

edotco the Next Gen Towerco

Axiata Analyst & Investor Day 2020

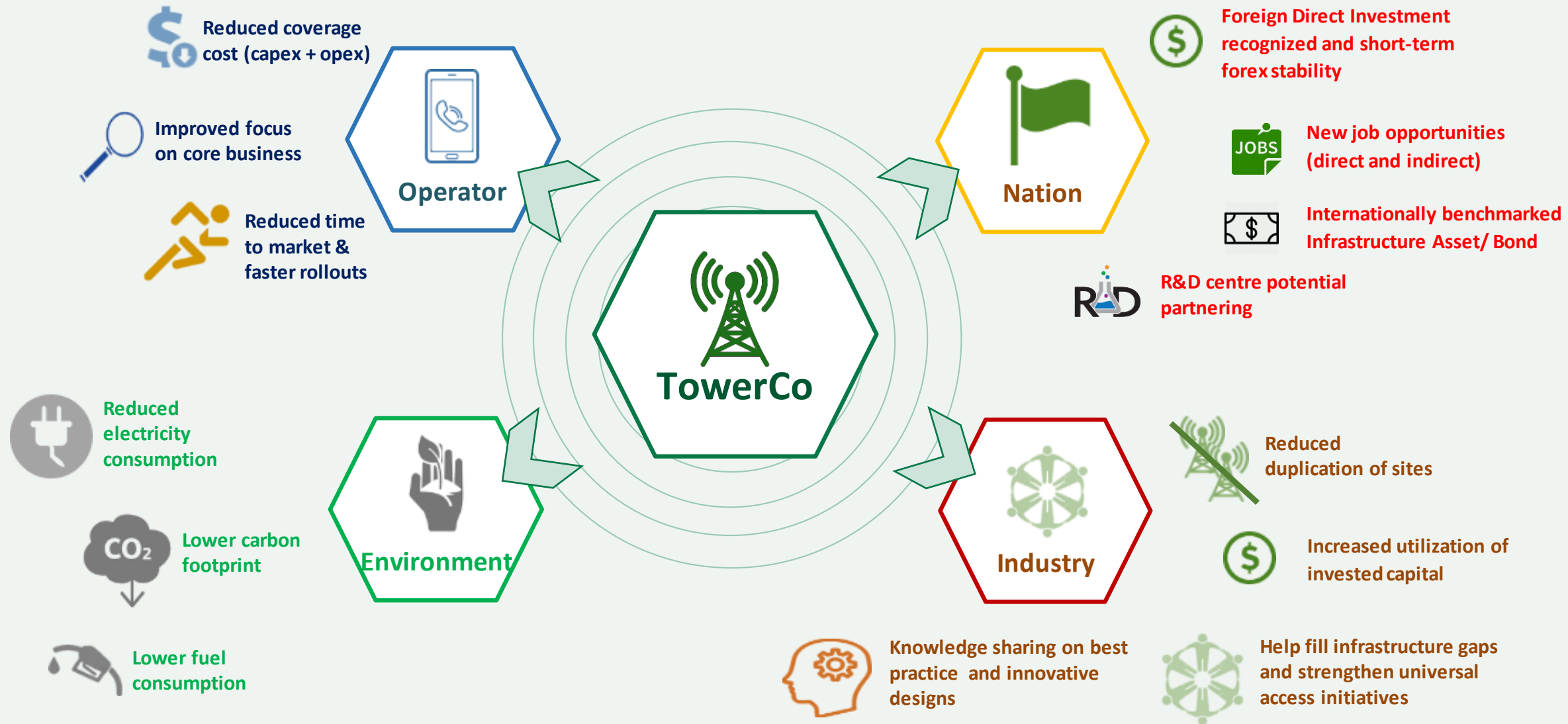


Mohamed Adlan Tajudin
CEO edotco Group
3 December 2020



EDOTCO – SETUP AS ONE OF AXIATA’S STRATEGIC PILLARS

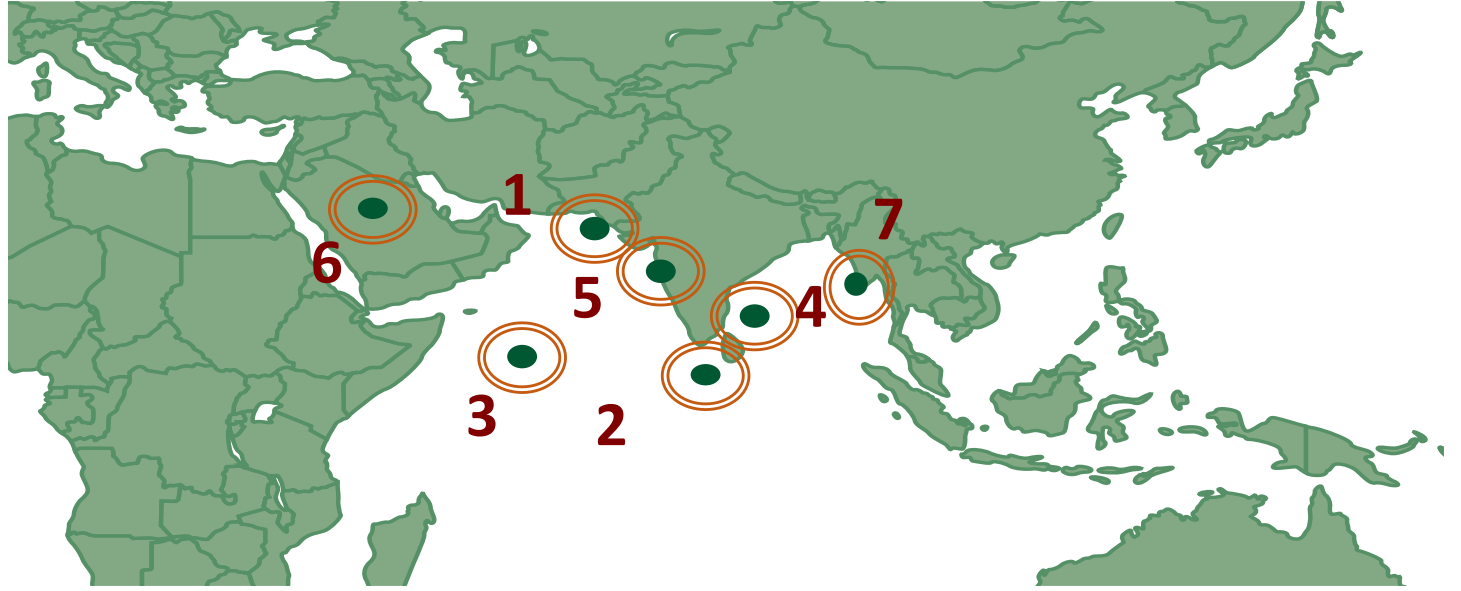
.. to unleash the value of the TowerCo business model, subsequently led us to the beginning of a TowerCo Champion in the making



OUR FOOTPRINT

We are the leading telecom infrastructure provider in Asia

- ✓ **First & Only**
Regional Towerco in Asia
- ✓ **~32,733**
(~11,212 managed and operated)
- ✓ **16th**
Largest Tower Company in the World



We operate in 8 countries with first mover advantage in 7 countries

1. Bangladesh ~11,245 towers	2. Malaysia ~12,753 towers	3. Sri Lanka ~207 poles	4. Cambodia ~3,774 towers	5. Myanmar ~3,141 towers	6. Pakistan ~1,603 towers
• Build-to-suit	• Build-to-suit	• Build-to-suit	• Build-to-suit	• Build-to-suit	• Build-to-suit
• Co-location	• Co-location	• Co-location	• Co-location	• Co-location	• Co-location
• Passive O&M	• Passive O&M	• Passive O&M	• Passive O&M	• Passive O&M	• Passive O&M
• Active O&M	• Energy	• Energy		• Energy	• Energy
• Energy	• Active O&M	• Fibre Resell			
	• Fibre Resell				

7 & 8. Laos & Philippines (successful expansion as edotco's 7th & 8th footprints)

OUR GROWTH STORY

Between 2014 and 2019, our footprint has increased to ~20k tower count across 8 countries and revenue grew over 4x

1. FOOTPRINT



4 → 8
Markets

2. TOWER PORTFOLIO¹



10.9k → 21.5k
Towers

14.6k → 34.3k
Tenancies

3. RANKING BY TOWER COUNT¹

23rd → 16th
Largest TowerCo Globally

9th → 6th
Largest TowerCo in Asia



4. CUSTOMER PORTFOLIO

89% → 55% → 30%
2014 2019 2024

Axiata Tenancies



5. FINANCIAL GROWTH²

425 → 1,809
Revenue (MYR Mn)

