

ASX Market Announcements

Australian Securities Exchange

Date: 30 August 2024

Subject: Appendix 4D and Half-Year Financial Report for the half-year ended 30 June 2024

Hutchison Telecommunications (Australia) Limited (ASX: HTA) (the **Company**) attaches the Appendix 4D and Half-Year Financial Report for the half-year ended 30 June 2024 of the Company.

Yours sincerely,



Swapna Keskar
Joint Company Secretary

AUTHORISED FOR RELEASE: By the order of the Confirmation Committee of the Board

For further information, please contact the Company Secretary by email at htalinvestors@company matters.com.au or by telephone on (02) 9015 5088.



Hutchison Telecommunications (Australia) Limited

ASX Appendix 4D

for the half-year ended 30 June 2024

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Appendix 4D and Half-year Financial Report

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

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

The ASX Appendix 4D for Hutchison Telecommunications (Australia) Limited (“HTAL” or the “Company” (ASX: HTA), and together with its controlled entity, the “Group”) is lodged with the Australian Securities Exchange (“ASX”) under Listing Rule 4.2A.

The information contained in this Appendix 4D should be read in conjunction with the accompanying financial report for the half-year ended 30 June 2024 of the Group (“Half-year Financial Report”) which has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001 (Cth)*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

A consolidated statement of profit or loss and other comprehensive income, a consolidated statement of changes in equity and a consolidated statement of cash flows for the half-year ended 30 June 2024, and a consolidated statement of financial position as at 30 June 2024 of the Group, together with notes to the financial statements are set out in the Half-year Financial Report.

The Half-year Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, it is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by HTAL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001 (Cth)*.

	30 June 2024 \$'000	30 June 2023 \$'000	Movement \$'000	Change %
Results for announcement to the market				
Revenue	1,042	250	792	317%
Operating expenses	(1,139)	(956)	(183)	(19%)
Share of net loss of equity-accounted investments, net of tax	(55,987)	(45,466)	(10,521)	(23%)
Loss from ordinary activities after tax attributable to members	(56,084)	(46,172)	(9,912)	(21%)
Net loss for the period attributable to members	(56,084)	(46,172)	(9,912)	(21%)

Revenue from ordinary activities represented interest income. For the first half of 2024, revenue increased to \$1.04 million from \$0.25 million for the first half of 2023. The increase was attributable to the increase in the Reserve Bank of Australia’s official cash rate, as well as a higher cash and cash equivalents balance during the first half of 2024.

Operating expenses for the first half of 2024 increased to \$1.14 million from \$0.96 million for the first half of 2023, reflecting an increase in general expenses.

The first-half 2024 results included \$56.0 million share of net loss of equity-accounted investments in Vodafone Hutchison (Australia) Holdings Limited (“VHAH”)¹ and TPG Telecom Limited (“TPG”)². Compared to a \$45.5 million share of net loss for the first half of 2023, this represented an adverse movement of \$10.5 million. The movement was primarily driven by a \$5.8 million increase in HTAL’s share of VHAH’s net finance costs and a \$4.8 million decrease in HTAL’s share of TPG’s net profit. The increase in the share of VHAH’s net finance costs was attributable to the increase in interest rates of VHAH’s bank borrowings. The decrease in the share of TPG’s net profit reflected the higher net financing costs as the market interest rate increased over 2023 and higher depreciation and amortisation charges reflecting the increase in network investment.

The first-half 2024 results attributable to members was a net loss of \$56.1 million and represented an increase on net loss of \$9.9 million when compared to the first half of 2023. The adverse movement was primarily caused by the increase of share of net loss of equity-accounted investments in VHAH and TPG mentioned above.

HTAL’s loss per share (basic and diluted) for the first half of 2024 was a \$0.41 loss per ordinary share. This compares to a loss per share (basic and diluted) of \$0.34 loss per ordinary share for the first half of 2023.

During the first half of 2024, HTAL’s wholly owned subsidiary Hutchison 3G Australia Holdings Pty Limited (“H3GAH”), which holds HTAL’s 11.14% direct interest in TPG, and the joint venture company VHAH, which holds a direct 27.82% interest in TPG, received dividends of \$18.6 million (30 June 2023: \$18.6 million) and \$46.6 million (30 June 2023: \$46.6 million) from TPG, respectively. Dividends received by H3GAH of \$18.6 million were advanced to HTAL by way of an interest-free loan.

