Q4 2022 Results

23 February 2023

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

Executive Summary[1] (1/2)

- *In the Q422 unaudited financial results, the face of P&L will show continuing and discontinued operations separately, hence some of these numbers will not match at each line, other than the reported income. Discussion of FY22 performance is based on Combined Reported Results and reference to be made to Part B Note 13 of Q422 unaudited financial results in the Bursa announcement.*

- **Reported FY22 PATAMI boosted by gain on Celcom disposal, partly offset by goodwill impairment.** On reported basis, revenue +6.3% and EBITDA +9.0% mainly contributed by all OpCos except Dialog and Ncell. PATAMI +>100% to RM9.8bn, flowing through from EBITDA and other income (net gain from disposal of Celcom RM13.5bn), offset with higher D&A, taxes (Cukai Makmur and Dialog one-off surcharge tax) and net finance cost, as well as goodwill impairment for Ncell, XL and Dialog (RM4.1bn).

- **Underlying FY22 results driven by improved EBITDA from all OpCos, except Dialog and Ncell.** On constant currency basis, revenue ex-device +10.3% and EBITDA +11.4%, with EBITDA margin improvement to 45.2%; UPATAMI +20.8% largely due to contribution from Celcom and improved performance at Robi and Smart. Celcom was deconsolidated as of 30 November 2022.

- **AOFCF >+100% to RM1.2bn; gross debt/EBITDA 2.9x.** Adjusted OFCF >+100% to RM1.2bn, as capex intensity drops 4.1% pts to 23.8% (excluding EDOTCO 22.5%); Operational Excellence initiatives translate into lower CAPEX at Celcom, XL, Robi and EDOTCO. Gross debt/EBITDA rose to 2.9x compared to Q421 primarily impacted by higher debt to fund Link Net and Philippines tower acquisitions. Cash balance healthy at RM7.5bn.

- **Celcom: Cost excellence delivers strong profit growth.** FY22 revenue ex-device -3.7% due to deconsolidation of Celcom on 30 November (vs. 11-months 2021 +5.7%). However EBIT +63.3% largely from operational excellence and absence of 3G accelerated depreciation. PATAMI +43.2% to RM1.4bn flowing through from higher EBIT, partly offset by higher taxes ie Cukai Makmur.

- **XL: Sustained rational competitive environment and convergence delivery.** FY22 revenue +9.0% from increased data contribution and ARPU improvement. EBITDA lagged revenue growth due to increased OPEX from direct cost and regulatory cost; PATAMI -13.9% on account on the back of higher net finance cost and absence of one-off gains in FY22. Successful fixed-mobile convergence delivery, where 37% of XL Home subscribers are XL Satu subscribers.

- **Robi: Strong revenue traction amidst challenging macro environment.** FY22 EBIT +47.3% outpaced topline +6.1%, attributed to opex control, not withstanding higher cost from additional site rollout and higher amortisation of new spectrum. PATAMI +1.3% dragged by forex loss on USD loan and higher net finance cost. Excluding forex loss, PATAMI +51.2%.

1. Growth numbers for OpCos are based on results in local currency in respective operating markets

Executive Summary[1] (2/2)

- **Dialog: Stabilizing performance.** FY22 revenue ex-device +26.1% driven by international and enterprise business. However PATAMI ->100% to –LKR33.4bn impacted by higher network costs (mostly in USD), higher net finance cost, goodwill and asset impairment, and forex loss, as macro uncertainties remain.

- **Ncell: Revenue and cost pressures persist.** FY22 revenue ex-device -4.0% impacted by lower core -3.1% (mainly from voice -11.4% due to reduction in domestic interconnect rate) and ILD -8.1%. Consequently, EBIT -25.2% compounded by higher direct and admin cost while PATAMI -22.6% cushioned by lower taxes and higher forex gain.

- **Smart: Strong performance clouded by regulatory costs.** FY22 revenue ex-device +6.9% predominantly driven by data growth. However, EBITDA +0.7% and PATAMI -25.9% were impacted by one-off retrospective microwave fees and penalties.

- **Link Net: Homes passed reaches 3.1m.** FY22 revenue -2.1% impacted by higher churn rate and lower ARPU. EBIT -54.3% impacted by higher staff cost, bad debt and D&A. Higher NFC further contributed to the PATAMI decline of -72.8%. Positively, homes passed +288k to 3.1mn homes in FY22.

- **Boost: Growth from Boost Life and Boost Credit.** FY22 revenue +87.5% mainly driven by Boost Life and Boost Credit; EBIT improved +18.4% as revenue growth was offset with higher OPEX. YTD GTV +21.2% to RM6.1bn, while Boost Life users +7.4% YoY to 10.4mn and Malaysian merchants +26.4% to 555k.

- **ADA: Profits jump 49.8% to RM80mn; Year 4 of profitability.** FY22 revenue -1.7% from lower Digital Marketing solutions spending, partially offset by strong growth in Customer Engagement and eCommerce solutions. EBIT +30.3% due to higher extraction rates and controlled staff costs; PATAMI jumps 49.8% to RM80mn.

- **EDOTCO: Inorganic contribution complementing growth in B2S and Colo.** FY22 revenue +25.4% led by organic rollout and colocation particularly in Bangladesh and Malaysia, supported by inorganic contribution in MY, PH and ID. Strong revenue flowed through to EBIT +22.4% partly offset by higher D&A, while PATAMI -51.0% impacted by forex loss, higher net finance cost and one-off regulatory fees.

- **Ahead of FY22 Headline KPIs.** FY22 revenue ex-device growth of 10.3% and EBIT growth of 20.1% are ahead of Headline KPI.

- **FY22 dividend per share of 14.0sen.** Announced second dividend per share (DPS) of 5.0sen, to bring total DPS for FY22 to 14.0sen, which is higher than 9.5sen declared in FY21.

