipment was $3,767 million at 30 June 2024, a decrease of $28 million (31 December 2023: $3,795 million). This reflects slowing rate of network investments relative to recent periods.

Right-of-use assets and lease liabilities

Right-of-use assets were $1,658 million at 30 June 2024, a decrease of $51 million (31 December 2023: $1,709 million). Current and non-current lease liabilities were $2,217 million, a decrease of $17 million (31 December 2023: $2,234 million).

Spectrum licences

The net book value of spectrum licences was $1,726 million at 30 June 2024, a decrease of $11 million (31 December 2023: $1,737 million). This reflected amortisation on licences held and the addition of the 3.7GHz spectrum licenses paid in January 2024.

Other intangible assets

Other intangible assets (excluding spectrum licences) were $10,413 million at 30 June 2024, a decrease of $71 million (31 December 2023: $10,484 million).

Review of financial performance continued

Consolidated cash flow statement overview

A condensed version of the cash flow statement is set out below, together with commentary highlighting key points that were not already covered in the key financial metrics section.

	30 JUN 2024 $m	30 JUN 2023 $m
Cash flow from operating activities	961	714
Capital expenditure	(567)	(670)
Mobile spectrum payments	(128)	—
Receipts from the sale of a subsidiary	5	—
Interest received	2	2
Net cash flow before financing activities	**273**	**46**
Net drawdown of borrowings	110	280
Principal elements of lease repayments	(52)	(56)
Finance costs paid	(191)	(127)
Payments for Shares acquired by TPG Telecom Employee Incentive Plan Trust	(12)	(8)
Dividends paid	(167)	(167)
Net cash flow	**(39)**	**(32)**

Cash capital expenditure excluding spectrum payments

Cash capital expenditure excluding spectrum was $567 million, a decrease of $103 million (HY23: $670 million). The lower cash capital expenditure excluding spectrum primarily arose due to lower capital additions and a shift in supplier payments timing in HY24.

Finance costs paid

Financing costs paid were $191 million, an increase of $64 million (HY23: $127 million). This increase comprised of $50 million from higher market interest rates on bank debt, and $14 million in higher lease financing costs, primarily from a new tower lease agreement signed in August 2023 for existing sites.

Net drawdown of borrowings

Net drawdown of borrowings was $110 million, a decrease of $170 million (HY23: $280 million). This decrease reflected the significantly higher cash flow from operating activities requiring lower drawdown of bank borrowings.

Directors' report continued
Review of financial performance continued

Auditor's independence declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 13.

Rounding of amounts

The Company is of a kind referred to in the ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports) and, in accordance with that instrument, all financial information presented in the consolidated financial statements and Directors' Report has been rounded to the nearest million dollars, unless otherwise indicated.

This Directors' report is made in accordance with a resolution of the Directors on 30 August 2024.

Fok Kin Ning, Canning
Chairman

30 August 2024

Iñaki Berroeta
Chief Executive Officer and Managing Director

30 August 2024

Auditor’s independence declaration

Auditor’s Independence Declaration

As lead auditor for the review of TPG Telecom Limited for the half-year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of TPG Telecom Limited and the entities it controlled during the period.

Mark Dow
Partner
PricewaterhouseCoopers

Sydney
30 August 2024

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Half-Year Financial Report

About this report

The Half-Year Financial Report covers the group consisting of TPG Telecom Limited and its controlled entities.

All amounts are presented in Australian dollars unless stated otherwise.

TPG Telecom Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 27, Tower Two, International Towers Sydney, 200 Barangaroo Avenue, Barangaroo NSW 2000.

A description of the nature of the Group's operations and its principal activities is included in the Directors' report on pages 3 to 12.

The financial report was authorised for issue by the Directors on 30 August 2024. The Directors have the power to amend and reissue the financial report.