¹ VHAH holds a direct 27.82% interest in TPG. VHAH is a company domiciled in the United Kingdom and in which H3GAH, a wholly owned subsidiary of HTAL, holds a 50% interest.

² HTAL’s 25.05% ownership interest in TPG comprises 11.14% interest directly held by H3GAH and an attributed 13.91% interest indirectly held by H3GAH through VHAH which has a direct 27.82% interest in TPG.

Appendix 4D and Half-year Financial Report

Dividends / distributions	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Record date for determining entitlements to the dividend	N/A	N/A

There are no dividends / distributions declared or paid and there are no dividends / distributions re-investment plans existing during or subsequent to the half-year ended 30 June 2024 to the date of this report.

Accumulated losses

Accumulated losses amounted to \$4,114.7 million as at 30 June 2024 (30 June 2023: \$3,980.7 million).

Net tangible assets

Net tangible assets amounted to \$159.3 million or \$0.01 per security as at 30 June 2024 (30 June 2023: \$295.3 million or \$0.02 per security).

Controlled entities acquired or disposed of

There was no acquisition or disposal of controlled entities during the half-year ended 30 June 2024.

Associates and joint venture entities

As at 30 June 2024, the Group held interests³ in the following associate and joint venture:

Name of associate / joint venture	Principal activity	Country of operation	30 June 2024	30 June 2023
TPG Telecom Limited	Telecommunications services	Australia	11.14%	11.14%
Vodafone Hutchison (Australia) Holdings Limited	Financing and investing activities	United Kingdom	50.00%	50.00%

Commitments

At 30 June 2024 and 30 June 2023, no commitment existed in respect of the joint venture VHAH contracted but not provided for in the financial statements.

Events occurring after the reporting date

There has been no matter or circumstance that has arisen after the reporting date that has significantly affected or may significantly affect:

- (i) the operations of the Group in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Group in future financial years.

³ HTAL's 25.05% ownership interest in TPG comprises 11.14% interest directly held by H3GAH and an attributed 13.91% interest indirectly held by H3GAH through VHAH, a company domiciled in the United Kingdom in which H3GAH has a 50% shareholding. VHAH has a direct 27.82% interest in TPG.

Appendix 4D and Half-year Financial Report**Foreign accounting standards**

For foreign entities only, details of the accounting standards used in compiling the report e.g., International Accounting Standards:
N/A

Review by auditors

This ASX Appendix 4D for the half-year ended 30 June 2024 is based on the Half-year Financial Report. The Half-year Financial Report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* issued by the Australian Accounting Standards Board and the *Corporations Act 2001 (Cth)*, and has been reviewed by PricewaterhouseCoopers ("PwC"). The Independent Auditor's Review Report provided by PwC, which is unmodified, is included in the Half-year Financial Report.

Attached

Half-year Financial Report for the six-month period ended 30 June 2024.

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Hutchison Telecommunications (Australia) Limited

Half-year Financial Report

for the half-year ended 30 June 2024

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Hutchison Telecommunications (Australia) Limited

ABN 15 003 677 227

Half-year Financial Report

30 June 2024

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Appendix 4D and Half-year Financial Report

Directors' Report

The Directors present their report of Hutchison Telecommunications (Australia) Limited ("HTAL" or the "Company", and together with its controlled entity, the "Group") at the end of, or during, the half-year ended 30 June 2024.

Directors

The following persons were Directors of HTAL during the whole of the half-year ended 30 June 2024 and up to the date of this report:

Frank John SIXT, also alternate to LAI Kai Ming, Dominic

Barry ROBERTS-THOMSON

Steven Paul ALLEN (appointed effective on and from 12 January 2024)

Melissa ANASTASIOU

Susan Mo Fong CHOW, also known as WOO Mo Fong, Susan (alias CHOW WOO Mo Fong, Susan)

Justin Herbert GARDENER

LAI Kai Ming, Dominic, also alternate to Frank John SIXT

John Michael SCANLON

WOO Chiu Man, Cliff

Review of Group's results

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Revenue	1,042	250	792	317%
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No dividend was declared or paid by HTAL during the half-year ended 30 June 2024 (30 June 2023: \$nil).

