

Axiata Analyst & Investor Day 2020:

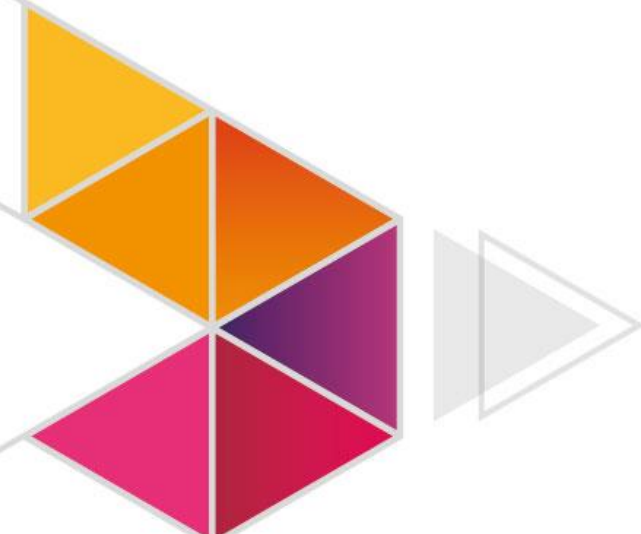
Digital Telcos: Gainers in the New Normal

Sprinting Ahead of The Curve

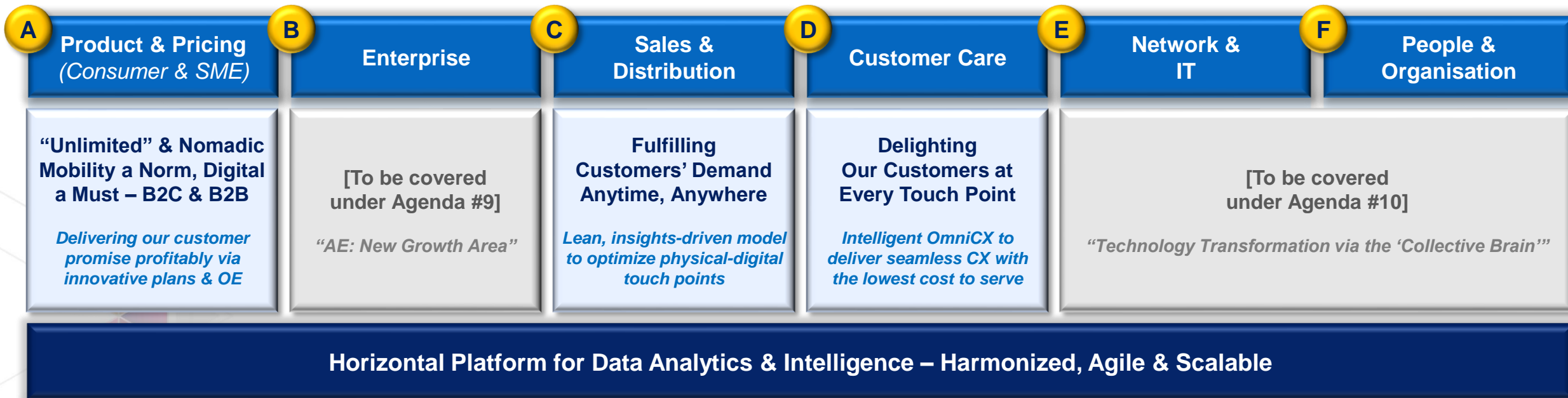
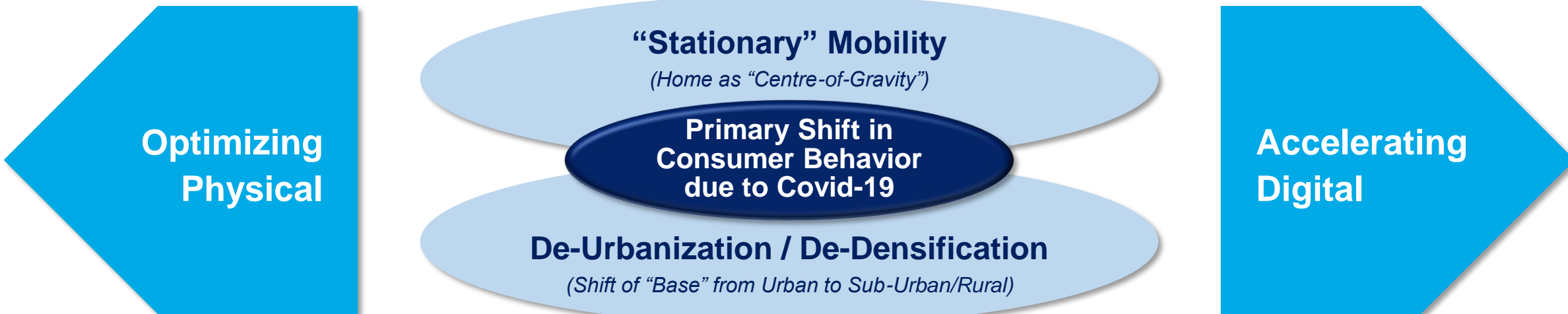
Dr Hans Wijayasuriya / Jennifer Wong