Contents

Consolidated income statement

for the half-year ended 30 June 2024

	NOTES	30 JUN 2024 $m	30 JUN 2023 $m
Revenue from contracts with customers	3	2,711	2,708
Other income	4	10	11
Cost of provision of telecommunication services		(754)	(784)
Cost of handsets and hardware sold		(382)	(409)
Technology costs		(186)	(200)
Employee benefits expense	4	(219)	(205)
Other operating expenses	4	(206)	(180)
Earnings before interest, tax, depreciation and amortisation		**974**	**941**
Depreciation and amortisation expense	4	(741)	(722)
Results from operating activities		**233**	**219**
Finance income	4	2	2
Finance expenses	4	(192)	(152)
Net financing costs		(190)	(150)
Profit before income tax		**43**	**69**
Income tax expense	5	(14)	(21)
Profit for the half-year		**29**	**48**
Attributable to:			
Owners of the Company		29	48
		29	**48**

		CENTS PER SHARE	CENTS PER SHARE
Earnings per share for profit attributable to owners of the Company			
Basic earnings per share	11	1.6	2.6
Diluted earnings per share	11	1.6	2.6

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income

for the half-year ended 30 June 2024

	30 JUN 2024 $m	30 JUN 2023 $m
Profit for the half-year	**29**	**48**
Other comprehensive income		
Items that may subsequently be reclassified to the income statement, net of tax:		
Net gain on cash flow hedges taken to equity	1	11
Other comprehensive income for the half-year, net of tax	**1**	**11**
Total comprehensive income for the half-year, net of tax	**30**	**59**
Attributable to:		
Owners of the Company	30	59
	30	59

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2024

	Notes	30 JUN 2024 $m	31 DEC 2023 $m
ASSETS			
Current assets			
Cash and cash equivalents		77	116
Trade and other receivables	6	973	968
Inventories		79	117
Derivative financial instruments		1	2
Prepayments and other assets		72	81
Total current assets		**1,202**	**1,284**
Non-current assets			
Trade and other receivables	6	443	469
Property, plant and equipment	7	3,767	3,795
Right-of-use assets		1,658	1,709
Intangible assets		12,139	12,221
Deferred tax assets		160	171
Derivative financial instruments		5	3
Prepayments and other assets		14	16
Total non-current assets		**18,186**	**18,384**
Total assets		**19,388**	**19,668**
LIABILITIES			
Current liabilities			
Trade and other payables		938	1,174
Contract liabilities		306	294
Lease liabilities		143	122
Provisions		86	91
Derivative financial instruments		2	—
Other liabilities		37	41
Total current liabilities		**1,512**	**1,722**
Non-current liabilities			
Contract liabilities		19	16
Borrowings	9	4,188	4,076
Lease liabilities		2,074	2,112
Provisions		63	67
Other liabilities		57	58
Total non-current liabilities		**6,401**	**6,329**
Total liabilities		**7,913**	**8,051**
Net assets		**11,475**	**11,617**
EQUITY			
Contributed equity	10	18,399	18,399
Reserves		(3)	—
Accumulated losses		(6,921)	(6,782)
Equity attributable to owners of the Company		**11,475**	**11,617**
Total equity		**11,475**	**11,617**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the half-year ended 30 June 2024

		ATTRIBUTABLE TO OWNERS OF THE COMPANY			
	Notes	CONTRIBUTED EQUITY $m	RESERVES $m	ACCUMULATED LOSSES $m	TOTAL EQUITY $m
Balance at 1 January 2024		**18,399**	**—**	**(6,782)**	**11,617**
Profit for the period		—	—	29	**29**
Other comprehensive income, net of tax		—	1	—	**1**
Transfer from other reserves to retained earnings		—	1	(1)	**—**
Employee share schemes – value of employee services		—	7	—	**7**
Acquisition of treasury shares	13	—	(12)	—	**(12)**
Dividends paid	12	—	—	(167)	**(167)**
Balance at 30 June 2024		**18,399**	**(3)**	**(6,921)**	**11,475**
Balance at 1 January 2023		**18,399**	**(3)**	**(6,496)**	**11,900**
Profit for the period		—	—	48	**48**
Other comprehensive income, net of tax		—	11	—	**11**
Employee share schemes – value of employee services		—	5	—	**5**
Acquisition of treasury shares	13	—	(8)	—	**(8)**
Dividends paid	12	—	—	(167)	**(167)**
Balance at 30 June 2023		**18,399**	**5**	**(6,615)**	**11,789**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the half-year ended 30 June 2024

