



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

Sydney, 28 August 2025

TPG Telecom Limited Results for Half Year Ended 30 June 2025 – Media Release

Please find attached for immediate release to the market a Media Release concerning TPG Telecom Limited's financial results for the half year ended 30 June 2025.

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 question-and-answer session at 10.30am (Sydney time), on Thursday, 28 August 2025.

Webcast link: <https://loghic.eventsair.com/656532/882123/Site/Register>

Authorised for lodgement with ASX by the TPG Telecom Board.

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HY25 results: strong growth in Mobile subscribers with stronger earnings and cash flow momentum post Vocus Transaction

Note: all figures are on a statutory continuing operations basis unless stated.

- **Service Revenue¹:** up 2.2 per cent to \$2,060 million, driven by growth of 100,000 Mobile subscribers following regional network expansion
- **EBITDA:** up 1.0 per cent to \$813 million, (up 0.9 per cent to \$786 million on guidance basis²) including initial costs of regional network expansion
- **Statutory NPAT:** \$32 million on higher EBITDA, flat depreciation and amortisation expense and reduced finance costs
- **Cash flow:** Pro Forma³ Operating Free Cash Flow (OFCF)⁵ up 34.6 per cent to \$171 million on lower capex and improved working capital management
- **Dividends:** interim dividend of 9.0 cents per share declared with new policy to increase over time subject to sustainable growth in profit and cash flow
- **Capital management:** on track to return up to \$3 billion in cash to shareholders and enable minority shareholders to increase their stake in the Company
- **Outlook:** guidance for FY25 Pro Forma EBITDA of \$1,605 million to \$1,655 million and cash capex of \$790 million unchanged

28 August 2025 – TPG Telecom Limited (ASX: TPG) (“TPG Telecom” or “the Company”) today released its financial results for the six months ended 30 June 2025 (HY25), highlighting growth in Mobile subscribers, a simplified cost base, increased capital efficiency and a strong cash flow outlook.

Iñaki Berroeta, Chief Executive Officer and Managing Director, said: “This was a transformational half year for TPG Telecom. We are now mobile-led and simpler to run following the sale of our fibre infrastructure and Enterprise, Government and Wholesale (EGW) Fixed assets to Vocus.

“Following the establishment of our regional network infrastructure sharing agreement, with greater mobile coverage across Australia, we are now positioned for growth and strong revenue momentum. We are well placed to continue to win market share in Mobile and we are focused on delivering value for customers and shareholders by running our network smarter, simplifying and digitising the customer experience and maintaining operating cost discipline.

“With a scalable cost base and capital-efficient operating model post the Vocus Transaction, we’re confident in delivering our capital management plans over coming months and further cash flow upside in years to come.”



HY25 results summary

TPG Telecom reported a 2.2 per cent increase in HY25 Service Revenue¹ to \$2,060 million, driven by an increase of 100,000 Mobile subscribers following the regional network expansion in January. TPG Telecom has seen subscriber growth across major metropolitan and regional centres, with lower customer churn. This was supported by solid growth in Average Revenue per User (ARPU) to 34.97, up 33 cents on the prior corresponding period.

Mr Berroeta said: “The response to our regional network expansion, promotions and brand refreshes in 2025 to date has been very promising. Our Mobile growth this half was the strongest since borders reopened post-COVID, despite a reduction in international student numbers, and was stronger than both our competitors across proprietary brands.”

Fixed Service Revenue¹ was \$843 million, an increase of 0.7 per cent. This was supported by continued customer growth in TPG’s Fixed Wireless broadband offering and a return to growth in Vision Network subscriber numbers. These gains helped offset industry-wide challenges in the NBN market, which continues to be adversely impacted by high wholesale prices and intense competition from new telco and non-telco entrants.

Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$813 million, an increase of 1.0 per cent. This reflected Service Revenue¹ growth and disciplined cost control, enabling TPG Telecom to absorb the cost of both the launch and operation of the regional mobile network infrastructure sharing arrangement. On the same basis TPG Telecom provided market guidance (Pro Forma³ including the impact of new commercial agreements arising from the Vocus Transaction in all periods, and excluding material one-offs⁴) EBITDA was \$786 million, an increase of 0.9 per cent.

Net profit after tax (NPAT) was \$32 million, an increase of \$25 million. This reflected EBITDA growth, flat depreciation and amortisation expense, lower financing costs and an \$8 million income tax benefit.

Operating Free Cash Flow (OFCF)⁵ was \$246 million, up 23.6 per cent, primarily reflecting \$37 million reduction in capital expenditure to \$473 million and reduced impact from legacy handset receivables financing arrangements. Lower ongoing cash capital expenditure is expected to continue to support cash flow growth as TPG Telecom has now passed the peak years of investment to deliver improvements to network and IT systems.

