

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

Sydney, 5 August 2025

TPG releases Pro Forma financial information and market guidance

TPG Telecom Limited (ASX: TPG) (**TPG** or the **Company**) has today released Pro Forma historical financial information for the financial years ended 31 December 2023 (**FY23**) and 2024 (**FY24**) and the six months ended 30 June 2024 (**1H24**), and market guidance for the financial year ending 31 December 2025 (**FY25**).

This follows the completion of the sale of TPG's fibre network infrastructure assets and Enterprise, Government and Wholesale (**EGW**) fixed business to Vocus Group Limited (**Vocus Transaction**) on 31 July 2025.

The Pro Forma Basis shows the Company's performance excluding the contribution of the assets sold to Vocus (**Discontinued Operations**) and including the notional impact of commercial arrangements arising from the Vocus Transaction in all periods.

The Pro Forma information is prepared differently to the **Statutory Basis** on which TPG will report for the six months ended 30 June 2025 (**1H25**) and FY25 under AASB5. The Statutory Basis removes the contribution of Discontinued Operations but does not include the Pro Forma impact of new commercial arrangements before 31 July 2025.

See Appendices for more information.

Pro Forma FY25 guidance

TPG Telecom's updated FY25 Pro Forma guidance is:

- Pro Forma EBITDA to be between \$1,605 million and \$1,655 million. Note: on the Statutory Basis described above, TPG expects FY25 EBITDA to be approximately \$35 million higher than the Pro Forma Basis because new commercial arrangements are included for only five months.
- Pro Forma cash capital expenditure, excluding spectrum payments, to be approximately \$790 million. This includes approximately \$20 million of investment, not included in TPG's previous guidance, to develop infrastructure to support a low-earth-orbit satellite (LEOsat) project in line with TPG's objective to deliver coverage in remote and regional Australia, and additional investment in IT systems for EGW Mobile post the Vocus Transaction.



Guidance is subject to no material change in operating conditions and excludes any material one-off impacts arising from events such as transactions, redundancy, restructuring, mergers and acquisitions, disposals, impairments and any other items as determined by the Board and management. Vocus Transaction and separation costs are included within Discontinued Operations in the 1H25 and FY25 financial statements.

These materials should be read in conjunction with TPG's Capital Management and Pro Forma Financial Information presentation released to the ASX today.

Webcast details

The Company has also today released to the ASX its capital management plans post the Vocus Transaction.

TPG's CEO and CFO will host a webcast to discuss today's announcements at 10.30am Sydney time. The webcast can be accessed through this link:

<https://loghic.eventsair.com/377025/761354/Site/Register>.

Authorised for lodgement with ASX by the TPG Telecom Limited Board.

Further information

Investors:

Paul Hutton

paul.hutton@tpgtelecom.com.au

+61 416 250 847

Media:

Mitchell Bingemann

mitchell.bingemann@tpgtelecom.com.au

+61 493 733 904

For personal use only

Appendices

Pro Forma financial information: FY23 reconciliation to prior reporting

(\$m)	Reported	Assets sold	New commercial arrangements ¹	Pro Forma
Profit and loss items				
Total revenue	5,533	(639)	-	4,894
Cost of telecommunications services	(1,544)	143	(131)	(1,532)
Cost of handsets and hardware	(884)	-	-	(884)
Gross margin	3,105	(496)	(131)	2,478
Opex (pre guidance adjustments)	(1,230)	231	-	(999)
EBITDA (pre guidance adjustments)	1,875	(265)	(131)	1,479
Guidance adjustments	48	(19)	-	29
EBITDA (guidance basis)	1,923	(284)	(131)	1,508
Depreciation and amortisation	(1,472)	264	(30)	(1,238)
EBIT (guidance basis)	451	(20)	(161)	270
Leases – financing costs component	(121)	4	(57)	(174)
Cash flow items				
Cash flow from operating activities	1,522	(276)	(138)	1,109
Capex excluding spectrum payments	(1,126)	157	-	(969)
Leases – principal component	(108)	12	(15)	(111)
Leases – interest component	(121)	4	(57)	(174)
Operating Free Cash Flow²	167	(103)	(210)	(145)

¹Net impact of new commercial arrangements arising from the Vocus Transaction, comprising the non-lease component of the Transmission and Wholesale Fixed Access Agreement (TAWFA), the Vision Network Wholesale Broadband Access Agreement and leasing of TPG property by Vocus.

²Operating Free Cash Flow shown prior to any adjustment for material one-offs.