	Notes	30 JUN 2024 $m	30 JUN 2023 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,990	2,804
Payments to suppliers and employees (inclusive of GST)		(2,027)	(2,090)
		963	714
Income taxes paid		(2)	—
Net cash generated from operating activities		**961**	**714**
Cash flows from investing activities			
Payments for property, plant and equipment		(446)	(547)
Payments for intangible assets		(121)	(123)
Payments for spectrum licenses		(128)	—
Receipts from sale of subsidiary		5	—
Interest received		2	2
Net cash outflows from investing activities		**(688)**	**(668)**
Cash flows from financing activities			
Proceeds from borrowings		660	540
Repayment of borrowings		(550)	(260)
Principal elements of lease payments		(52)	(56)
Payments for shares acquired by the TPG Employee Incentive Plan Trust		(12)	(8)
Finance costs paid		(191)	(127)
Dividends paid		(167)	(167)
Net cash outflows from financing activities		**(312)**	**(78)**
Net decrease in cash and cash equivalents		**(39)**	**(32)**
Cash and cash equivalents at 1 January		116	114
Cash and cash equivalents at 30 June		**77**	**82**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

Note 1. Basis of preparation

TPG Telecom Limited (the 'Company') is a for-profit company limited by shares, which is incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX).

The half-year financial statements as at, and for the half-year ended, 30 June 2024 comprise the accounts of the Company and its controlled entities (together referred to as the 'Group').

The Half-Year Financial Report was authorised for issue in accordance with a resolution of the Directors on 30 August 2024.

The Half-Year Financial Report is a consolidated interim financial report for the half-year reporting period ended 30 June 2024 and has been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with *AASB 134* ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting.*

In accordance with *AASB 134*, the Half-Year Financial Report does not include all information included within an annual financial report and should be read in conjunction with the annual report for the year ended 31 December 2023, which is available on the Company's website at www.tpgtelecom.com.au, and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted by the Group in the Half-Year Financial Report are consistent with those of the previous financial year and corresponding interim reporting period. Comparative information is reclassified where appropriate to enhance comparability.

(a) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes the Group will be able to realise its assets and discharge its liabilities in the normal course of business.

At 30 June 2024, the Group had a deficiency of net current assets of $310 million (31 December 2023: a deficiency of $438 million). The Group is satisfied that it will be able to meet all its obligations as and when they fall due, supported by its history of generating profits, positive operating cash flows, current cash reserves, and available debt facilities.

(b) Rounding of amounts

The Company is of a kind referred to in *ASIC Legislative Instrument 2016/191*, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest million dollars in accordance with the instrument, unless otherwise indicated.

(c) New accounting standards and interpretations

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period but none have had a material impact on our accounting policies with the exception of:

- *AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules.*

  At 30 June 2024, the Pillar Two legislation had not been enacted or substantively enacted in Australia or any jurisdiction where the group operates. There were no current tax expenses related to Pillar Two income taxes. The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

  The Group will continue to monitor developments in tax legislation and recognise the impact of the amendments in the financial statements when applicable.

Note 1. Basis of preparation continued

(c) New accounting standards and interpretations continued

New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for the half-year ended 30 June 2024 and these have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(d) Key accounting estimates and judgements

Summary of key accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The Group also needs to exercise judgement in applying its accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group's key accounting estimates and judgements are disclosed in Note 2 of the 31 December 2023 annual report. The Group has not identified any significant changes or updates to its accounting judgements and estimates, when preparing the half-year ended 30 June 2024 report.

Note 2. Segment reporting

TPG has identified its operating segments based on the internal reports that are reviewed and used by the Group Chief Executive Officer (being the chief operating decision maker) in assessing performance and in determining the allocation of resources.

The Group has the following two reportable segments which are managed and organised separately because they require different product and service offerings to address different segments in the market. The organisational structure for these segments include dedicated sales, marketing and customer care teams, that are supported by the technology and support functions within the Group. The following summary describes the operations of each reportable segment.

SEGMENT	PRINCIPAL ACTIVITIES
Consumer	Provision of telecommunications services to residential and small office/home office customers.
Enterprise, Government and Wholesale	Provision of telecommunications services to corporate, government and wholesale customers. Mobile small and medium-sized enterprise customers have been categorised in this segment.

The Group Chief Executive Officer primarily uses a measure of segment result to assess the performance of the operating segments. Consistent with information presented for internal management reporting, the result of each operating segment is measured based on its EBITDA contribution, which differs from our reported EBITDA. Information about segment revenue is disclosed in Note 3.

Segment results exclude the effects of significant items of income and expenditure which may have a material one-off or temporary impact.