Dividend

The TPG Telecom Board has declared an interim dividend of 9.0 cents per share to be paid on 3 October 2025. The interim dividend will be unfranked as the Company had no franking credits available at the time of declaration.

On 5 August 2025, TPG Telecom announced a new dividend policy, targeting an annual dividend of 18.0 cents per share for FY25, consistent with FY24, and an intention to increase dividends over time in line with sustainable profit and cash flow growth.

Key financial performance metrics: continuing operations

(\$m)	HY24 ⁶	HY25	Change
Service Revenue ¹	2,016	2,060	2.2%
Gross Margin	1,309	1,320	0.8%
Operating expense	(504)	(507)	(0.6)%
EBITDA	805	813	1.0%
EBITDA (Pro Forma, guidance basis) ⁵	779	786	0.9%
NPAT	7	32	357%
Cash capital expenditure (excluding spectrum)	(510)	(473)	7.3%
Operating Free Cash Flow (OFCF) ²	199	246	23.6%
Dividends per share (cents)	9.0	9.0	-

Capital management

Following the completion of the Vocus Transaction, which generated estimated net cash proceeds of approximately \$4.7 billion, TPG Telecom announced a transformational capital management plan on 5 August 2025.

Mr Berroeta said: “The Vocus Transaction was a major milestone in TPG Telecom’s transformation into a simpler, mobile-led business, delivering a more efficient cost structure and stronger financial position. We’ve reshaped our business to be leaner, more focused, and better positioned to grow. With a simplified structure and investment-grade balance sheet, we’re now in a position to return significant value to shareholders while continuing to grow our business.”

TPG Telecom has today provided the following update on its capital management plans:

- Capital Reduction: a pro rata cash distribution of up to \$3 billion (up to \$1.61 per share) will be paid to all shareholders, subject to shareholder approval at an Extraordinary General Meeting (EGM).

- Reinvestment Plan: an opportunity for minority shareholders to reinvest their Capital Reduction proceeds into new fully paid ordinary TPG Telecom shares to maintain TPG Telecom's free float market capitalisation, improve trading liquidity and increase the proportion of minority shareholder ownership of the Company. The Reinvestment Plan will raise up to \$688 million and will be conducted at a discount to incentivise shareholder participation⁶. Subject to demand and the discretion of the Company, existing shareholders will also be able to subscribe for additional shares above the value of their Capital Reduction proceeds at the same discount as their initial allocation. A prospectus for the Reinvestment Plan will be released after the EGM.
- Debt Repayment: TPG Telecom has in recent days repaid approximately \$1.7 billion of bank borrowings, taking net bank borrowings to approximately \$2.4 billion. TPG Telecom intends to apply proceeds from the Reinvestment Plan to paying down additional bank borrowings.

FY25 guidance²

There is no change to the updated guidance TPG Telecom announced on 5 August 2025. TPG Telecom expects, subject to no material change in operating conditions, on a Pro Forma³ basis:

- EBITDA to be between \$1,605 million and \$1,650 million, excluding material one-offs⁴. Note: TPG Telecom expects FY25 statutory EBITDA to be approximately \$35 million higher than the Pro Forma basis because new commercial arrangements arising from the Vocus Transaction are included for only five months in statutory results.
- Cash capital expenditure (excluding spectrum payments) to be approximately \$790 million. This includes approximately \$20 million of investment to develop infrastructure to support a low-earth-orbit satellite (LEOsat) project in line with TPG Telecom's objective to deliver coverage in remote and regional Australia, and investment in IT systems for EGW Mobile post the Vocus Transaction.

Webcast details

TPG Telecom will present its results via webcast followed by a question-and-answer session at 10.30am (Sydney time) on 28 August 2025.

Webcast link: https://url.au.m.mimecastprotect.com/s/ZA_WC5QDy8hZM3rAnFOhQhkOF0Q?domain=loghic.eventsair.com

A replay of the webcast will be made available on the TPG Telecom website after the event.

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Footnotes:

1. Service Revenue excludes revenue from handsets, accessories and other hardware products.
2. Guidance basis is Pro Forma (see footnote 3) and excludes material one-offs (see footnote 4).
3. Pro Forma financial information reflects TPG Telecom continuing operations (i.e. excluding discontinued operations) and assuming new commercial arrangements arising from the Vocus Transaction were in place for the entire period.
4. 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. Exclude such impacts arising from the Vocus Transaction, which are already excluded through discontinued operations.
5. Operating Free Cash Flow, calculated as cash flows from operating activities less capital expenditure (excluding spectrum payments), lease payments and cash tax; continuing operations only.
6. The final pricing terms of the Reinvestment Plan, including how the discount will be calculated and applied, will be determined closer to the time of execution, at the discretion of the TPG Telecom Board.