⁴ VHAH holds a direct 27.82% interest in TPG. VHAH is a company domiciled in the United Kingdom and in which H3GAH, a wholly owned subsidiary of HTAL, holds a 50% interest.

⁵ HTAL's 25.05% ownership interest in TPG comprises 11.14% interest directly held by H3GAH and an attributed 13.91% interest indirectly held by H3GAH through VHAH which has a direct 27.82% interest in TPG.

Appendix 4D and Half-year Financial Report

TPG financial performance

TPG announced a total revenue of \$2,711 million, earnings before interest, tax, depreciation and amortisation (“EBITDA”) of \$974 million, and profit after tax of \$29 million for the half-year ended 30 June 2024, compared to \$2,708 million revenue, EBITDA of \$941 million and a profit after tax of \$48 million respectively for the same period last year.

Please refer to TPG’s 30 June 2024 half-year financial statements which have been lodged with the Australian Securities Exchange on 30 August 2024 for the review of its operations and other information.

HTAL applies the equity method of accounting to account for its interests in TPG. Under this method, HTAL’s attributable share of the revenue recognised by TPG is not reported as HTAL’s revenue in HTAL’s consolidated statement of profit or loss and other comprehensive income. HTAL’s share of net profit of TPG is reported under “Share of net profit / (loss) of equity-accounted investments, net of tax” in HTAL’s consolidated statement of profit or loss and other comprehensive income.

HTAL remains committed to its investment in TPG and will continue to support TPG in the future.

Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001 (Cth)* is set out on page 9.

Rounding of amounts

The Group 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 the Half-year Financial Report have been rounded off to the nearest thousand dollars, or in certain cases unless otherwise indicated, the nearest dollar or cent, in accordance with the instrument.

This report is made in accordance with a resolution of the Directors, in accordance with section 306(3) of the *Corporations Act 2001 (Cth)*.

**Barry Roberts-Thomson**

Deputy Chairman
30 August 2024

**Justin Herbert Gardener**

Director
30 August 2024

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Auditor's Independence Declaration

As lead auditor for the review of Hutchison Telecommunications (Australia) 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 Hutchison Telecommunications (Australia) Limited and the entity it controlled during the period.

A handwritten signature in black ink that reads 'Jason Hayes'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jason Hayes
Partner
PricewaterhouseCoopers

Sydney
30 August 2024

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Appendix 4D and Half-year Financial Report

Financial Report for the half-year ended 30 June 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 30 June 2024

	Notes	30 June 2024 \$'000	30 June 2023 \$'000
Revenue		1,042	250
Operating expenses		(1,139)	(956)
Share of net loss of equity-accounted investments, net of tax	3	(55,987)	(45,466)
Loss before income tax		(56,084)	(46,172)
Income tax expense		–	–
Loss after tax for the period		(56,084)	(46,172)
Other comprehensive income			
Items that will not be reclassified to profit or loss		–	–
Items that may be reclassified to profit or loss			
Net gain on cash flow hedges taken to equity (share of equity-accounted investments)	3	209	2,937
Tax relating to components of other comprehensive income		–	–
Other comprehensive income for the period, net of tax		209	2,937
Total comprehensive loss for the period attributable to members of the Company		(55,875)	(43,235)
Loss per share for loss attributable to members of the Company		Cents	Cents
Basic loss per share	4	(0.41)	(0.34)
Diluted loss per share	4	(0.41)	(0.34)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Appendix 4D and Half-year Financial Report

Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	30 June 2024 \$'000	31 December 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		55,866	37,194
Other receivables		199	150
Prepayments		2	40
Total current assets		56,067	37,384
Non-current assets			
Investments accounted for using the equity method	3	104,689	179,916
Total non-current assets		104,689	179,916
Total assets		160,756	217,300
LIABILITIES			
Current liabilities			
Payables		1,476	1,334
Total current liabilities		1,476	1,334
Total liabilities		1,476	1,334
Net assets		159,280	215,966
EQUITY			
Contributed equity		4,204,488	4,204,488
Reserves		69,477	70,079
Accumulated losses		(4,114,685)	(4,058,601)
Total equity		159,280	215,966