Unallocated items to the segment results include net financing costs, depreciation and amortisation costs, certain head office costs, other income and other one-off expenses. There were no one-off transactions that met the quantitative thresholds for the inclusion of other reportable segments for the half-years ended 30 June 2024 and 2023.

Note 2. Segment reporting continued

	CONSUMER $m	ENTERPRISE, GOVERNMENT AND WHOLESALE $m	ELIMINATIONS $m	TOTAL REPORTABLE SEGMENTS $m
For the half-year ended 30 June 2024				
Revenue from contracts with customers	2,216	495	—	2,711
Inter-segment revenue	—	36	(36)	—
Segment revenue	**2,216**	**531**	**(36)**	**2,711**
Other income	—	5	—	5
Cost of provision of telecommunication services	(692)	(96)	36	(752)
Cost of handsets and hardware sold	(344)	(38)	—	(382)
Segment gross margin	**1,180**	**402**	**—**	**1,582**
Segment EBITDA	**711**	**265**	**—**	**976**
For the half-year ended 30 June 2023				
Revenue from contracts with customers	2,209	499	—	2,708
Inter-segment revenue	—	58	(58)	—
Segment revenue	**2,209**	**557**	**(58)**	**2,708**
Other income	—	3	—	3
Cost of provision of telecommunication services	(748)	(93)	58	(783)
Cost of handsets and hardware sold	(368)	(41)	—	(409)
Segment gross margin	**1,093**	**426**	**—**	**1,519**
Segment EBITDA[1]	**655**	**296**	**—**	**951**

Reconciliation of segment EBITDA to the Group's profit before income tax is as follows:

	30 JUN 2024 $m	30 JUN 2023 $m
Total segment EBITDA[1]	976	951
Other income	5	8
Head office costs	(2)	(1)
Transaction costs	(5)	(17)
Depreciation and amortisation expense	(741)	(722)
Net financing costs	(190)	(150)
Profit before income tax	**43**	**69**

1. $16m of transformation costs separately presented in HY23 Financial Report have been reclassified within this line. This is to aid comparability with the HY24 segment EBITDA which includes transformation costs.

Note 3. Revenue from contracts with customers

The Group's operations and main revenue streams are those described in the last annual financial statements.

Major product categories

	TIMING OF REVENUE RECOGNITION	CONSUMER		ENTERPRISE, GOVERNMENT AND WHOLESALE		TOTAL	
		30 JUN 2024 $m	30 JUN 2023 $m	30 JUN 2024 $m	30 JUN 2023 $m	30 JUN 2024 $m	30 JUN 2023 $m
Mobile – Post-paid	Over time	767	723	92	91	859	814
Mobile – Prepaid	Over time	262	233	—	—	262	233
Fixed (including data and internet)	Over time	839	871	308	318	1,147	1,189
Other service revenue	Over time	3	5	56	47	59	52
Handsets, accessories and other hardware	Point in time	345	377	39	43	384	420
		2,216	**2,209**	**495**	**499**	**2,711**	**2,708**

Notes to the consolidated financial statements

Note 4. Other profit and loss items

(a) Other income

	30 JUN 2024 $m	30 JUN 2023 $m
Gain on sale of subsidiary	3	—
Other income	7	11
	10	**11**

The gain on sale of subsidiary arose on the 19 February 2024 from the disposal of the Group's investment in Orchid Cybertech Services Incorporated.

(b) Employee benefits expense

	30 JUN 2024 $m	30 JUN 2023 $m
Superannuation expense	24	19
Redundancy costs	2	1
Other employee benefits expense	193	185
	219	**205**

(c) Other operating expenses

	30 JUN 2024 $m	30 JUN 2023 $m
Advertising and promotion expenses	67	58
Consulting and outsourced services costs	94	78
Facilities expenses	17	16
Administration and other expenses	28	28
	206	**180**

(d) Depreciation and amortisation expense

	30 JUN 2024 $m	30 JUN 2023 $m
Depreciation of property, plant and equipment	291	278
Depreciation of right-of-use assets	82	95
Amortisation of intangible assets	368	349
	741	**722**

(e) Net financing costs

	30 JUN 2024 $m	30 JUN 2023 $m
Finance income		
Interest income	(2)	(2)
Finance expenses		
Amortisation of borrowing costs	3	3
Interest and finance charges for borrowings and lease liabilities	189	149
	190	**150**