153 → 1,104
EBITDA (MYR Mn)

4.1% → 10.6%
ROIC



6. OPERATIONS AND ENGINEERING

21%- 56%
Reduction in New
Site CAPEX

-9%
Avg. OPEX per Site³

Successful
5G Private
Network trial
in Langkawi
International
Airport

Innovative
Designs
Carbon Fiber Towers
Bamboo Towers
Smart Lamp Poles
BTS Hotel Sites

Proprietary Network Planning &
Analytics (NaPA) for insights on
potential locations for new tower sites
and reduce build time

7. CUSTOMER SATISFACTION

High CSAT Score across all markets

8. PEOPLE



Strong edotco Culture with
High SEI (94%) in 2020
(Higher than Axiata and Global
Benchmarks)

9. SUSTAINABILITY

10.5 tons CO₂/site in 2014

54% → 75%
2018 2024
Reduction in Carbon Footprint

Solar Sites
~1,200 → 7,500
2018 2023

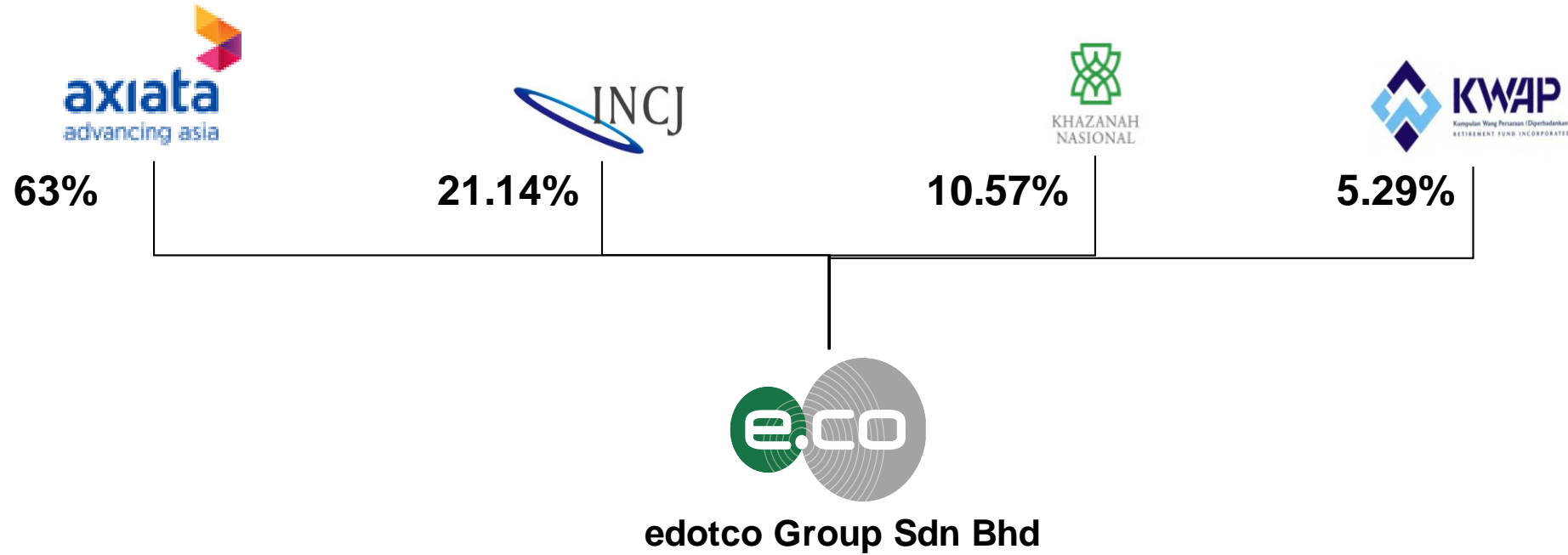
97% electrified
and 90% Lithium
battery powered
by 2024

50k trees planted
100 tons site waste
reduce/ reuse
100% Green
Office by 2024

1. Sept 2020 figures ; 2. End-2019 figures ; 3. Includes site rental, maintenance and site specific costs (pre-IFRS and excludes OSS cost for comparison purposes)

SHAREHOLDING STRUCTURE

Our growth is attributed to a healthy combination of organic and inorganic expansion