1. Growth numbers for OpCos are based on results in local currency in respective operating markets

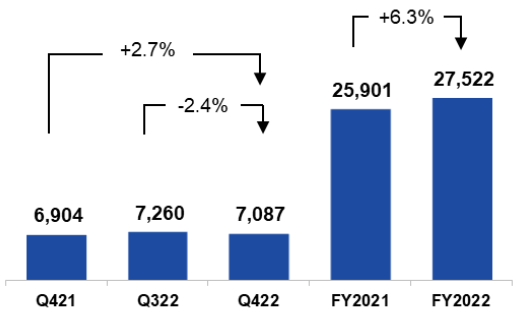
Q4 2022 Results

Combined Reported Results vs Continuing Operations Results

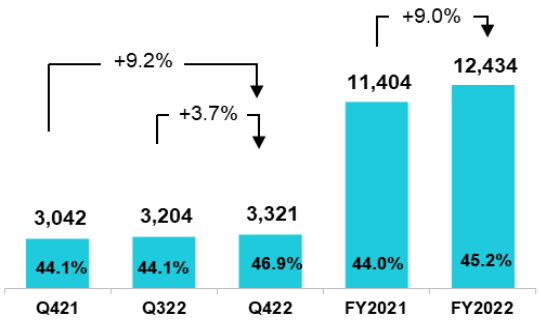
Discussion on FY22 performance is based Combined Reported Results. 2023 Headline KPIs is based on Continuing Operations.

Combined Reported

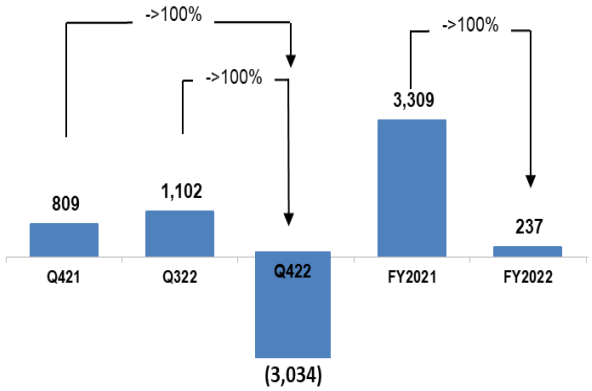
Revenue (RMmn)



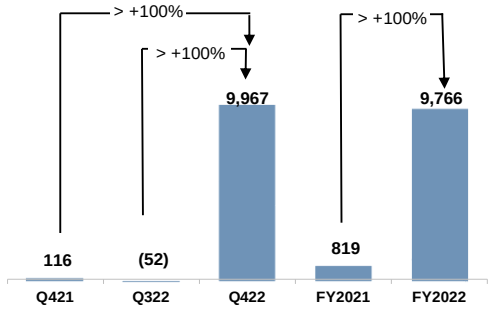
EBITDA (RMmn)



EBIT (RMmn)

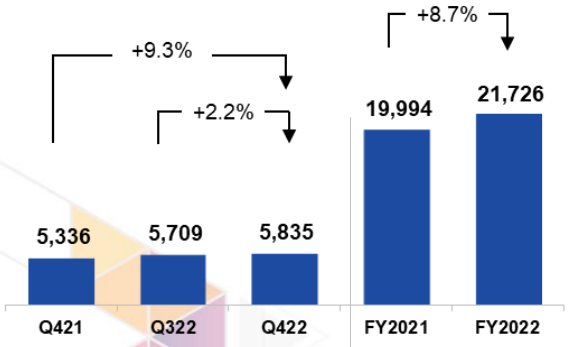


PATAMI (RMmn)



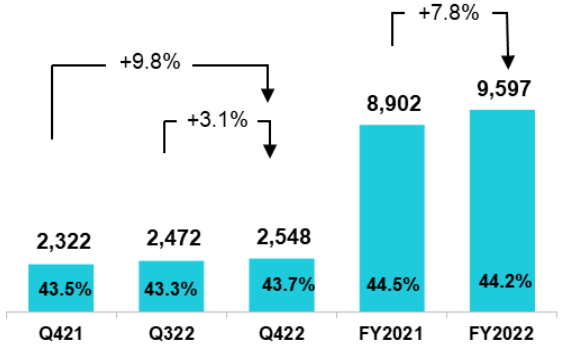
Continuing Operations

Revenue (RMmn)

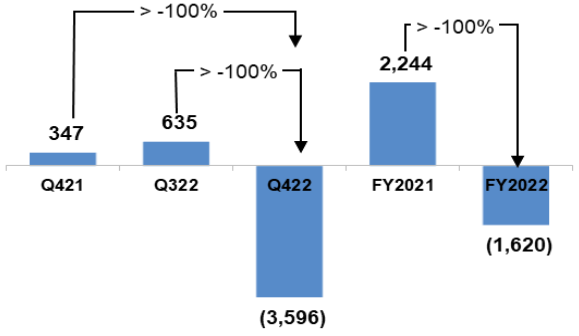


21,561 Revenue ex-device

EBITDA (RMmn)

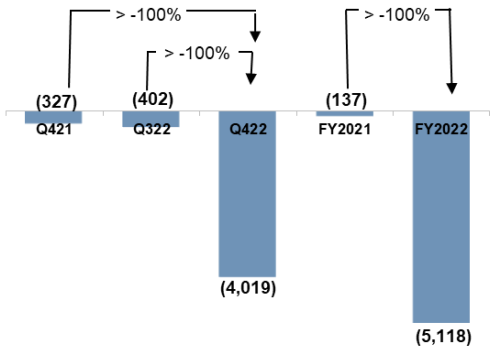


EBIT (RMmn)



2,526 EBIT ex-goodwill impairment

PATAMI (RMmn)

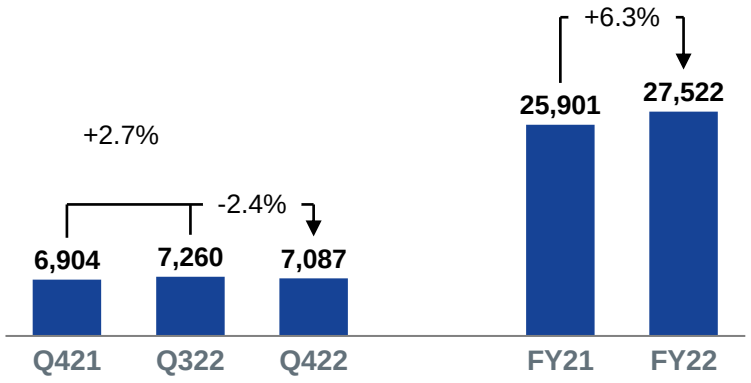


[1] *Underlying PATAMI excludes forex related (forex/derivative gains/losses, hedging cost) and others*