Notes to the consolidated financial statements

Note 5. Income tax

Numerical reconciliation between tax expense and pre-tax accounting profit

	30 JUN 2024 $m	30 JUN 2023 $m
Profit from continuing operations before income tax	43	69
Income tax expense using the Australian tax rate of 30% (30 June 2023: 30%)	13	21
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	2	—
Under / (over) from prior periods	(3)	—
Withholding tax paid on dividend received from subsidiary	2	—
Income tax expense	**14**	**21**

Note 6. Trade and other receivables

At 30 June 2024, the Group had a total trade and other receivables balance of $1,416 million (31 December 2023: $1,437 million). This includes $1,041 million of total handset and accessories receivables (31 December 2023: $1,041 million).

Note 7. Property, plant and equipment

Additions to property, plant and equipment during the half-year were $382 million (30 June 2023: $426 million).

Note 8. Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	30 JUN 2024 $m	31 DEC 2023 $m
Property, plant & equipment	413	427
Spectrum acquisition	—	128
	413	**555**

Note 9. Borrowings

	30 JUN 2024 $m	31 DEC 2023 $m
Non-current		
Bank loans (unsecured)	4,188	4,076

Available facilities

At 30 June 2024, the Group has total loan facilities of $4,760 million (31 December 2023: $4,960 million). The total amount of undrawn borrowing facilities at 30 June 2024 was $595 million (31 December 2023: $905 million) which includes a committed overdraft facility of $35 million (31 December 2023: $35 million). Included in the loan balance are refinancing costs of $12 million (31 December 2023: $14 million) that are being amortised over the remaining term of the loan.

The Group's bank loan facilities contain undertakings to comply with financial covenants. These require that the Group operates within certain financial ratios. The financial covenants that the Group is subject to are Leverage and Interest Coverage. Additionally, the Group is required to ensure that the Total Assets and EBITDA of the guarantors meet minimum threshold amounts of Total Assets and consolidated EBITDA of the Group.

There were no breaches of financial covenants during the half-year ended 30 June 2024.

Note 10. Contributed equity

	30 JUN 2024 SHARES	31 DEC 2023 SHARES	30 JUN 2024 $m	31 DEC 2023 $m
Ordinary shares (fully paid)	**1,859,341,669**	1,859,341,669	**18,399**	18,399

Note 11. Earnings per share

	UNITS	30 JUN 2024	30 JUN 2023
Basic earnings per share	cents	**1.6**	2.6
Diluted earnings per share	cents	**1.6**	2.6
Profit attributable to the owners of the Company used in calculating basic and diluted earnings per share	$m	**29**	48
Weighted average number of ordinary shares during the period in calculating basic earnings per share	number	**1,855,399,640**	1,856,762,348
Weighted average number of ordinary shares during the period in calculating diluted earnings per share	number	**1,857,226,090**	1,857,927,495

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares during the period. The weighted average number of ordinary shares is adjusted to exclude the shares held by the TPG Employee Incentive Plan Trust. Refer to Note 13 for information on equity instruments issued under the employee share scheme.

Diluted EPS is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. Rights granted to employees under share-based payments arrangements are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share.

Note 12. Dividends

During the half-year ended 30 June 2024, a fully franked final FY23 dividend of $167 million (9.0 cents per fully paid share) was paid on 12 April 2024. No other dividends were declared or paid during the half-year (30 June 2023: $167 million).

Subsequent to the half-year end, on 30 August 2024, the Board of Directors has declared an 87% franked interim FY24 dividend of 9.0 cents per share. As the interim dividend was not declared or resolved to be paid by the Board as at 30 June 2024, the dividend has not been provided for in the Consolidated Statement of Financial Position. The interim FY24 dividend has a record date of 13 September 2024 and will be paid on 11 October 2024.

The Group does not operate a Dividend Reinvestment Plan.

Note 13. Treasury shares

The table below provides the number and amount of treasury shares.