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

Appendix 4D and Half-year Financial Report

Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2024

	Attributable to members of the Company					
	Contributed equity \$'000	Reserves			Accumulated losses \$'000	Total equity \$'000
		Capital redemption reserve \$'000	Cash flow hedging reserve \$'000	Share-based payments reserve \$'000		
Balance at 1 January 2023	4,204,488	54,887	453	14,165	(3,934,555)	339,438
Loss for the period	–	–	–	–	(46,172)	(46,172)
Other comprehensive income:						
Net gain on cash flow hedges (share of equity-accounted investments)	–	–	2,937	–	–	2,937
Tax relating to components of other comprehensive income	–	–	–	–	–	–
Total comprehensive income / (loss) for the period	–	–	2,937	–	(46,172)	(43,235)
Share-based payments reserve (share of equity-accounted investments), net of tax	–	–	–	886	–	886
Acquisition of treasury shares (share of equity-accounted investments), net of tax	–	–	–	(1,783)	–	(1,783)
Balance at 30 June 2023	4,204,488	54,887	3,390	13,268	(3,980,727)	295,306
Balance at 1 January 2024	4,204,488	54,887	1,097	14,095	(4,058,601)	215,966
Loss for the period	–	–	–	–	(56,084)	(56,084)
Other comprehensive income:						
Net gain on cash flow hedges (share of equity-accounted investments)	–	–	209	–	–	209
Tax relating to components of other comprehensive income	–	–	–	–	–	–
Total comprehensive income / (loss) for the period	–	–	209	–	(56,084)	(55,875)
Share-based payments reserve (share of equity-accounted investments), net of tax	–	–	–	1,964	–	1,964
Acquisition of treasury shares (share of equity-accounted investments), net of tax	–	–	–	(2,775)	–	(2,775)
Balance at 30 June 2024	4,204,488	54,887	1,306	13,284	(4,114,685)	159,280

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

Appendix 4D and Half-year Financial Report

Consolidated Statement of Cash Flows

For the half-year ended 30 June 2024

	30 June 2024	30 June 2023
	\$'000	\$'000
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(959)	(737)
Interest received	993	250
Dividends from investments accounted for using the equity method	18,638	18,638
Net cash inflows from operating activities	18,672	18,151
Cash flows from investing activities		
Net cash inflows from investing activities	–	–
Cash flows from financing activities		
Repayment of borrowings – entity within the CKHH group	–	(5,359)
Net cash outflows from financing activities	–	(5,359)
Net increase in cash and cash equivalents	18,672	12,792
Cash and cash equivalents at 1 January	37,194	5,808
Cash and cash equivalents at 30 June	55,866	18,600

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

Notes to the Financial Statements

Note 1 Summary of material accounting policies

(a) Basis of preparation

This financial report of Hutchison Telecommunications (Australia) Limited ("HTAL" or the "Company", and together with its controlled entity, the "Group") for the half-year ended 30 June 2024 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001 (Cth)*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

This half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by HTAL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001 (Cth)*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, with the exception of the considerations in the section "New accounting standards, amendments and interpretations" (Note 1(d)).

For the purposes of preparing these financial statements, the Company is a for-profit entity.

The financial statements are prepared on a going concern basis, as management is satisfied that the Group has the ability to continue as a going concern. In making this assessment, management has assessed the potential cash generation and liquidity of the Group. On the basis of these assessments, management has determined that, at the date on which the half-year financial statements are authorised for issue, the use of the going concern basis of accounting to prepare the financial statements is appropriate.

(b) Critical accounting estimates and judgements

The preparation of financial statements often requires the exercise of judgements to select specific accounting methods and policies from several acceptable alternatives. Furthermore, significant estimates and judgements concerning the future may be required in applying those methods and policies in the financial statements. In preparing the financial report, the Group has made accounting related estimates based on assumptions about current and, for some estimates, future economic and market conditions.

The accounting estimates and assumptions may change over time in response to how market conditions develop. In addition, actual results could differ significantly from those estimates and assumptions. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected and the amount and timing of results of operations, cash flows and disclosures in future periods.

(i) Impairment assessment on investments in equity-accounted investments

In accordance with the Group's accounting policy, the investments in equity-accounted investments are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group has assessed whether there are any indicators of potential impairment of its equity-accounted investment in TPG Telecom Limited ("TPG") at 30 June 2024. With the consideration of the available internal and external sources of information (including share price at 30 June 2024 and the block premium on the basis of HTAL's significant influence on TPG, and whether there is any significant or prolonged decline in TPG's share price), it was determined that there was no objective evidence at 30 June 2024 that the Group's investment in TPG may be impaired.