GEVP & CEO of Telecoms, Axiata / CFO, Celcom Axiata

3rd December 2020



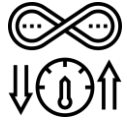
As the consumer mobility pattern shifts towards a new equilibrium, we are revisiting our **Core Building Blocks** to position Axiata ahead of the curve in preparation for a “New Normal”



[Product & Pricing] “Unlimited” & Nomadic Mobility a Norm, Digital a Must – B2C & B2B Alike

Delivering our customer promise profitably through innovative plans & operational excellence

Trends Impacting Our Business



"Differentiated" Unlimited Becoming a New Norm
(by app, by time, by speed etc.)



Hyper-Personalization



Home as the “Centre-of-Gravity” – Convergence



Businesses Must Digitize to Stay Competitive

OpCo Highlights



Dialog PowerPlan Drives ARPU Preservation

- 10% ARPU uplift from Power Plan



XL Launch of Live.On

- Staying in trend with an end-to-end digital brand



Accelerated FWA Expansion

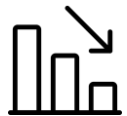
- Expansion in Celcom, XL, Dialog, Smart,



Beyond Connectivity – Enterprise Svcs in all markets

(incl. Security, Equipment, Cloud & DC, Application, IT Services)

Prepared for the Future



Network Efficiency + Micro-Segmentation to Support Data Demand & Produce at Lowest Cost per GB



Dynamic Personalization Capabilities (e.g. Yoodo) – backed by Flexible BSS/OSS Configuration



Partnerships with Leading Tech Providers for Enterprise & SME Solutions

Capitalizing on the Opportunity



Segmented Unlimited

(by Application, Time, Device)



FWA & Fiber with Bundled Services

(with Productivity, Cloud, Security)



SME Solution-in-a-Box

(Turnkey, Modular, Integrated)

[Sales & Distribution] Fulfilling Customers' Demand Anytime, Anywhere

Lean, nimble and insights-driven sales & distribution model to optimize physical-digital touch points and adapt to the changing consumer behavior

Trends Impacting Our Business



Home as Centre of Gravity



Retail-at-the-Edge



Maturing Gig Economy

OpCo Highlights

>50%
Owned Channel Sales
2024 Aspiration

5% of BlueCube's
Acquisition

Just RM20 to Start
Start-up Investment for BeBoZz

Revamped XL App

Celcom's
Retail-on-Wheels

Celcom Ninja
Rangers / BeBoZz

Prepared for the Future

**Robust IT Stack Enables Realization of
New Sales & Distribution Strategies**

Agile

Reliable

Flexible

Capitalizing on the Opportunity

Multiple channels leveraging existing infrastructures

Digitally-assisted Retail

**Mobile
Retail**

**Neighborhood
Retail**

**Community
Sales**

Digitally-native E2E Applications

[Customer Care] Delighting Customers at Every Touch Point

Intelligent OmniCX to deliver seamless customer experience with the lowest cost to serve