Pro Forma financial information: FY24 reconciliation to prior reporting

(\$m)	Reported	Assets sold	New commercial arrangements ³	Pro Forma
<u>Profit and loss items</u>				
Total revenue	5,520	(616)	-	4,904
Cost of telecommunications services	(1,521)	145	(124)	(1,500)
Cost of handsets and hardware	(786)	-	-	(786)
Gross margin	3,213	(471)	(124)	2,618
Opex (pre guidance adjustments)	(1,501)	224	-	(1,277)
EBITDA (pre guidance adjustments)	1,712	(247)	(124)	1,341
Guidance adjustments	276	(17)	-	259
EBITDA (guidance basis)	1,988	(264)	(124)	1,600
Depreciation and amortisation	(1,485)	258	(30)	(1,257)
EBIT (guidance basis)	503	(6)	(154)	343
Leases – financing costs component	(127)	5	(57)	(179)
<u>Cash flow items</u>				
Cash flow from operating activities	1,926	(241)	(139)	1,546
Capex excluding spectrum payments	(1,014)	122	-	(892)
Leases – principal component	(136)	22	(15)	(129)
Leases – interest component	(127)	5	(57)	(179)
Operating Free Cash Flow⁴	649	(92)	(211)	346

For personal use only

³Net impact of new commercial arrangements arising from the Vocus Transaction, comprising the non-lease component of the Transmission and Wholesale Fixed Access Agreement (TAWFA), the Vision Network Wholesale Broadband Access Agreement and leasing of TPG property by Vocus.

⁴Operating Free Cash Flow shown prior to any adjustment for material one-offs.

Pro Forma financial information: 1H24 reconciliation to prior reporting

(\$m)	Reported	Assets sold	New commercial arrangements ⁵	Pro Forma
Profit and loss items				
Total revenue	2,711	(311)	-	2,400
Cost of telecommunications services	(744)	71	(64)	(737)
Cost of handsets and hardware	(382)	-	-	(382)
Gross margin	1,585	(240)	(64)	1,281
Opex (pre guidance adjustments)	(611)	107	-	(504)
EBITDA (pre guidance adjustments)	974	(133)	(64)	777
Guidance adjustments	5	(3)	-	2
EBITDA (guidance basis)	979	(136)	(64)	779
Depreciation and amortisation	(741)	135	(15)	(621)
EBIT (guidance basis)	238	(1)	(79)	158
Leases – financing costs component	(64)	2	(28)	(91)
Cash flow items				
Cash flow from operating activities	961	(113)	(71)	777
Capex excluding spectrum payments	(567)	57	-	(510)
Leases – principal component	(52)	11	(8)	(49)
Leases – interest component	(64)	2	(29)	(91)
Operating Free Cash Flow⁶	278	(43)	(108)	127

Key balance sheet items at completion: 31 July 2025

(\$b)	Expected closing accounts 31/7/25	Changes on completion ⁷	Expected opening accounts 1/8/25
Balance sheet items			
Right-of-use assets	1.42	0.34	1.76
Lease liabilities (current)	(0.13)	(0.06)	(0.19)
Lease liabilities (non-current)	(1.99)	(0.61)	(2.60)

⁵Net impact of new commercial arrangements arising from the Vocus Transaction, comprising the non-lease component of the Transmission and Wholesale Fixed Access Agreement (TAWFA), the Vision Network Wholesale Broadband Access Agreement and leasing of TPG property by Vocus.

⁶Operating Free Cash Flow shown prior to any adjustment for material one-offs.

⁷Net impact of new commercial arrangements arising from the Vocus Transaction, comprising the Transmission and Wholesale Fixed Access Agreement (TAWFA) and leasing of TPG property by Vocus.

Pro Forma financial information: annual trend

(\$m)	Reported (FY23)	Reported (FY24)	Growth b/(w)	Pro Forma (FY23)	Pro Forma (FY24)	Growth b/(w)
<u>Profit and loss items</u>						
Total revenue	5,533	5,520	(0.2)%	4,894	4,904	0.2%
Cost of telecommunications services	(1,544)	(1,521)	1.5%	(1,532)	(1,500)	2.1%
Cost of handsets and hardware	(884)	(786)	11.1%	(884)	(786)	11.1%
Gross margin	3,105	3,213	3.5%	2,478	2,618	5.6%
Opex (pre guidance adjustments)	(1,230)	(1,501)	(22.0)%	(999)	(1,277)	(27.8)%
EBITDA (pre guidance adjustments)	1,875	1,712	(8.7)%	1,479	1,341	(9.3)%
Guidance adjustments	48	276	n/m	29	259	n/m
EBITDA (guidance basis)	1,923	1,988	3.4%	1,508	1,600	6.1%
Depreciation and amortisation	(1,472)	(1,485)	(0.9)%	(1,238)	(1,257)	(1.5)%
EBIT (guidance basis)	451	503	11.5%	270	343	27.0%
Leases – financing costs component	(121)	(127)	(5.0)%	(174)	(179)	(2.9)%
<u>Cash flow items</u>						
Cash flow from operating activities	1,522	1,926	26.5%	1,109	1,546	39.4%
Capex excluding spectrum payments	(1,126)	(1,014)	9.9%	(969)	(892)	7.9%
Leases – principal component	(108)	(136)	(25.9)%	(111)	(129)	(16.2)%
Leases – interest component	(121)	(127)	(5.0)%	(174)	(179)	(2.9)%
Operating Free Cash Flow⁸	167	649	n/m	(145)	346	n/m

⁸Operating Free Cash Flow shown prior to any adjustment for material one-offs.