(ii) Recovery of deferred tax assets

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent it is probable that sufficient future taxable profits will be available to utilise those temporary differences. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of taxable profits generated in the foreseeable future together with future tax profit. Deferred tax assets have not been recognised as there is no convincing evidence that sufficient future taxable profits will be available against which unused tax losses or unused tax credits can be utilised. At the reporting date the Group has unutilised tax losses that have not been recognised as deferred tax assets.

(iii) TPG equity accounting

When assessing whether HTAL has significant influence over TPG, management has considered HTAL's combined 25.05% interest in TPG. Refer to Note 3 for further details.

(c) Rounding of amounts

The Group 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 the Half-year Financial Report have been rounded off to the nearest thousand dollars, or in certain cases unless otherwise indicated, the nearest dollar or cent, in accordance with the instrument.

Appendix 4D and Half-year Financial Report

Note 1 Summary of material accounting policies (continued)**(d) New accounting standards, amendments and interpretations**

The accounting policies adopted in the preparation of these financial statements are consistent with those adopted in the consolidated financial statements of the Group for the year ended 31 December 2023, except for the adoption of the new standards, amendments and interpretations as set out below.

Accounting standards issued and mandatorily effective in the current year

The Group has adopted all of the new and revised accounting standards, amendments and interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to the Group's operations and mandatory for annual periods beginning on or after 1 January 2024. These are set out below:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* (AASB 101) and AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* (AASB 101 and AASB Practice Statement 2)
- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* (AASB 16)
- AASB 2023-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements* (AASB 7 & AASB 107)

Adoption of these standards has not had a material impact for the half-year ended 30 June 2024.

In 2023, the AASB issued amendments to AASB 112 *Income Taxes – International Tax Reform – Pillar Two Model Rules* which are required to be applied immediately and retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

As at 30 June 2024, Pillar Two legislation has yet to be enacted or substantively enacted in Australia. As the Pillar Two legislation was not effective at the reporting date, there were no current tax expenses related to Pillar Two income taxes. When the relevant legislation is enacted or substantively enacted to implement the Pillar Two income taxes, the Group will apply the mandatory temporary exception from recognising and disclosing information about deferred tax assets and liabilities arising from implementation of the Organisation for Economic Co-operation and Development's Pillar Two model rules, and will provide disclosure of the expected impact and exposure to Pillar Two income taxes.

New standards, amendments and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been issued by the AASB that are not mandatory for annual period beginning on 1 January 2024. Among it, AASB 18 *Presentation and Disclosure in Financial Statements* was published by the AASB in June 2024. AASB 18 introduced new requirements to improve entities' reporting of financial performance and enhance the comparability and transparency of entities' performance reporting. AASB 18 will not impact the recognition or measurement of a transaction in the financial statements. It replaces AASB 101 *Presentation of Financial Statements* and is mandatory effective for annual periods beginning on or after 1 January 2027, with early application permitted. The Group is currently assessing the impact of AASB 18 on the Group's financial statements.

The Group has not early adopted any new standard, amendment or interpretation that has been issued but is not yet effective. Other than AASB 18, it is currently expected that the adoption of the other new standards, amendments and interpretations will not have a material impact on the Group's financial statements.

Note 2 Operating segment

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Group in assessing performance and in determining the allocation of resources.

In 2024, the Group continued to invest in an operator within the telecommunications industry.

The chief operating decision maker of the Group continues to receive information to manage its operations and investments based on one operating segment, an investor in an operator of telecommunications services. As such, the Group believes it is appropriate that there is one operating segment.

Key financial information used by the chief operating decision maker of the Group when evaluating the investments in the telecommunications services operating segment includes:

HTAL's share of the following items of the equity-accounted investments	30 June 2024	30 June 2023
	\$'000	\$'000
Total revenue	679,106	678,354
Net loss	(55,987)	(45,466)

Further information reviewed by the chief operating decision maker with regards to the performance of the Group's equity-accounted investments is disclosed in Note 3.

