

ASX Market Announcements

Australian Securities Exchange

Date: 4 May 2022

**Subject: Chairman's Address to 2022 Annual General Meeting**

In accordance with ASX Listing Rule 3.13.3, please find attached the Chairman's Address to be made at the 2022 Annual General Meeting of Hutchison Telecommunications (Australia) Limited (ASX: HTA) to be held on Wednesday, 4 May 2022 at 10.00 am (Sydney time).

Yours faithfully,



Swapna Keskar  
Joint Company Secretary

*AUTHORISED FOR RELEASE: By the Market Disclosure Committee*

*For further information, please contact the Company Secretary by email at [hatalinvestors@companymatters.com.au](mailto:hatalinvestors@companymatters.com.au) or by telephone on (02) 9015 5088.*

**HUTCHISON TELECOMMUNICATIONS (AUSTRALIA) LIMITED**  
**ANNUAL GENERAL MEETING**  
**CHAIRMAN'S ADDRESS**  
**WEDNESDAY, 4 MAY 2022**

**INTRODUCTION**

I'm pleased to provide you with an update on the 2021 performance and future plans of Hutchison Telecommunications (Australia) Limited ("HTAL") and its controlled entities, hereinbelow referred to as "the Group".

**HTAL – FINANCIAL RESULTS**

Following the merger of Vodafone Hutchison Australia Limited ("VHA") with TPG Corporation Limited in June 2020, HTAL's investment in the merged entity, TPG Telecom Limited ("TPG") was diluted from 50% to 25.05%. This comprises an 11.14% interest directly held by HTAL's wholly-owned subsidiary, Hutchison 3G Australia Holdings Pty Limited ("H3GAH") and a 13.91% interest in TPG indirectly held by H3GAH through its 50% owned joint venture, Vodafone Hutchison (Australia) Holdings Limited ("VHAH") which has a direct 27.82% interest in TPG.

HTAL's principal activity remains its investment in TPG.

HTAL's revenue from ordinary activities, which represents interest income, decreased from \$1.3 million in the corresponding period in 2020 to \$0.1 million, due to the lower interest income for the year ended 31 December 2021 as a result of the termination of the working capital facility previously provided to VHA prior to the TPG merger.

During 2021, the Group reported a net loss of \$21.7 million, compared with a profit of \$825.4 million in 2020, mainly due to (i) lower interest income; (ii) recognition of a net gain of \$677.3 million resulting from a decrease of HTAL's investment in TPG in 2020; and (iii) HTAL's share of net loss of equity accounted investments of \$19.9 million (compared with share of net profit of \$148.3 million in 2020) mainly due to decrease in TPG's net profits.

Dividends of \$32.1 million that were received from TPG by H3GAH during 2021 were advanced to HTAL by way of an interest free loan. The proceeds of \$32.1 million along with the cash on hand of HTAL was then used to fund a partial repayment of \$49.7 million of a related party borrowing facility. This dividend income is recognised as a reduction in the carrying amount of the investment in the Group's consolidated financial statements.

HTAL's operating expenses for the year ended 31 December 2021 had increased from \$1.4 million in the prior corresponding period to \$1.9 million.

In April 2022, dividends of \$17.6 million that were received from TPG by H3GAH were deposited in the HTAL's bank account. The Board of HTAL will review HTAL's financial position to determine the use of these proceeds and, subject to HTAL board consideration, is expected to be used to service HTAL debt. VHAH also received a dividend of \$44.0 million, with the VHAH board to review and decide on how to use these funds.

## **KEY 2021 ACHIEVEMENTS AND HIGHLIGHTS OF TPG**

TPG operates a number of leading mobile and internet brands including Vodafone, TPG, iiNet, Internode, Lebara, AAPT and felix, providing consumers with a comprehensive portfolio of fixed and mobile products in the Australian telecommunications market.

In 2021, TPG announced that it had:

- EBITDA of \$1,731 million, resilient amid COVID-19 and industry headwinds
- Strong cash flow result reflecting merger benefits and disciplined financial management
- Final dividend of 8.5 cents per share, fully franked, up 13% on the final dividend in the financial year 2020
- Returning momentum in mobile subscriber numbers, up 33,000 since November 2021
- Strong fixed wireless growth: 80,000 subscribers in December 2021; to double in 2022
- Continued metro 5G upgrades with a further 1,000-plus sites to be delivered in 2022
- Strategic review of passive towers and rooftops infrastructure nearing completion
- On track to deliver \$125–\$150 million merger synergy target in 2022, a year ahead of schedule

On 21 February 2022, TPG announced a regional Multi-Operator Core Network (“MOCN”) agreement with Telstra Corporation Limited which will enable TPG to provide its subscribers with 4G and 5G coverage for data, calls and messaging from over 3,700 Telstra sites in regional and rural Australia. The MOCN Agreement, which is subject to regulatory and other approvals as may be required, has the capacity to significantly expand TPG’s mobile network footprint through an increase in regional sites.

## **TPG 2021 FINANCIAL RESULTS**

TPG announced a total revenue of \$5,293 million, EBITDA of \$1,731 million, and a net profit attributable to shareholders of \$110 million for the year ended 31 December 2021. For further details and an explanation of TPG’s results for the year ended 31 December 2021, you may refer to TPG’s 2021 annual report which was lodged with the ASX on 24 February 2022.

## **OUTLOOK**

Now to the Outlook.

HTAL's financial position is directly impacted by TPG's financial position and performance in the year ahead.

The COVID-19 pandemic continues to persist and containment policies by the Australian Government and governments around the world remain in force to prevent the spread of COVID-19. The level of restrictions and measures to limit movement into and out of Australia, and also domestically, is ongoing, and continues to impact inbound related connections, visitor revenue and international roaming revenues of TPG. While there is prevailing uncertainty of the extent and duration of the COVID-19 pandemic, it is reasonably likely that the pandemic, including other potential variants, will continue to have an impact on the Group’s results in future periods.

HTAL remains committed to its principal activity, being its investment in TPG, and will continue to support TPG’s business and strategies in the future.

I thank HTAL shareholders for their ongoing support, and for joining the Annual General Meeting either in person or via the on-line platform.