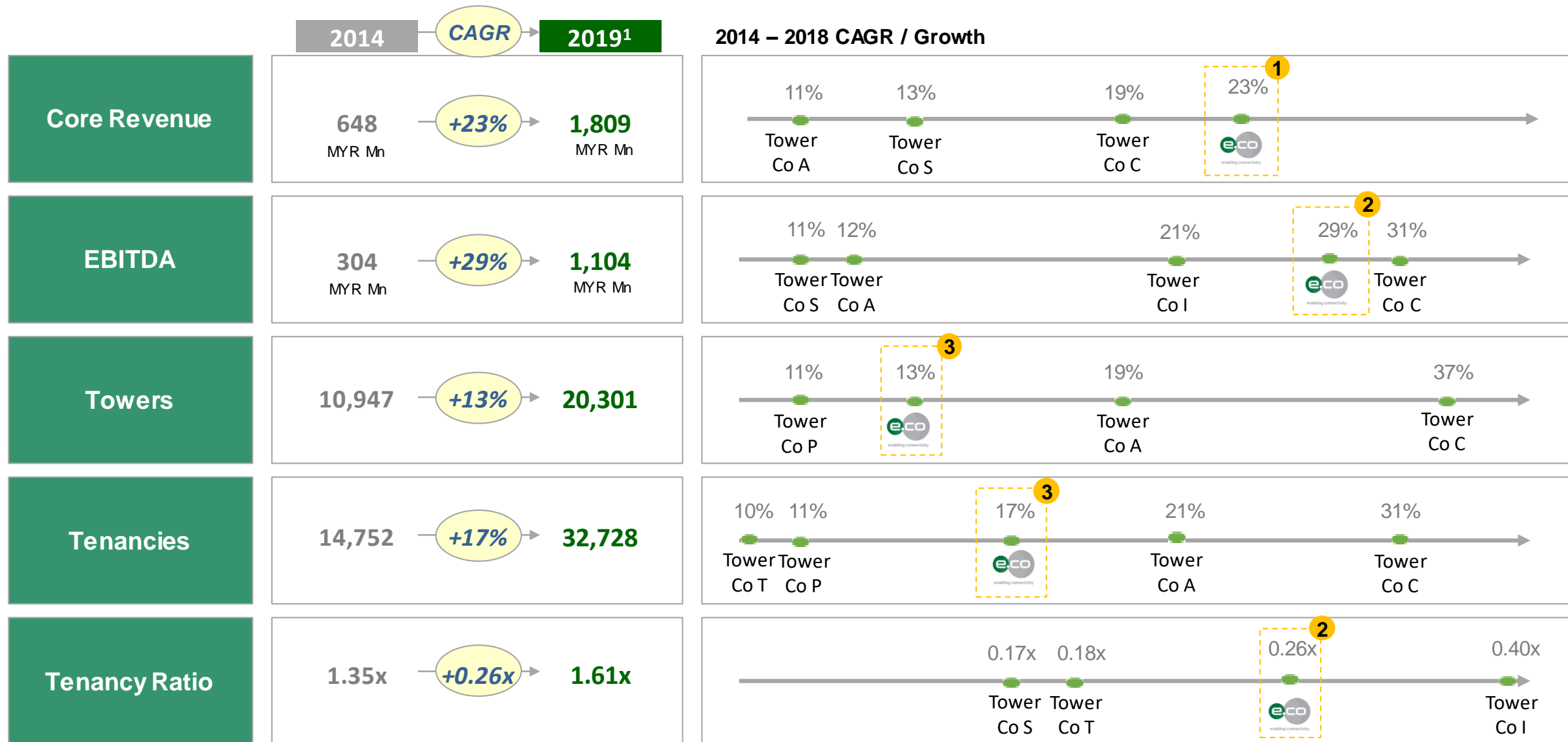


Edotco Effective shareholding



INDUSTRY BENCHMARK

Edotco is amongst the fastest growing TowerCo globally



Note : 1. FY2019 actual reported for edotco and other Towercos, source : published data & Edotco analysis