Appendix 4D and Half-year Financial Report

Note 3 Non-current assets – Investments accounted for using the equity method

	30 June 2024 \$'000	31 December 2023 \$'000
Equity-accounted investments	104,689	179,916

The Group held a combined 25.05% interest in TPG at 30 June 2024 (31 December 2023: 25.05%). This comprises a 11.14% interest directly held by Hutchison 3G Australia Holdings Pty Limited ("H3GAH"), a wholly owned subsidiary of HTAL, and an attributed 13.91% interest indirectly held by H3GAH through Vodafone Hutchison (Australia) Holdings Limited ("VHAH"), a joint venture company domiciled in the United Kingdom in which H3GAH has a 50% shareholding. VHAH has a direct 27.82% interest in TPG. Further information in respect of TPG and VHAH, which are associated and joint venture companies of the Group at 30 June 2024, are set out below:

Name of entities	Principal activity	Country of operation	Ownership interest	
			30 June 2024	31 December 2023
Associate:				
TPG Telecom Limited	Telecommunications Services	Australia	11.14%	11.14%
Joint venture:				
Vodafone Hutchison (Australia) Holdings Limited	Financing and investing activities	United Kingdom	50.00%	50.00%

Set out below are the movements in the carrying value of these investments:

	30 June 2024 \$'000	31 December 2023 \$'000
Opening balance	179,916	339,680
Share of net loss of equity-accounted investments, net of tax	(55,987)	(123,061)
Share of TPG's net gain on cash flow hedges taken to equity, net of tax	209	644
Share of TPG's share-based payment reserve, net of tax	1,964	1,576
Share of TPG's acquisition of treasury shares, net of tax	(2,775)	(1,646)
Dividend received from equity-accounted investment ⁶	(18,638)	(37,277)
Closing balance	104,689	179,916

Further details of the carrying amount of these equity-accounted investments are included in the section below under "Summarised statement of financial position".

The market value of the Group's combined 25.05% interests in TPG based on the quoted closing share price of TPG at 30 June 2024 was \$2,133.2 million (31 December 2023: \$2,412.7 million). This amount is before the Group's 50% share of VHAH's net debt of \$4,811.8 million (31 December 2023: \$4,731.6 million).

⁶ HTAL's dividend income received from TPG for the 11.14% interest directly held by H3GAH is recognised as a reduction in the carrying amount of the investment.

Appendix 4D and Half-year Financial Report

Note 3 Non-current assets – Investments accounted for using the equity method (continued)**Summarised Financial Information****Summarised statement of profit or loss and other comprehensive income**

Summarised financial information with respect to the profit or loss and other comprehensive income of the Group's equity-accounted investments and reconciliation of the summarised financial information to the Group's share of (loss) / profit of equity-accounted investments, net of tax, are set out below.

	30 June 2024		30 June 2023	
	VHAH \$'000	TPG \$'000	VHAH \$'000	TPG \$'000
Gross amount of the following items of the equity-accounted investments:				
Revenues	–	2,711,000	–	2,708,000
Other income	–	10,000	–	11,000
Expenses	(112)	(1,747,000)	(214)	(1,778,000)
Share of profits from investment in TPG, net of tax	8,068	–	13,354	–
Depreciation and amortisation	–	(741,000)	–	(722,000)
Net finance costs	(126,391)	(190,000)	(114,766)	(150,000)
(Loss) / profit before income tax	(118,435)	43,000	(101,626)	69,000
Income tax expense	–	(14,000)	–	(21,000)
(Loss) / profit for the period	(118,435)	29,000	(101,626)	48,000
Other comprehensive income	231	1,000	3,060	11,000
Total comprehensive (loss) / profit	(118,204)	30,000	(98,566)	59,000
Reconciliation to the Group's share of (loss) / profit of equity-accounted investments:				
Group interest	50%	11.14%	50%	11.14%
Group's share of the following items:				
(Loss) / profit for the period	(59,218)	3,231	(50,813)	5,347
Group's share of (loss) / profit of equity-accounted investments	(59,218)	3,231	(50,813)	5,347

Share of net loss of equity-accounted investments, net of tax of \$56.0 million for the half-year ended 30 June 2024 (30 June 2023: \$45.5 million share of net loss) presented in the consolidated statement of profit or loss and other comprehensive income represents the combined total of:

- (i) the Group's 50% share of net loss of VHAH of \$59.2 million (30 June 2023: \$50.8 million share of net loss), and
- (ii) the Group's 11.14% direct share of net profit of TPG of \$3.2 million (30 June 2023: \$5.3 million share of net profit).

