

Axiata Group Berhad

Axiata and Telenor have mutually agreed to end discussions on the Proposed Transaction

6 September 2019

Tan Sri Jamaludin Ibrahim, President & Group CEO

Vivek Sood, Group CFO



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.

Bursa Announcement

Axiata and Telenor have mutually agreed to end discussions on Proposed Transaction

Axiata Group Berhad (“Axiata” or “the Group”) and Telenor ASA (“Telenor”) (together “Parties”) have mutually agreed to end discussions regarding a non-cash combination of their telecom and infrastructure assets in Asia (the "Proposed Transaction").

Over the last four months, both parties have been working on due diligence and finalising transaction agreements to be completed within the third quarter of 2019. Due to some complexities involved in the Proposed Transaction, the parties have mutually agreed to end the discussions.

Both parties still acknowledge the strong strategic rationale of the Proposed Transaction.

The parties do not rule out that a future transaction could be possible.

The parties do not intend to provide further comments.

Recap: 8 Strategic Initiatives – Execution to deliver Axiata 3.0 in full swing

Progress against our 2021 plan is broadly on track

	Initiatives	Outcome By 2021
1	Operational Excellence	Top Performer in all markets in all key metrics, especially Profit & Cash
2	New Growth Areas	Enterprise, Home, Digital VAS, Digital Businesses & Infrastructure
3	Functional Superiority & Digitization	“Digitised” & “Modernized” functions with Analytics at the core
4	Distinct Competitive Differentiation & Clear New Business Model	Clear & Distinct Customer Proposition, Ecosystem Web with Partnerships
5	Industry Restructuring & Rationalization	3 Players / 2 Netco Consolidation; Mobile & FMC
6	Optimum Portfolio & Investor Proposition	Optimum Capital Allocation for Growth & Dividend; Portfolio Management / Partners
7	Sustainability & Stakeholder Management	Exemplary Long-term Corporate Citizen, Holistic Focus, Regulatory Fairness
8	Organizational & Cultural Changes	Modern, Agile & Digital (MAD) Organization

2019/2020 focus: 'Shifting Gear' towards profitability and cash focus

The termination of the proposed transaction will not affect Axiata's Digital Champion aspirations by 2022.

- 1 Focus on profit growth relatively more than revenue market share growth.
- 2 Spotlight on opex and capex efficiency – RM5bn over 5 years.
- 3 Reprioritise / re-scope some investments with long payback (unless point #4).
- 4 Fund investments in new growth areas mostly through strategic partnerships / financial investors.
- 5 Monetise existing investments for cash and validation; and 'sweat' existing assets.
- 6 Accelerate structural changes through industry consolidation, network sharing and productivity.
- 7 Aggressive Network & IT modernisation to drive data leadership and improve its economics.
- 8 Reflect the above in 2019 KPIs for Axiata and all OpCos.



Thank You

www.axiata.com

Axiata Group Berhad