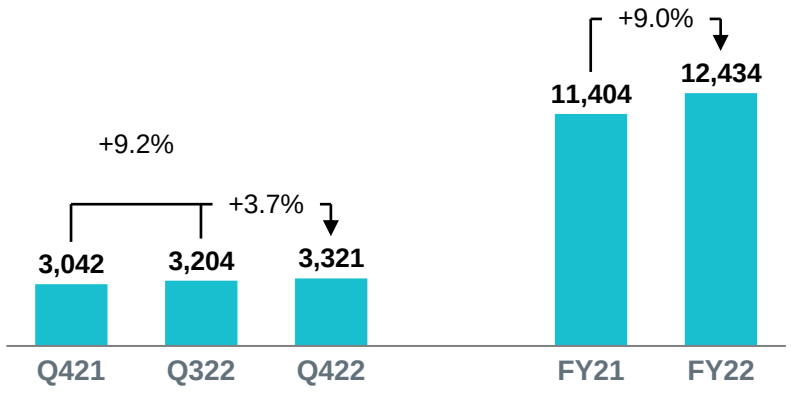
Combined Reported Results

FY22 revenue +6.3% and EBITDA +9.0% mainly contributed by all OpCos except Dialog and Ncell. PATAMI +>100% to RM9.8bn, flowing through from EBITDA and other income (net gain from disposal of Celcom RM13.5bn), offset with higher D&A, taxes (Cukai Makmur and Dialog one-off surcharge tax) and net finance cost, as well as goodwill impairment for Ncell, XL and Dialog (RM4.1bn).

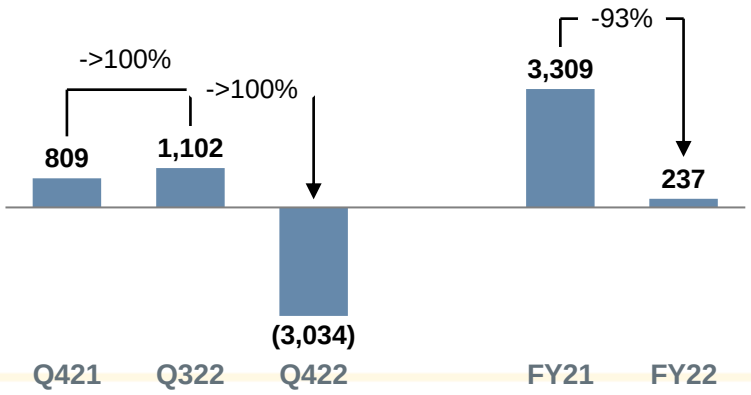
Revenue (RMmn)



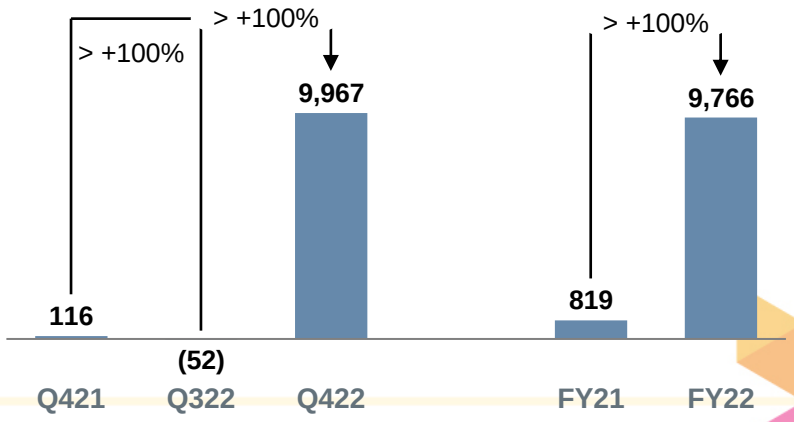
EBITDA (RMmn)



EBIT (RMmn)



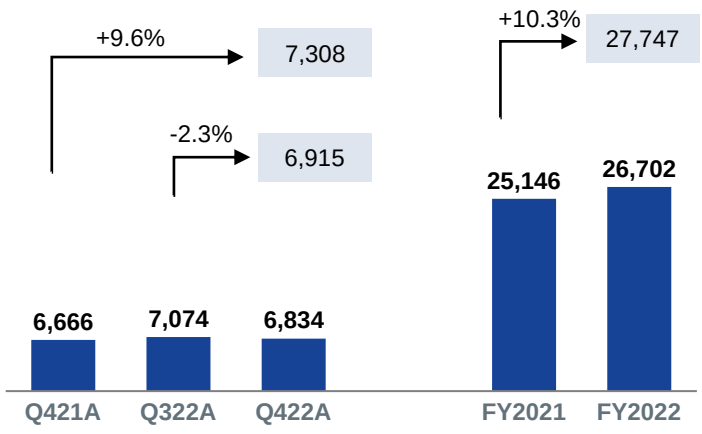
PATAMI (RMmn)



Underlying Performance[1]

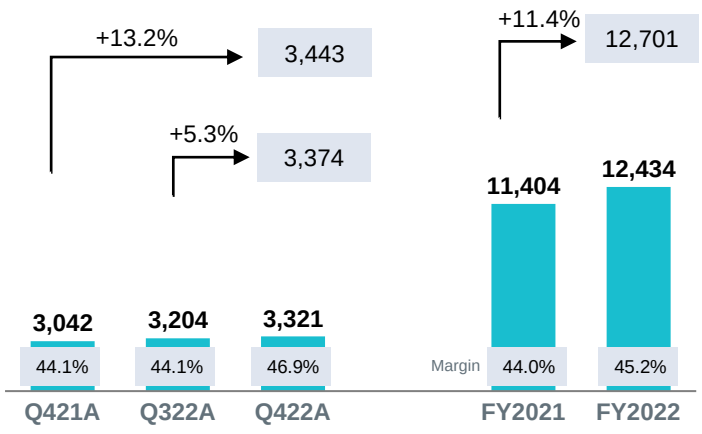
Revenue ex-device +10.3% and EBITDA +11.4%, with EBITDA margin improvement to 45.2%; UPATAMI[2] +20.8% largely due to contribution from Celcom, and improved performance at Robi and Smart. Celcom was deconsolidated as of 30 November 2022.