Appendix 4D and Half-year Financial Report

Note 3 Non-current assets – Investments accounted for using the equity method (continued)**Summarised statement of financial position**

Summarised financial information with respect to the statement of financial position of the Group's equity-accounted investments and reconciliation of the summarised financial information to the Group's carrying amount of these investments, are set out below. The amounts included in the summarised financial information have been adjusted to reflect adjustments made by HTAL in applying the equity method of accounting.

	30 June 2024		31 December 2023	
	VHAH \$'000	TPG \$'000	VHAH \$'000	TPG \$'000
Gross amount of the following items of the equity-accounted investments:				
Current assets	130,766	1,202,000	207,840	1,284,000
Non-current assets	3,281,924	18,508,636	3,320,904	18,704,683
Current liabilities	(57,719)	(1,512,000)	(42,663)	(1,722,000)
Non-current liabilities	(4,884,872)	(6,401,000)	(4,896,731)	(6,329,000)
Net (liabilities) / assets	(1,529,901)	11,797,636	(1,410,650)	11,937,683
Reconciliation to the carrying amount of the Group's investments accounted for using the equity method				
Group interest	50%	11.14%	50%	11.14%
Group's share of net (liabilities) / assets	(764,951)	1,314,257	(705,325)	1,329,858
Group's provision for impairment	(246,891)	(197,726)	(246,891)	(197,726)
Carrying amount	(1,011,842)	1,116,531	(952,216)	1,132,132

Investments accounted for using the equity method of \$104.7 million at 30 June 2024 (31 December 2023: \$179.9 million) represents the combined total of:

- (i) the Group's 50% share of net liabilities of VHAH of \$765.0 million (31 December 2023: \$705.3 million share of net liabilities), and
- (ii) the Group's 11.14% direct share of net assets of TPG of \$1,314.3 million (31 December 2023: \$1,329.8 million share of net assets), and
- (iii) provision for impairment totalling \$444.6 million (31 December 2023: \$444.6 million).

The summarised statement of financial position includes the following items:

	30 June 2024		31 December 2023	
	VHAH \$'000	TPG \$'000	VHAH \$'000	TPG \$'000
Cash and cash equivalents	125,819	77,000	202,867	116,000
Current financial liabilities	(57,469)	(145,000)	(42,345)	(122,000)
Non-current financial liabilities	(4,884,872)	(6,262,000)	(4,896,731)	(6,188,000)

Appendix 4D and Half-year Financial Report

Note 3 Non-current assets – Investments accounted for using the equity method (continued)**Summarised statement of financial position (continued)**

On 20 November 2020, VHAH entered into a US\$3.5 billion Syndicated Facility Agreement (“SFA”) with a syndicate of lenders. The facility bears interest at 3-month US LIBOR + 1.00% and was matured on 20 November 2023. VHAH had entered into cross-currency interest rate swaps with related parties associated with the VHAH joint venture partners. As a result, VHAH effectively converted US dollar debt into Australian dollar debt, with an effective rate of interest based on the Australian 3-month Bank Bill Swap rate (“BBSW”) plus a margin. The upfront fee of US\$10.5 million was fully amortised over the facility period. The SFA is guaranteed by the VHAH’s ultimate shareholders, CK Hutchison Holdings Limited (“CKHH”) and Vodafone Group Plc (“VGP”). No guarantee fees were charged to VHAH. VHAH has also entered into a counter indemnity agreement with each of CKHH and VGP.

On 31 May 2023, prior to the cessation of LIBOR on 30 June 2023, the SFA was rolled over to a 6-month US LIBOR + 1.00% rate of interest carrying it to the maturity of the loan on 20 November 2023. Similar to the interest payment noted above, the payment terms for cross-currency interest rate swaps were matched to the maturity of the SFA, with the final payments settling concurrently on 20 November 2023. The interest rate for the last period of the swaps, from 31 May 2023 to 20 November 2023, was determined by reference to the Australian BBSW for 3 months and 6 months.