Trends Impacting Our Business



Digital-First Customer Service



Consumers Engaging through Multiple Touch Points



Engagement on Digital Channels is Rewarded

Prepared for the Future

Shared Chatbot Framework



>80%

Resolution without Escalation

Cost Effective Customer Service
(Crowdsourced)



99%

Response Rate



5 min

Average Response Time



#1

Most Socially Devoted Brand in the World
3 Consecutive Qtrs in 2020

OpCo Highlights

Aug'20 vs Jan'20 Growth in Digital Interaction Ratio

+13p.p Group-wide



Capitalizing on the Opportunity



Crowdsourced Customer Care

(Accessible, Accurate, Anytime, Anywhere)



GigCX

(Agile & scalable customer care)

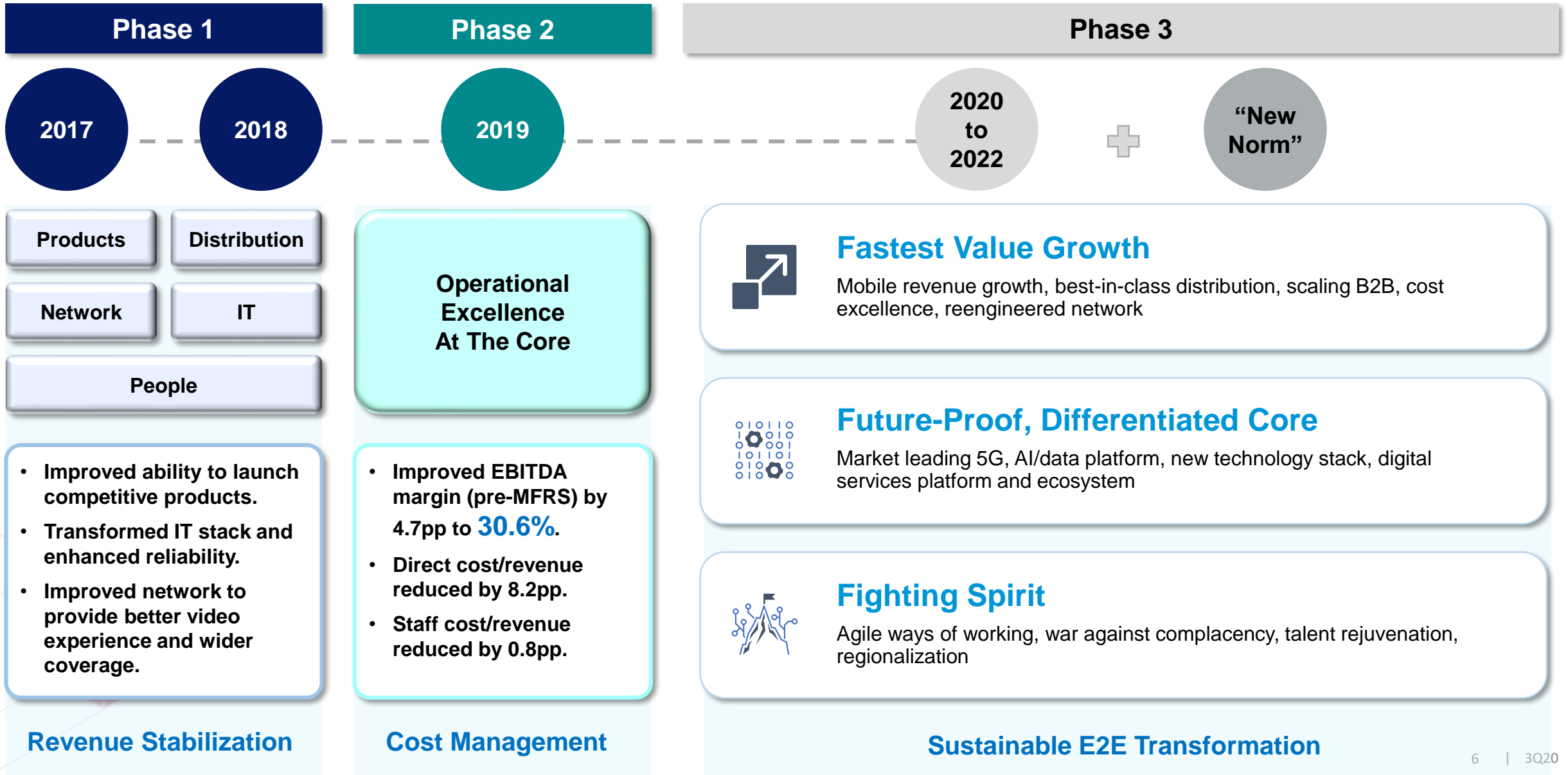


Just-in-Time Just-as-Needed

(Omnichannel integration for lowest cost to serve)

[Peek Into the Future] Celcom's 3-Year Transformation Program

Celcom's Transformation Journey since 2017...




[Peek Into the Future] Celcom's 3-Year Transformation Program

Next phase of transformation has just begun – 11 laser-focused, execution-oriented “Impact Centers” set to help Celcom unlock an incremental EBIT of RM300-500mn by 2022




3 Core Objectives, 11 Impact Centers

Fastest Value Growth

- 
- 1 Reignite Mobile Revenue Growth
 - 2 Strengthen Core Distribution
 - 3 Scale B2B Business
 - 4 Drive Operational Excellence
 - 5 Reengineering Network

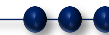
Future-Proof, Differentiated Core

- 
- 6 Lead in the 5G Era
 - 7 Future-ready Direct Distribution
 - 8 Accelerate Home/ Convergence
 - 9 Reinvent Platforms for the Future
 - 10 Ecosystem of Choice for New Digital Services

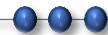
Fighting Spirit

- 
- 11 People & Culture

2019
EBIT



2022
EBIT



RM **1.3**bn



RM **1.6**bn
to

RM **1.8**bn

[Peek Into the Future] Celcom's 3-Year Transformation Program