Revenue ex-device (RMmn)



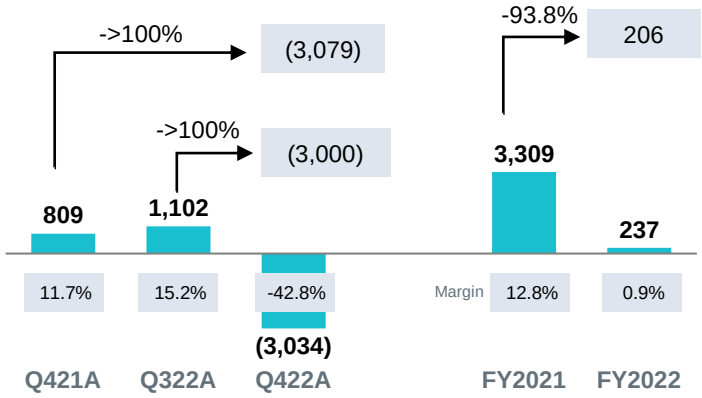
- **YTD revenue ex-device +10.3%**:
  - Contribution from **all Opcos except Ncell and Celcom.**
  - **Celcom -3.9%** (due to consolidation only 11 months results)
  - **EDOTCO +26.4%** (due to full consolidation of Touch Mindscape)
  - **Dialog +26.1%** (mainly contributed by data mobile revenue)
  - **Link Net** first time consolidation of 6 months revenue
  - **Robi +6.1%, XL +7.5%** and **Smart +6.9%**.
- **QoQ revenue ex-device -2.3%**:
  - **Celcom -25.5%** (due to contributes only 2 months of result)
  - **Smart -9.7% (**due to one-off expired scratch card revenue recognised in Q322)

EBITDA (RMmn)



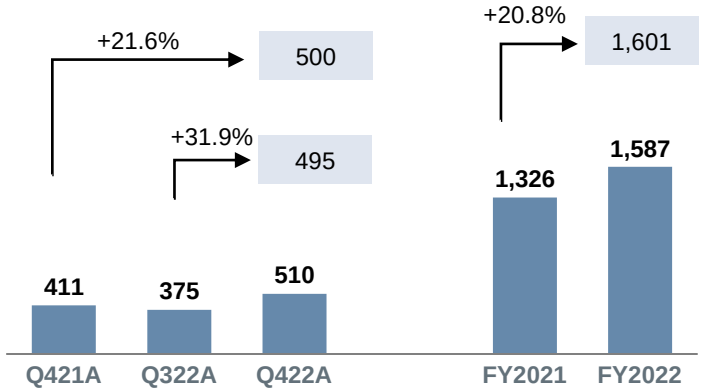
- **YTD EBITDA +11.4%** contributed from **all Opcos except Ncell and Dialog**
  - **Celcom +9.6%** despite contribution of only 11 months of results
  - **XL +6.3%** (mainly flowing through from revenue)
  - **EDOTCO +33.8%** (mainly flow through from revenue and higher cost from flexi retirement benefit in FY21)
  - **Robi +16.6%** (mainly flow through revenue and lower opex)
- **QoQ EBITDA +5.3%**:
  - Growth lifted slightly by **all Opcos except Dialog -28.7%, Link Net -21.8% and EDOTCO -13.2%**
  - **Celcom +3.6%** despite contribution of only 2 months of results
  - **Smart +23.3%** (due to one off prior year microwave fees in Q322)

EBIT (RMmn)



- **YTD EBIT -93.8%** (excl. goodwill impairment, EBIT +20.1%)
  - largely due to goodwill impairment, offset by higher EBITDA
- **QoQ EBIT ->100%** mainly due to:
  - largely due to goodwill impairment (RM4,146mn), offset by higher EBITDA
  - Higher D&A from all Opcos except Celcom (due to consolidation only 11 months results) and Smart (mainly due to one off impairment FY21)

UPATAMI[2] (RMmn)



- **YTD UPATAMI +20.8%** mainly due to:
  - **Celcom +65.2%** despite contribution only 11 months of results
  - **Robi +60.6%** (mainly flow through from EBITDA)
  - **Smart +14.1%** (mainly flow through from revenue)
- **QoQ UPATAMI +31.9%** mainly due to:
  - **Celcom +57.8%** despite contribution of only 2 months of results
  - **Ncell +23.7%** (mainly from lower taxation from finalization of statutory fiscal year tax submission)

Note:

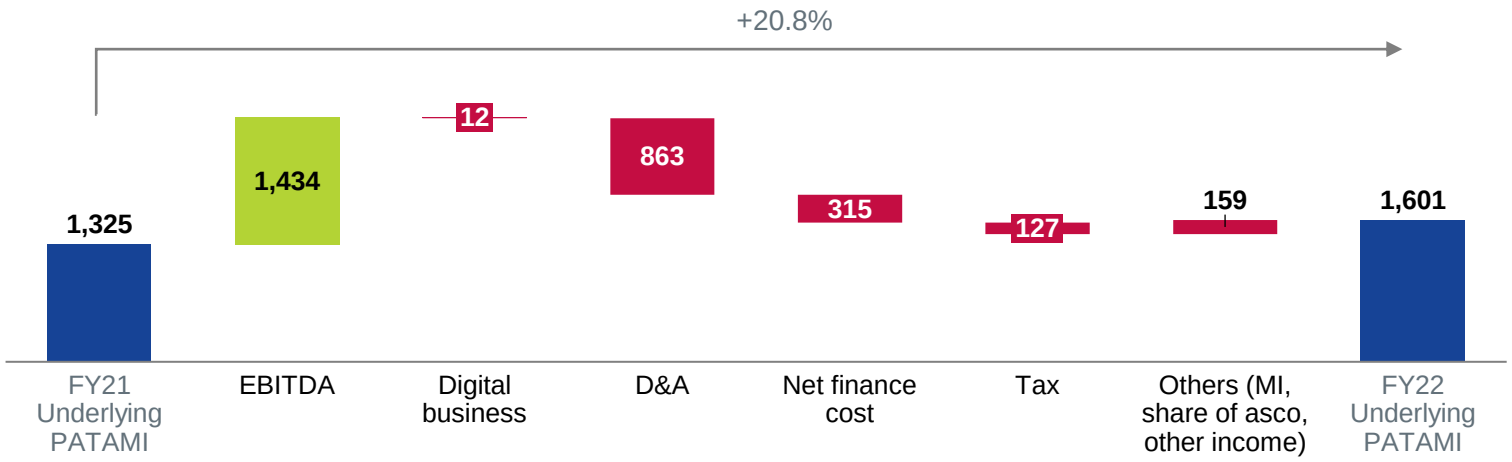
xx - at actual currency xx – Underlying performance xx% – Underlying performance growth rate