	NUMBER OF SHARES	$m
Opening balance at 1 January 2024	3,626,913	21
Shares acquired by the TPG Employee Incentive Plan Trust	2,583,525	12
Issue of shares under the employee incentive plan	(732,188)	(4)
Balance at 30 June 2024	**5,478,250**	**29**

	NUMBER OF SHARES	$m
Opening balance at 1 January 2023	2,395,453	14
Shares acquired by the TPG Employee Incentive Plan Trust	1,565,136	8
Issue of shares under the employee incentive plan	(333,676)	(1)
Balance at 30 June 2023	**3,626,913**	**21**

Note 14. Fair value measurement of financial instruments

Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions. Fair value is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is determined using the present value of the estimated cash flows based on observable yield curves; and
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivative, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

Note 14. Fair value measurement of financial instruments continued

Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured and recognised at fair value at 30 June 2024 and 31 December 2023:

	LEVEL 1 $m	LEVEL 2 $m	LEVEL 3 $m	TOTAL $m
At 30 June 2024				
Financial assets				
Interest rate swaps	—	6	—	6
Total financial assets	**—**	**6**	**—**	**6**
Financial liabilities				
Interest rate swaps	—	—	—	—
Forward foreign exchange contracts	—	2	—	2
Total financial liabilities	**—**	**2**	**—**	**2**
At 31 December 2023				
Financial assets				
Interest rate swaps	—	5	—	5
Total financial assets	**—**	**5**	**—**	**5**
Financial liabilities				
Interest rate swaps	—	—	—	—
Forward foreign exchange contracts	—	—	—	—
Total financial liabilities	**—**	**—**	**—**	**—**

Note 15. Events occurring after the reporting period

Other than the below mentioned matters, there have been no other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect:

(a) the operations of the Company and of the Group in future financial years, or
(b) the results of those operations in future financial years, or
(c) the state of affairs of the Company and of the Group in future financial years.

Dividends

The details of dividends declared after 30 June 2024 are disclosed in Note 12.

Directors' Declaration

In the Directors' opinion:

(1) the financial statements and notes set out on pages 14 to 29 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting, the Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Company and the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date, and

(2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of the Directors.

Fok Kin Ning, Canning
Chairman
30 August 2024

Iñaki Berroeta
Chief Executive Officer and Managing Director
30 August 2024

Independent auditor's review report to the members of TPG Telecom Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of TPG Telecom Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and consolidated income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of TPG Telecom Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

Mark Dow
Partner

Sydney
30 August 2024

Additional information

Disclaimer

Forward-looking statements

Forward-looking statements, opinions and estimates provided in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Investors should form their own views as to these matters and any assumptions on which any forward-looking statements, estimates or opinions are based. Except as required by applicable laws or regulations, TPG Telecom does not undertake to publicly update or revise any forward-looking statements to reflect any change in expectations, contingencies or assumptions, whether as a result of new information or future events. To the maximum extent permitted by law, none of TPG Telecom, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this report.

Glossary

TERM	EXPLANATION
Adjust NPAT	For the purpose of dividend calculation, Adjusted NPAT is defined as statutory Net Profit After Tax adding back material one-offs (subject to discretion of the Board), customer base intangible amortisation, spectrum amortisation and non-cash tax expense.
AMPU	Fixed Broadband Average Margin Per User (AMPU) includes all Consumer and small office/home office (SOHO) NBN, Fixed Wireless and Vision Network broadband products but excludes fixed voice products and Enterprise, Government & Wholesale fixed Data & internet products. AMPU calculation excludes Vision Network intersegment costs, which are eliminated at the Group level.
ARPU	Average Revenue Per User.
Capex	Cash invested to fund the purchase, upgrade or improve long term assets.
EPS adjusted for customer amortisation and material one-offs	Measures statutory NPAT adjusted by adding back customer base amortisation and material one-offs (subject to discretion of the Board), and divided by weighted number of shares on issue.
Group	The Company and entities controlled by the Company (its subsidiaries).
Opex	Operating expense.
EBITDA	Earnings before interest, income tax expense, depreciation and amortisation.
NPAT	Net Profit After Tax - the total revenue minus all expenses and tax.
OFCF	Operating Free Cash Flow (OFCF) measures cash flow from operations less capital expenditure (excluding spectrum payments), finance lease repayments and finance lease interest (which is accounted within cash flow from financing activities).
ROIC	Return on Invested Capital (ROIC) measures net operating profit after tax (NOPAT) on a 12-month rolling basis, adjusted to remove customer base amortisation and material one-offs (subject to discretion of the Board), divided by average invested capital excluding goodwill, brand and customer base intangibles.
Spectrum	Radio frequency spectrum is where radio waves are transmitted and received.