On 13 November 2023, VHAH entered into a \$4.9 billion three-year Multicurrency Syndicated Facility Agreement (“MSFA”) with a syndicate of lenders. The facilities were fully drawn on 20 November 2023, and the proceeds were used to repay the outstanding principal of the SFA. An upfront fee of 30 basis points on the MSFA limit, equivalent to \$14.7 million was charged by the syndicate of lenders.

Set out below are the key terms of the MSFA:

Tranche	Facility limit	Annual interest rate	Guaranteed by
Tranche A1	EURO 580,966,806	3-month EURIBOR+0.95%	VGP
Tranche A2 ⁽ⁱ⁾	USD 970,000,000	2 or 3-month SOFR+1.2%	VGP
Tranche B ⁽ⁱⁱ⁾	AUD 2,450,000,000	2 or 3-month BBSY+1.2%	CKHH

⁽ⁱ⁾ The drawdown under Tranche A2 was executed at an interest rate of 2-month SOFR+1.2% during the initial period, which will be rolled into 3-month SOFR+1.2% afterwards.

⁽ⁱⁱ⁾ The loans drawn under Tranche B are made at the same time, in an equal amount (equivalent to AUD at the agreed rate of exchange) and have the same interest period as Tranches A1 and A2.

In order to protect against exchange rate and interest rate movements, VHAH entered into cross-currency interest rate swaps (“CCS”) for Tranches A1 and A2 with VGP on 13 November 2023. The CCS entered into have a total notional value equivalent to the loan balances and have fixed exchange rates, and effectively convert Tranches A1 and A2 of the MSFA into Australian-dollar denominated debt of \$2.45 billion. As a result of the entering into the CCS, VHAH’s effective interest rate for Tranches A1 and A2 is determined based on the Australian 2 or 3-month BBSW plus a margin.

Tranches A1 and A2 of the MSFA is guaranteed by VHAH’s ultimate shareholder, VGP. Tranche B of the MSFA is guaranteed by VHAH’s other ultimate shareholder, CKHH. No guarantee fees were charged to VHAH. VHAH has also entered into a counter indemnity agreement with each of CKHH and VGP. HTAL’s investment in VHAH remains predicated on the ongoing financial support from VHAH’s ultimate shareholders.

Note 4 Loss per share

The calculation of loss per share is based on the loss attributable to the members of the Company of \$56,084,000 (30 June 2023: loss of \$46,172,000) and on the weighted average number of shares, being 13,572,508,577 shares in issue during the six months ended 30 June 2024 and 30 June 2023.

There were no options and no other potential ordinary shares outstanding at 30 June 2024 (30 June 2023: nil) and accordingly there was no impact on the diluted loss per share calculation for the periods ended 30 June 2024 and 30 June 2023.

Note 5 Events occurring after the reporting date

There has been no matter or circumstance that has arisen after the reporting date that has significantly affected or may significantly affect:

- (i) the operations of the Group in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Group in future financial years.

Appendix 4D and Half-year Financial Report

Directors' Declaration

In the Directors' opinion:

- (a) the half-year financial statements and notes set out on pages 10 to 19 are in accordance with the *Corporations Act 2001 (Cth)*, 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 Consolidated Entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Hutchison Telecommunications (Australia) Limited will be able to pay its debts as and when they become due and payable.

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

For personal use only



Barry Roberts-Thomson

Deputy Chairman
30 August 2024



Justin Herbert Gardener

Director
30 August 2024



**Independent auditor's review report to the members of
Hutchison Telecommunications (Australia) Limited**
Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Hutchison Telecommunications (Australia) Limited (the Company) and the entity 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 changes in equity, consolidated statement of cash flows and consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, material accounting policy information and 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 Hutchison Telecommunications (Australia) 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.

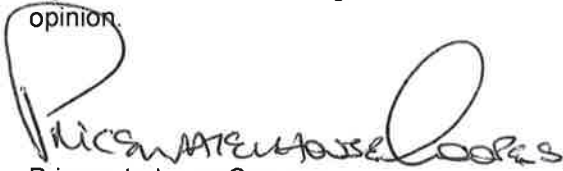
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Auditor's responsibilities for the review of the half-year financial report

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


Jason Hayes
Partner

Sydney
30 August 2024

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