

ASX Market Announcements

Australian Securities Exchange

Date: 5 May 2023

Subject: Chairman's Address to 2023 Annual General Meeting

In accordance with ASX Listing Rule 3.13.3, please find attached the Chairman's Address to be made at the 2023 Annual General Meeting of Hutchison Telecommunications (Australia) Limited (ASX: HTA) to be held on Friday, 5 May 2023 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 htalinvestors@companymatters.com.au or by telephone on (02) 9015 5088.

HUTCHISON TELECOMMUNICATIONS (AUSTRALIA) LIMITED
ANNUAL GENERAL MEETING
CHAIRMAN'S ADDRESS
FRIDAY, 5 MAY 2023

INTRODUCTION

I'm pleased to provide you with an update on the 2022 performance and future plans of Hutchison Telecommunications (Australia) Limited ("HTAL") and its controlled entities, hereinbelow referred to as "the Group".

HTAL – FINANCIAL RESULTS

HTAL's principal activity remains its investment in TPG Telecom Limited ("TPG"). HTAL has a 25.05% equity interest in TPG. This comprises 11.14% interest directly held by HTAL's wholly owned subsidiary, Hutchison 3G Australia Holdings Pty Limited ("H3GAH") and an attributed 13.91% interest 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.

The Group reported a statutory net loss of \$398.4 million for the year ended 31 December 2022, compared with a net loss of \$21.7 million for the comparative year ended 31 December 2021. The increase in net loss for the year 2022 is attributable to a \$444.6 million non-cash impairment loss recognised to reduce the carrying amount of the Group's 25.05% interests in TPG to its estimated recoverable amount.

HTAL's revenue represents interest income. For the year ended 31 December 2022, interest income increased to \$0.2 million from \$0.1 million for the comparative year ended 31 December 2021, driven by the increase in interest rates during the second half of 2022. HTAL's operating expenses for the year ended 31 December 2022 decreased to \$1.7 million from \$1.9 million for the comparative year ended 31 December 2021. This is due to decrease in general expenses.

The Group's share of net profit/(loss) of the equity accounted investments, after consolidation adjustments, increased to a profit of \$47.7 million for the year 2022, from a loss of \$19.9 million for the comparative year 2021. This represented an increase of \$67.6 million, primarily driven by an increase in TPG's net profit resulting from a one-off gain arising from the sale of its passive tower and rooftop assets. This net profit was partially offset by the higher net finance costs of VHAH.

The non-cash impairment expense of \$444.6 million is a reduction in the book value of the equity-accounted investment, that is, HTAL's investment in TPG. HTAL determined that the investment's "carrying amount" (i.e., its book value at the end of 2022) was higher than its "recoverable amount" at the end of 2022.

The "recoverable amount" was determined by reference to the closing share price of TPG shares on 31 December 2022, adding a block premium to reflect HTAL's significant influence. Under Australian Accounting Standards, the investment was impaired and consequently an impairment expense of \$444.6 million was recognised for the year 2022.

The HTAL consolidated group received dividends of \$36.2 million from TPG during the year 2022. These dividends were used to fund a \$33.0 million partial repayment of a borrowing facility granted by a subsidiary of the ultimate parent entity, CK Hutchison Holdings Limited. Additionally, VHAH received and retained dividends of \$90.5 million from TPG during the year 2022.

In April 2023, dividends of \$18.6 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 \$46.6 million, with the VHAH board to review and decide on how to use these funds.

TPG 2022 FINANCIAL RESULTS

TPG announced a total revenue of \$5,415 million, EBITDA of \$2,135 million, and a net profit attributable to shareholders of \$513 million for the year ended 31 December 2022, compared to \$5,292 million, \$1,727 million and a profit of \$113 million respectively for the year ended 31 December 2021.

For further details and an explanation of TPG's results for the year ended 31 December 2022, and discussion on its business strategies and outlook, you may refer to TPG's 2022 annual report which was lodged with the ASX on 27 February 2023.

OUTLOOK

Now to the Outlook.

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

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.