EDOTCO EPISODE III

The "New Normal" dawns at a time as we conclude the "Rapid Growth" phase into the making of a Champion: Next Gen TowerCo

edotco EPISODE II

Reinforce Existing Business	Expanding Footprint	Future Proofing	21 st Century Organization	Operational Excellence	Value Creation and Protection
<ul style="list-style-type: none"> Building a formidable Business in Key Markets: <ul style="list-style-type: none"> Malaysia Bangladesh Sri Lanka Pakistan 	<ul style="list-style-type: none"> Balancing market portfolios In-market M&A Increase regional presence Establish global alliances 	<ul style="list-style-type: none"> 21st Century Sharing (rent, fit, Fiber etc.) 21st Century Engineering (new materials, new design) Revenue Diversification Sustainable Enterprise (green energy, waste management) 	<ul style="list-style-type: none"> Enable Agile Organization through: <ul style="list-style-type: none"> Structure Diversity Economies of Scale People System/Processes and Tools Agility 	<ul style="list-style-type: none"> Digitalized Operations (Drones, Operations apps, Analytics, GIS) Leaner Cost Structure Improved Service Delivery 	<ul style="list-style-type: none"> Competition of Choice Like Local Partner Compliance and Sustainability Strong Entry Brand CSR Centric Business Position for IPO

"World's Best TowerCo"

High-performance organization			
Best people	Lean structure	Winning culture	Rewarding careers
Commercial savviness	Operational excellence	Customer centricity	Sustainable development
Highest collocation amongst peers ¹	Lowest lifecycle costs	Proactive solutions for MNOs	Local community enrichment
Pricing for maximising margins	Standardized and efficient processes	Consistency in meeting commitments	Environmental responsibility
End-to-end tower ² solutions	Innovative solutions	Highest level of customer responsiveness	Global champion
Best-in-class portfolio			
High-quality towers ²	Best M&A engine	Strong balance sheet	Innovative financial engineering

Next-Gen TowerCo translates into strategic focus across several themes below:

Break into the Global Top 5	Value Creation and Protection	Operational Excellence	Innovative and Next Gen Offering	High Performance Organisation
<ul style="list-style-type: none"> Top 5 globally and top 3 in Asia in terms of tower count Diversify anchor customer base 	<ul style="list-style-type: none"> Sustainable development 100% compliance and zero tolerance policy Safety and security of our people and assets Industry and regulatory support 	<ul style="list-style-type: none"> Streamlined and fully digitised operations <ul style="list-style-type: none"> Reactive → Proactive Predictive operations evolution Shared Service 2.0 New Operating Models (O&M Co, Active-Co, etc.) 	<ul style="list-style-type: none"> Expansive street furniture / densification catalogue Service based offerings, backhauling, plug and play offering 	<ul style="list-style-type: none"> Employer of Choice Futuristic Leadership Dynamic Culture Integrated development AI, Analytics driven and agile workforce

Best in Class Performance

Customer Centricity	High Quality and Innovative Towers	Solid Financials	Commercial Savviness	Best M&A Engine
---------------------	------------------------------------	------------------	----------------------	-----------------

THE NEW NORMAL



NEXT GEN TOWERCO

The Champion will be measured in various aspects

Break into the Global Top 5

- ❖ Top 5 globally and top 3 in Asia in terms of tower count
- ❖ Diversify anchor customer base



Value Creation and Protection

- ❖ Sustainable development
- ❖ 100% compliance and zero tolerance policy
- ❖ Safety and security of our people and assets
- ❖ Industry and regulatory support

Operational Excellence

- ❖ Streamlined and fully digitised operations
 - Reactive → Proactive → Predictive operations evolution
- ❖ Shared Service 2.0
- ❖ New Operating Models (O&M Co, Active-Co, etc.)

Innovative and Next Gen Offering

- ❖ Expansive street furniture / densification catalogue
- ❖ Service based offerings, backhauling, plug and play offering

High Performance Organisation

- ❖ Employer of Choice
- ❖ Futuristic Leadership
- ❖ Dynamic Culture
- ❖ Integrated development
- ❖ AI, Analytics driven and agile workforce