1. Underlying performance – at constant currency
2. Underlying PATAMI excludes forex related (forex/derivative gains/losses, hedging cost) and others

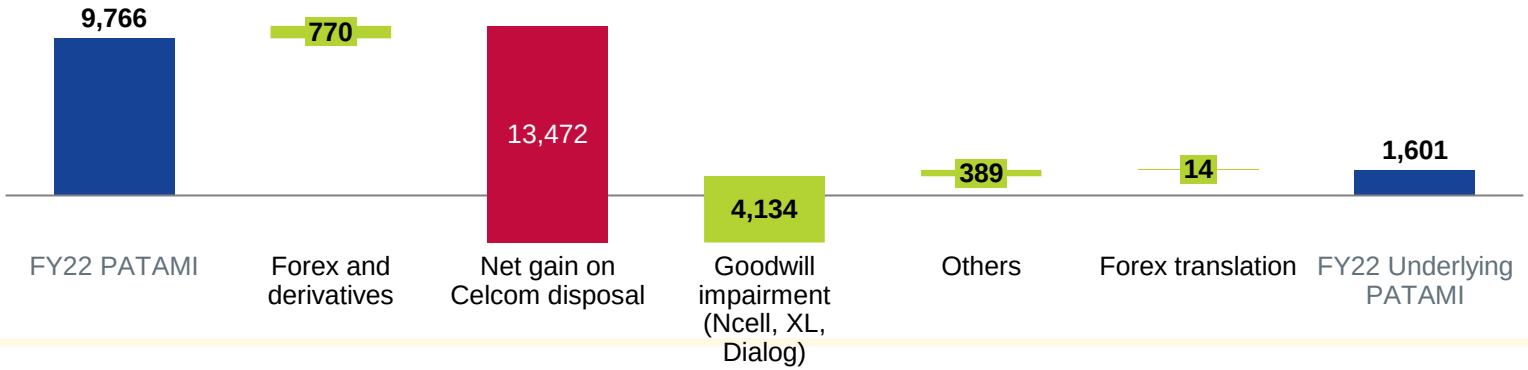
Underlying Performance[1]

UPATAMI +20.8% largely due to contribution from Celcom and improved performance at Robi and Smart.

FY21 → FY22 Underlying PATAMI (RMmn)



FY22 Reported PATAMI → FY22 Underlying PATAMI (RMmn)

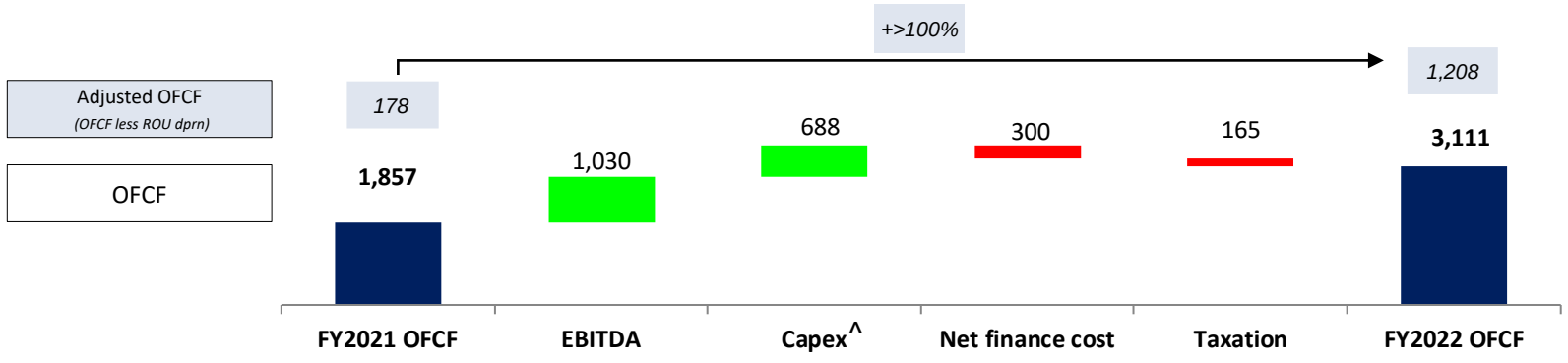


1. Underlying performance – at constant currency

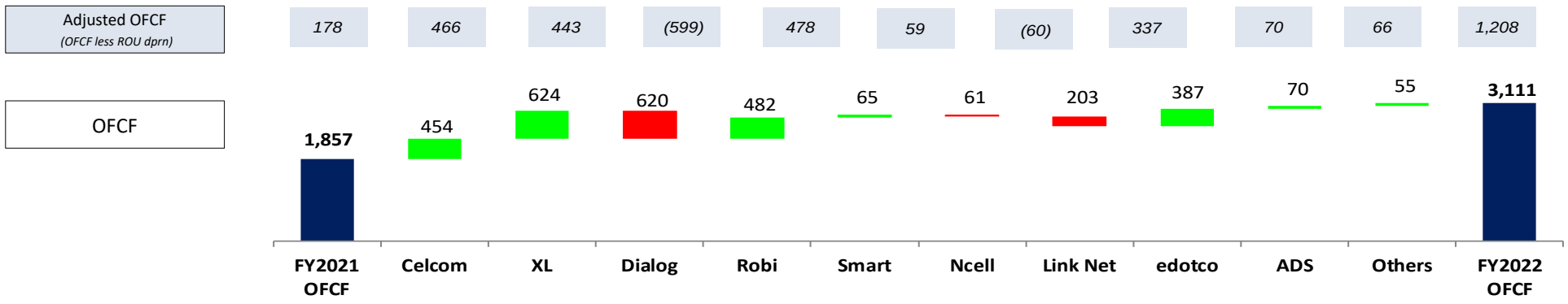
Adjusted OFCF

Adjusted OFCF >+100% to RM1.2bn, as capex intensity drops 4.1% pts to 23.8% (excluding EDOTCO 22.5%); Operational Excellence initiatives translate into lower CAPEX at Celcom, XL, Robi and EDOTCO.

