



Telstra's legal restructure – Frequently Asked Questions

General FAQs

1. What is Telstra's legal restructure?

Telstra is undertaking a legal restructure that includes the establishment of a new Telstra Group holding company called Telstra Group Limited, with four key subsidiaries that will sit under Telstra Group Limited and the transfer of certain assets to the new subsidiaries:

- **Telstra Limited**, which will continue to focus on how we create and innovate products and services for our customers and deliver the best possible customer experience, including maintaining our significant network leadership. Telstra Limited will also own the active parts of our network, including the mobile network and spectrum assets.
- **Telstra InfraCo**, which will own and operate Telstra's passive or physical infrastructure assets: including the passive fibre networks, ducts, pits, poles, tunnels, certain fixed network sites and structures (including data centres) that underpin Telstra Group's fixed telecommunications network.
- **Amplitel** which owns and operates certain parts of Telstra's passive or physical tower assets. On 30 June 2021, Telstra announced it had entered into a strategic partnership with a consortium to unlock the value in these assets. Telstra retains 51 per cent majority ownership. Learn more about Amplitel [here](#).
- **Telstra International**, which will own and operate the Telstra Group's International Businesses, including Digicel's business in the South Pacific.

2. What is the purpose of the restructure?

The legal restructure aims to increase the transparency of our infrastructure assets, improve management focus on our infrastructure and customer businesses, and create greater flexibility and optionality to realise value from the Telstra Group's fixed assets over time.

3. When will the restructure take place?

The Business Restructure Implementation (including the transfer of contracts to the new Telstra Group entities) **will complete on 1 January 2023**.

Having received a "yes" from our shareholders as well as approval from the Supreme Court of NSW on the scheme of arrangement we're using to help finalise our legal restructure – the restructure can proceed as planned. You can view the announcements we've made to the ASX on these approvals [on our investor website](#).

Telstra Group Limited is now the head entity of the Telstra Group.

4. Will the financial standing or credit rating of the new entity differ to Telstra's current standing?

Our intention is for Telstra Group Ltd (our holding company) to have and maintain our A band credit rating. Coupled with new intragroup arrangements to ensure continuity of services within the group, customers / partners / suppliers / landlords of Telstra Limited can be assured of the continued financial strength and capacity of our organisation as a whole and ability of entities within the group to fulfil our contractual arrangements once the restructure has been completed.

5. Will Telstra continue to be domiciled in Australia?

Telstra is an Australian company, serving the Australian population and will remain so after the Corporate Restructure. Existing foreign ownership restrictions will continue to apply after the restructure which limit total foreign ownership in a Telstra successor company to 35%. There are also provisions in the Telstra Corporation Act 1991 which require any Telstra successor company to (a) remain incorporated in Australia, (b) maintain a substantial business and operational presence in Australia and (c) ensure that its central management and control is ordinarily exercised in Australia.

6. Will there be any change to how I pay for my Telstra services?

Telstra reviews its banking arrangements periodically, however this is unrelated to the legal restructure. If there are to be any changes to how you pay for Telstra services we will contact you directly, and we will aim to provide you with sufficient notice to enable you to update any systems with new payment details.

7. Why don't we need a formal novation or variation to transfer our contract?

There's no need for a formal novation or variation because Telstra will transfer your contract using a completely different mechanism: a legislative scheme of arrangement under section 413 of the *Corporations Act 2001* (unless it is an Exempt Contract – for example, see FAQ below).

This section 413 allows a court to order the transfer of all or part of a company's undertaking, property and liabilities (including its contracts) to another company as part of an approved corporate restructure. The court has now made that order and 'by virtue of the order', the relevant property and liabilities (including contracts) are transferred to the relevant company (s 413(2) of the *Corporations Act 2001*).

8. Which contracts will be exempt and not transferred to Telstra Limited?

Exempt Contracts that will not be transferred from Telstra Corporation Limited to Telstra Limited as part of the restructure include contracts solely relating to:

- Telstra's passive or physical infrastructure assets supporting our fixed line telecommunications network (including ducts, fibre, data centres and exchanges);
- Telstra's passive or physical mobile tower assets; and
- Telstra's international business and assets.

9. I received a notification saying my contracts are remaining with "Telstra Corporation Limited" but I'm an InfraCo customer/supplier. What are the details of the Telstra InfraCo business?

On 1 January 2023, most of Telstra's customer and supplier contracts will be transferred to Telstra Limited under the scheme of arrangement, however, you may have been notified by us that your contract/s will remain with Telstra Corporation Limited.

If your contract is remaining with Telstra Corporation Limited, your contract relates to our Telstra InfraCo business.

Details of these companies are:

| | |
|-----------------------------|------------------------------------|
| Telstra Corporation Limited | ABN 33 051 775 556 |
| Telstra Limited | ABN 64 086 174 781 |

Telstra Group Limited is the new non-operating holding company of the Telstra Group. Its details are:

| | |
|-----------------------|------------------------------------|
| Telstra Group Limited | ABN 56 650 620 303 |
|-----------------------|------------------------------------|

[Shareholder FAQs](#)

See the Shareholder [Scheme Booklet](#) for further details.

[Enterprise Customer FAQs](#)

See the FAQs on the [building Telstra's company profile in your systems](#) page for Telstra Enterprise customers.

[Supplier and partner FAQs](#)

See the FAQs on the [building Telstra's company profile in your systems](#) page for Telstra suppliers and partners.

[Consumer & Small Business Customers FAQs](#)

See the FAQs on the [Telstra's legal restructure page](#) for home, mobile and small business customers.

[Landlord FAQs](#)

9. How will the legal restructure affect Telstra's arrangements with its landlords?

As a property owner, the restructure will have no impact on the property arrangements you currently have with us. You'll continue to interact with Telstra as you always have.

However, the lease you have with us may be transferred to a different legal entity within our group structure.

10. Will my lease agreement automatically get transferred to the new entity?

Yes, your lease may be automatically transferred to the new entity on 1 January 2023.

We are restructuring through a legal procedure called a "scheme of arrangement".

There is also no need for any formal contract novation or variation, as this is a court supervised restructure process.

11. What happens if my lease is currently with a different Telstra group entity - that is, not Telstra Corporation Limited?

If your lease is with a different Telstra group entity, your lease will not move at this time.

We will contact you directly if there are any other impacts on your lease that we need to discuss with you.

12. What happens next? Do I need to respond or confirm acceptance of the new entity?

There's nothing you need to do. Your lease will be automatically transferred to the new entity on 1 January 2023.

We will contact you directly if there are any other impacts on your leases that we need to discuss with you.

13. Are the costs for lease transfers being covered by Telstra?

Yes, Telstra will cover any registration fees associated with the lease transfer.