Best in Class Performance

Customer Centricity

High Quality and Innovative Towers

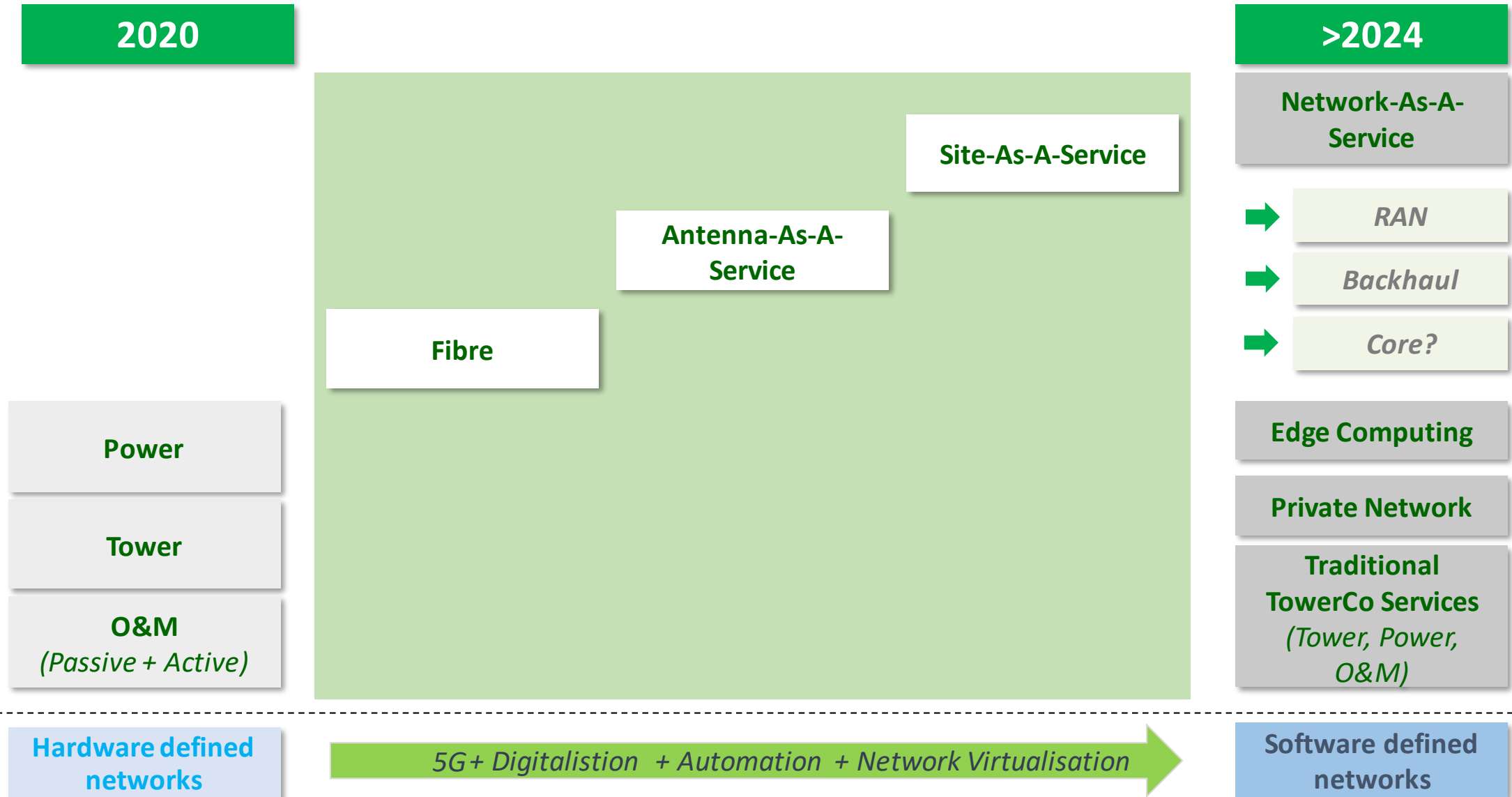
Solid Financials

Commercial Savviness

Best M&A Engine

NEXT GEN TOWERCO

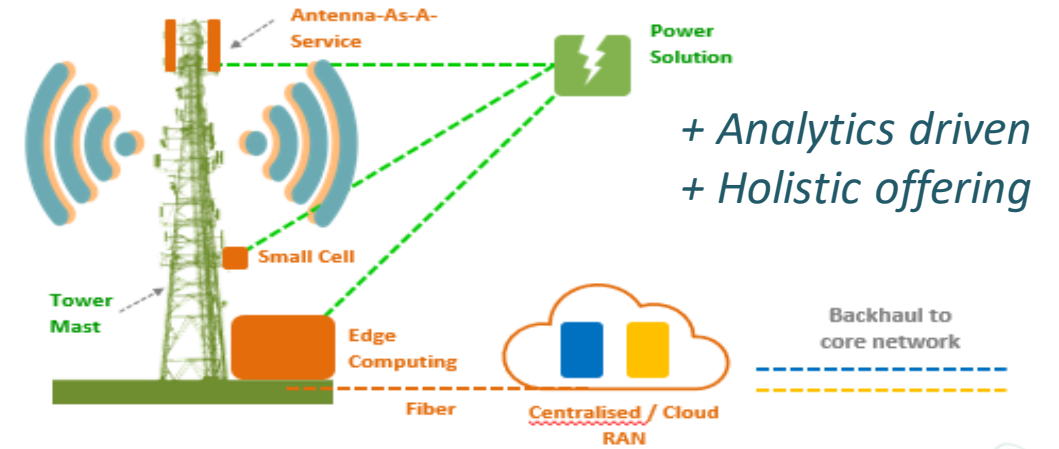