YTD movement by line items (RMmn)



YTD movement by OpCos (RMmn)



xx – Adjusted OFCF: OFCF less ROU depreciation

^ Excludes Celcom USP capex and tower acquisitions in the Philippines

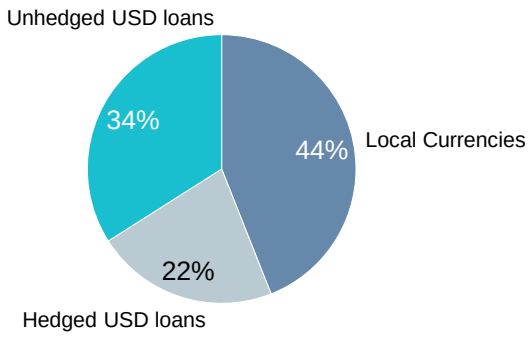
Balance Sheet

Gross debt/EBITDA rose to 2.9x compared to Q421 primarily impacted by higher debt to fund Link Net and Philippines tower acquisitions. Cash balance at RM7.5bn. Capital structure managed amidst uncertain macroeconomic backdrop, where 44% of loans in local currency and 69% with more than 2 years maturity; 39% of USD loans are hedged, including natural hedge it is 40%.

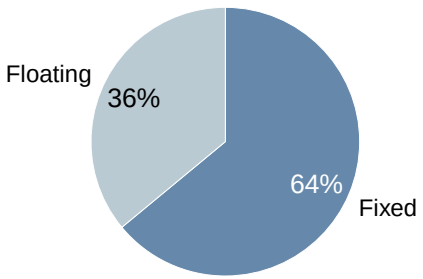
Group Borrowings – by currency

RM'mn		USD	Local	Total (RM)
HoldCo and Non OpCo	USD	2,636		11,572
	RM		1,432	1,432
	Sub-total	**2,636**	**1,432**	**13,004**
OpCos	USD	612		2,681
	RM		1,620	1,620
	IDR		17,248,649	4,863
	BDT		8,869	379
	SLR		19,282	231
	PKR		4,014	78
	NPR		19,687	653
	PHP		24,411	1,925
	Sub-Total	**612**	**17,326,532**	**12,430**
	Total Group	**3,248**	**17,327,964**	**25,434**

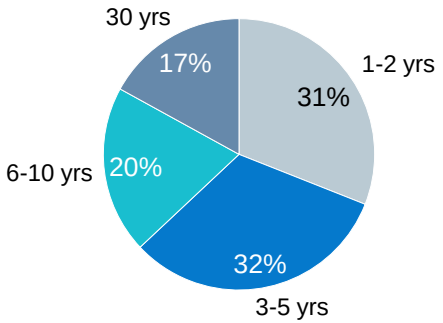
Group Borrowings – hedged/unhedged loans



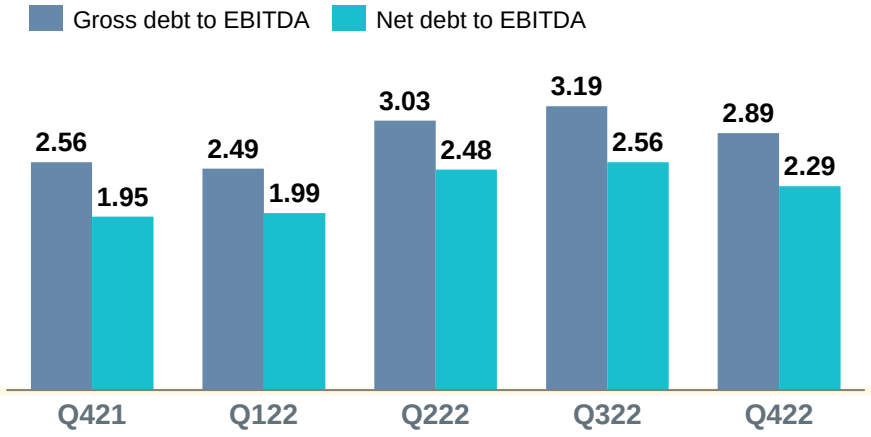
Group Borrowings – fixed/floating rates



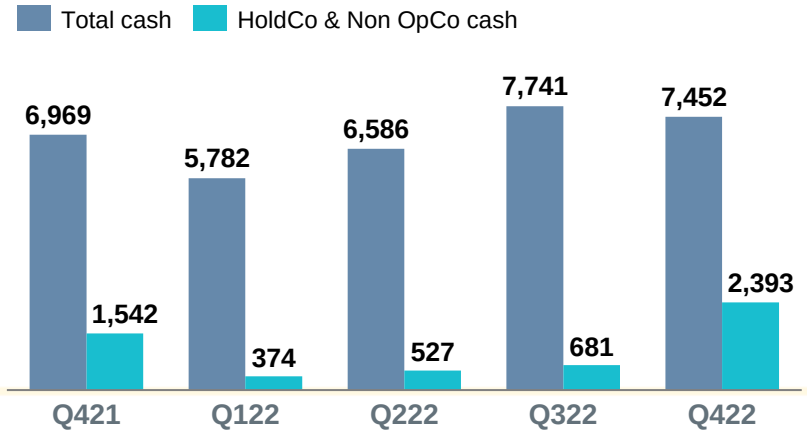
Group Borrowings – maturity profile



Gross and net debt/EBITDA (x)



Cash (RMmn)

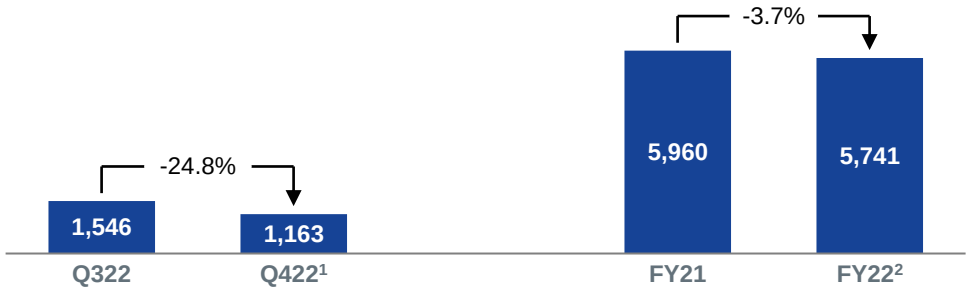


RM'mn		Q422
HoldCo and Non OpCo		2,393
	Sub-total	**2,393**
OpCos	Celcom	-
	XL	1,462
	Robi	168
	Dialog	486
	Smart	611
	Ncell	635
	Link Net	44
	e.co	993
	Digital businesses	660
	Sub-Total	**5,059**
	Total Group	**7,452**