Celcom has made significant changes in the way we execute...

- 7**
- **Strengthen Core Competency & Ways of Working**
 - **Culture of Accountability with sense of Urgency**
 - Discipline and Performance driven

- 6**
- **Management by numbers**
 - New execution rigor
 - Analytics

- 5**
- Reducing vendor dependency
 - Improve **time and cost to market**

- 1**
- **E2E Business Accountability and authority**
 - Micro-market granularity

- 2**
- **>70% reduction in transfer points**
 - **2-3x faster time to market**

- 3**
- **One organization for sales & distribution**
 - Trade excellence

- 4**
- **Embedding Digital in the Business**
 - One team to drive **Digital Experience 1st Strategy**



[Peek Into the Future] Celcom's 3-Year Transformation

Early results showing from concerted effort in driving fastest value growth



IC01 Reigniting mobile revenue growth

- **Growing the active base** with engagement and monetization activities – e.g. addressing early acquisition engagement
- **Fastest Revenue growth in the market**, gaining market share in both Prepaid and Postpaid segment

Mobile Service Revenue
Market share¹
+0.7pp
(Q3'20 vs Q2'20)

IC02 Strengthening Core Distribution

- **Expand distribution footprint** and growing # of activating outlets (despite CMCO)
- Maintaining **high quality of acquisition** while expanding dealer base

Monthly Unique Activating
Outlets
+8.5%
(Oct'20 vs Jun'20)

IC04 Driving Operational Excellence

- **Value-driven approach adopted** - focus on high value initiatives to drive cost savings and efficiency
- **Targeting RM250-270Mn cost savings by 2022**

• **80% of 2022 target value initiatives identified;**

• **20% of which in PoC/Implementation**

1) Top 3 MNO's Q3-20 reported results

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Thank You

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