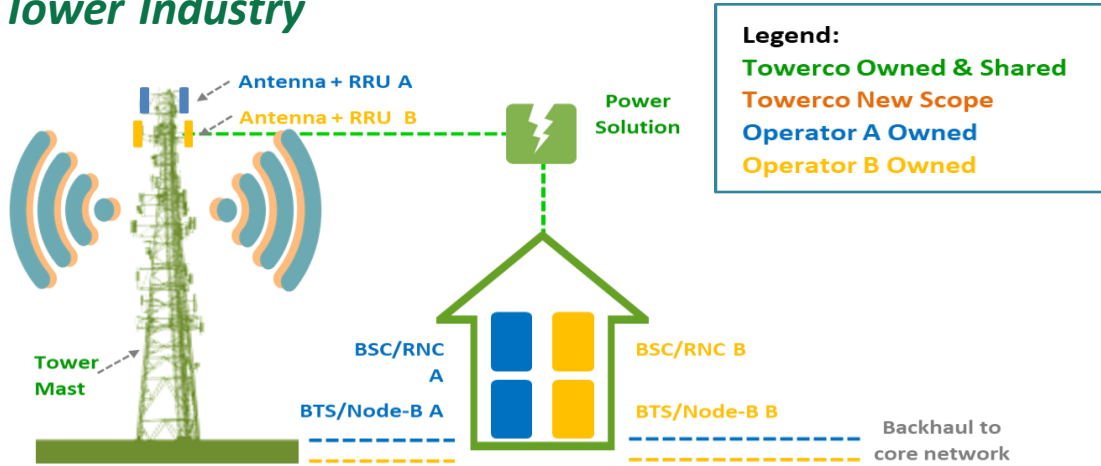
We will need to expand our services beyond Tower and Power, as software defined networks mature



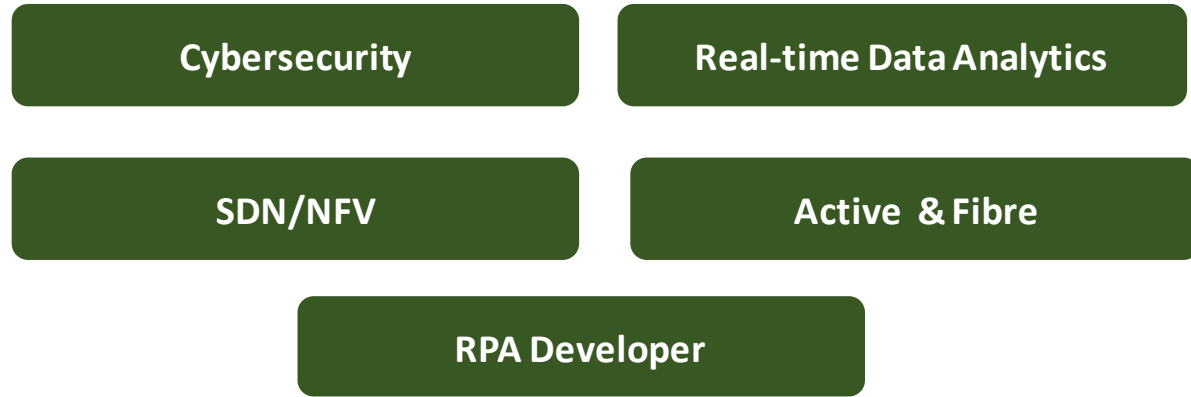
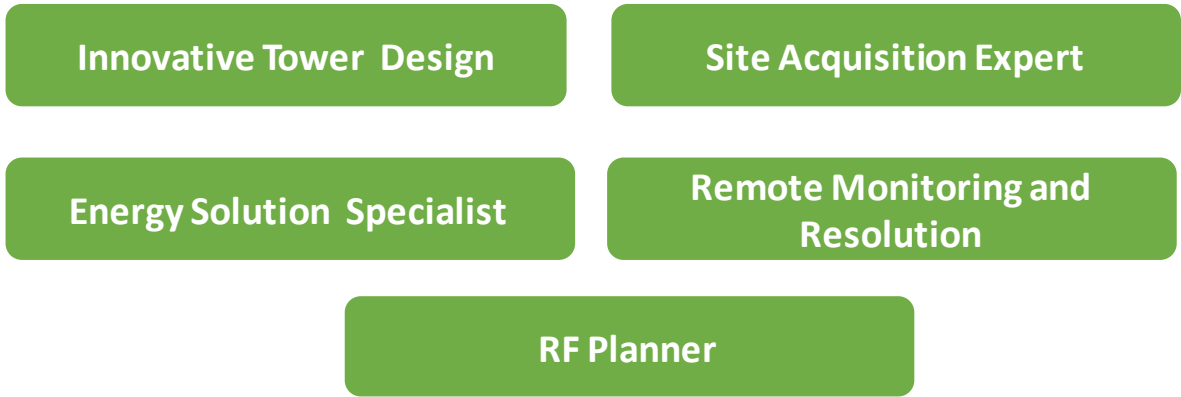
NEXT GEN TOWERCO