1 Digital Telco – Celcom: Cost excellence delivers strong profit growth

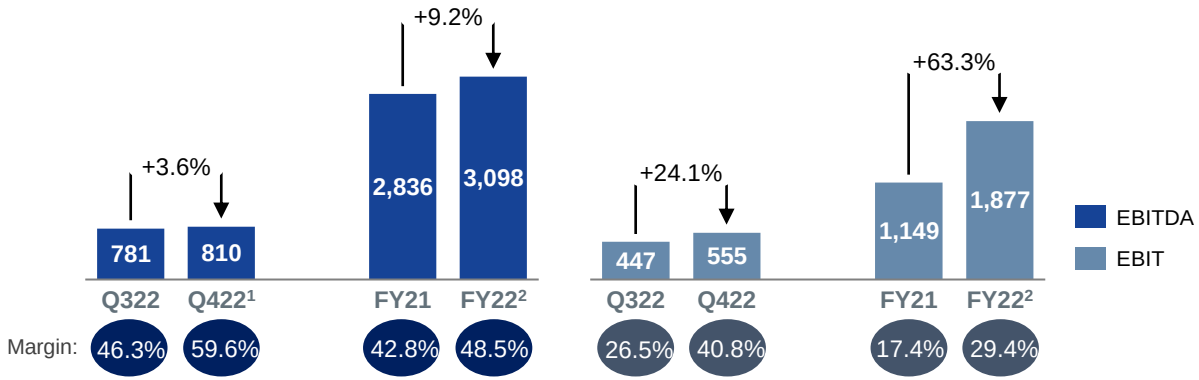
FY22 revenue ex-device -3.7% due to deconsolidation of Celcom on 30th November (vs. 11-months 2021 +5.7%). However EBIT +63.3% largely from operational excellence and absence of 3G accelerated depreciation. PATAMI +43.2% to RM1.4bn flowing through from higher EBIT, partly offset by higher taxes ie Cukai Makmur.

Revenue ex-device (RMmn)



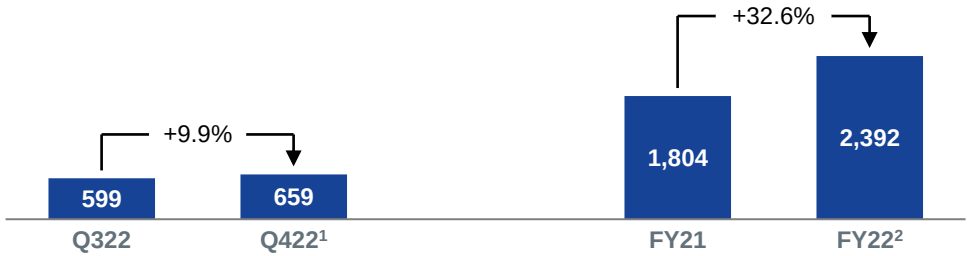
FY22: Decline in revenue due to 1 month lesser contribution compared to FY21 post deconsolidation.

EBITDA & EBIT (RMmn)



FY22: EBIT improvement +63.3% contributed by operational excellence and absence of 3G accelerated depreciation.

FCF³ (RMmn)



FY22: Driven by EBITDA +9.2% and lower CAPEX.

PATAMI (RMmn)

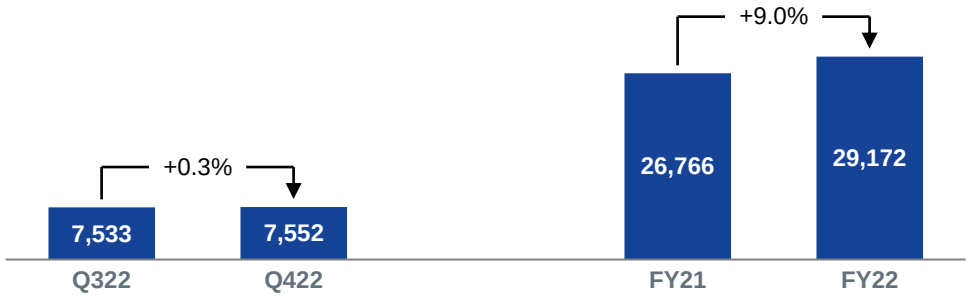
FY22: Flow through from higher EBIT, partly offset by increase in taxes with Cukai Makmur for 2022.

1. Q422 includes 2 month contribution from Celcom
2. FY22 includes 11 month contribution from Celcom
3. FCF = EBITDA – capex

1 Digital Telco – XL: Sustained rational competitive environment and convergence delivery

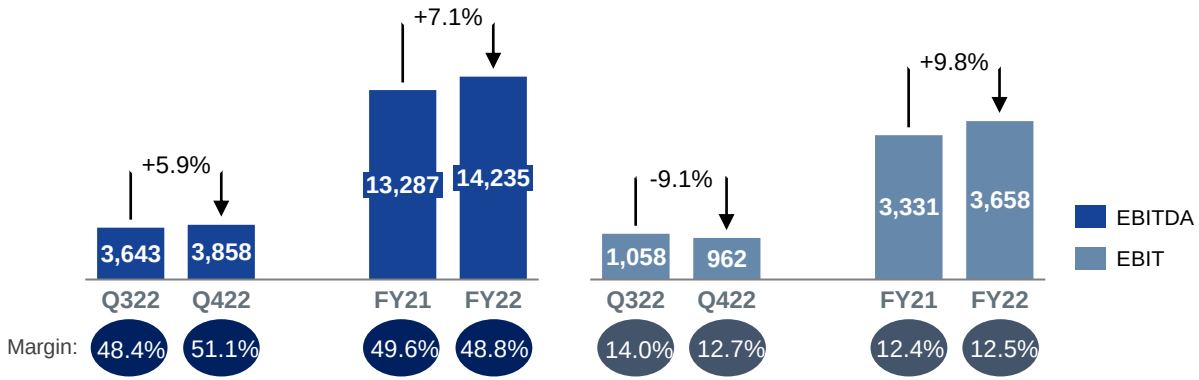
FY22 revenue +9.0% from increased data contribution and ARPU improvement. EBITDA lagged revenue growth due to increased OPEX from direct cost and regulatory cost; PATAMI -13.9% on account on the back of higher net finance cost and absence of one-off gains in FY22. Successful fixed-mobile convergence delivery, where 37% of XL Home subscribers are XL Satu subscribers.