We need to embrace technology and acquire skillsets for the future TowerCo

Tower Industry



Skills required for the transformation of 4G to 5G



KEY THEMES FOR 2021



Regain Growth Momentum

- Accelerate revenue growth in tough market conditions
- Acquire **more than fair share** of the b2s and colo
- **Diversify revenue portfolio** and reduce **reliance on Axiata Opcos**
- **Short-term margin trade-off for longer term growth**; revisit pricing strategy to gain momentum
- **Aggressive strategy vs. competition** in existing (MY, BD, MM, PK), young markets (LO) vs. new markets



Double down on M&As

- Strengthen core markets through **Acquisitions, MNOSLBs** and strategically relevant **Bite-Sized deals**
- Pursue entry options for **New Markets in Asia** (for diversification) **including minority stakes** with significant influence clear path to control



Operational Excellence and Practices

- **Reduce capex and opex per site**, approximately 20% - 35% in the next 3 years
- Using data analytics to **drive profitability/ yield/** through Single Tenanted Towers management
- Strive for **operational excellence**; digitization, efficient CAPEX deployment and OPEX control
- Further digitized operations; **predictive O&M** evolution



New Services Readiness

- Pursue **high growth potential new services** (IBS, Fibre, SaaS, NaaS)
- Prepare to **capture longer term next-gen technology** (open RAN, 5G, etc)
- **Build future skillset and capabilities**

OUR AWARDS

In 2020 alone, we have yet again bagged numerous awards in the TowerCo and technology space

Frost & Sullivan APAC Tower Company

*2020 Asia-Pacific Telecoms Tower Company of the Year –
4th Year in a Row*



Malaysia Technology Excellence Awards 2020

Proprietary Network and Planning Analytics (NaPA); provide insights of potential locations for new tower sites and reduce build time



Global Women in Telco & Tech Awards

*Best Woman in Tower
IR Kumari Nalini Subramaniam*



edotco Malaysia awarded ISO 45001 certification



*Internationally recognised
ISO 45001 Occupational Health & Safety (OH&S)
Management Systems*

Disclaimer

The following presentation contain statements about future events and expectations that are forward-looking statements by the management of Axiata Group Berhad (“Axiata”) (“Company”), relating to financial trends for future periods, compared to the results for previous periods, characterised by the use of words and phrases such as “might”, “forecast”, “anticipated”, “project”, “may”, “believe”, “predict”, “expect”, “continue”, “will”, “estimate”, “target” and other similar expressions.

Forward looking information is based on management’s current views and assumptions including, but not limited to, prevailing economic and market conditions. Our business operates in an ever-changing macro environment. As such, any statement in this presentation that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause Axiata actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

This presentation does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purposes whatsoever on the information contained in the presentation or on its completeness, accuracy or fairness. None of the Company nor any of its shareholders, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

“RM” shall mean Ringgit Malaysia being the lawful currency of Malaysia. Any discrepancies between individual amounts and totals are due to rounding.



Thank you