Revenue (IDRbn)



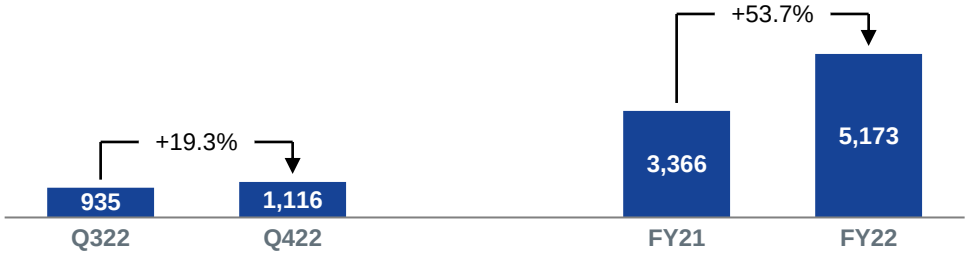
FY22: Driven by increased contribution from data; Blended ARPU increased to IDR39k from IDR36k.

EBITDA & EBIT (IDRbn)



FY22: EBITDA lagged revenue growth due to increased OPEX from direct cost and regulatory cost.

FCF[1] (IDRbn)



FY22: Flow through from higher EBITDA and lower CAPEX (-8.7%).

PATAMI (IDRbn)

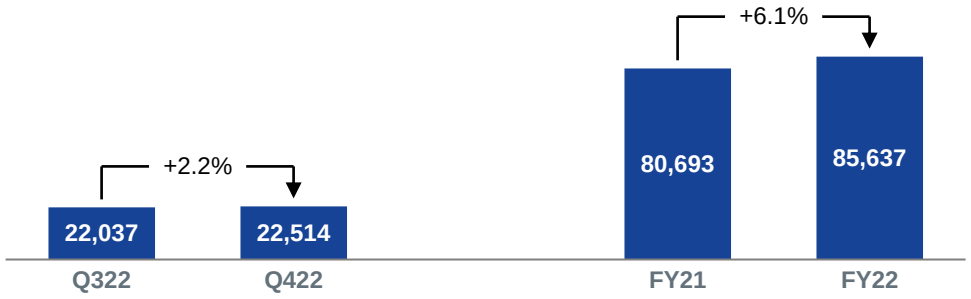
FY22: PATAMI decline largely due to higher net finance cost from additional borrowings for Link Net acquisition and forex loss in FY22 versus a gain position in FY21.

1. FCF = EBITDA – capex

1 Digital Telco – Robi: Strong revenue traction amidst challenging macro environment

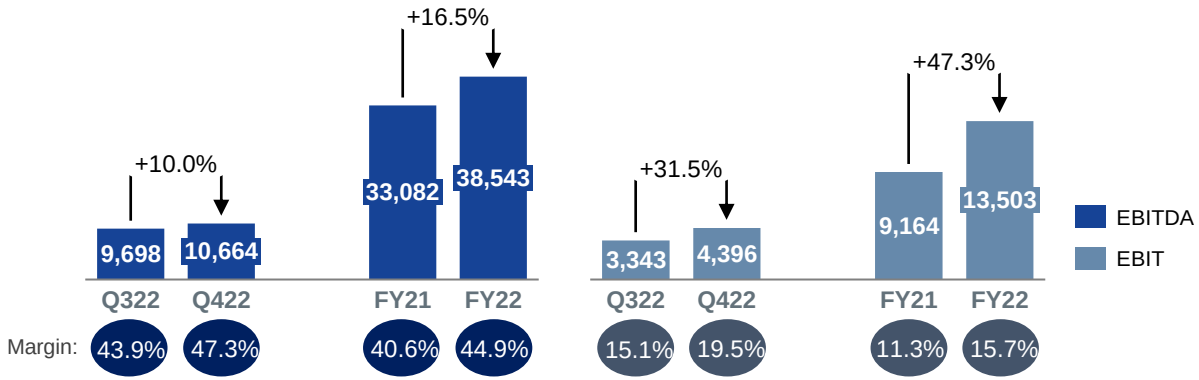
FY22 EBIT +47.3% outpaced topline +6.1%, attributed to opex control, not withstanding higher cost from additional site rollout and higher amortisation of new spectrum. PATAMI +1.3% dragged by forex loss on USD loan and higher net finance cost. Excluding forex loss, PATAMI +51.2%.

Revenue ex-device (BDTmn)



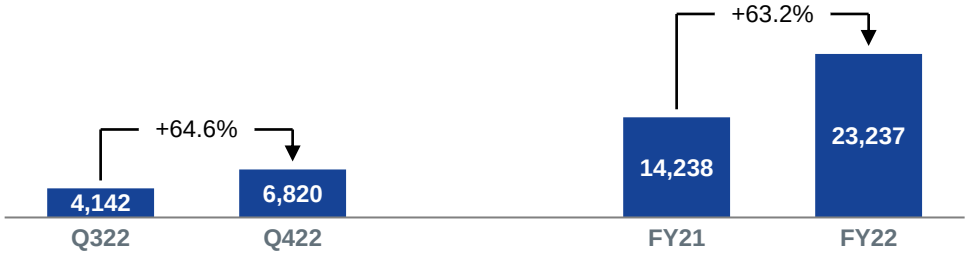
FY22: Driven by growth in voice revenue, data and other VAS.

EBITDA & EBIT (BDTmn)



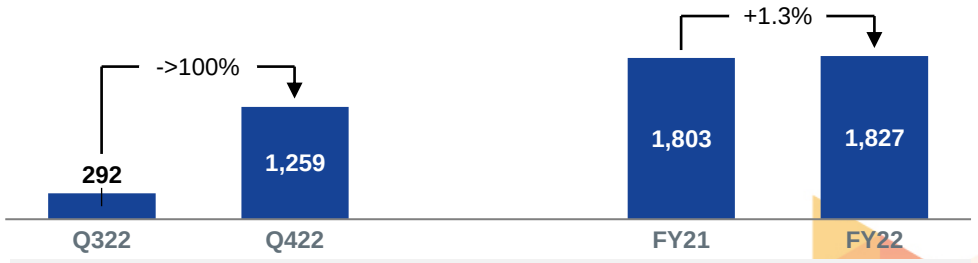
FY22: EBIT margin improvement +4.4 ppt to 15.7% largely driven by cost savings in direct cost (lower regulatory fees, interconnect and material cost) and reversal of provision, offset by higher network expense and D&A.

FCF[1] (BDTmn)



FY22: Healthy growth on the back of improved EBITDA +16.5% and lower capex -18.8%.

PATAMI (BDTmn)



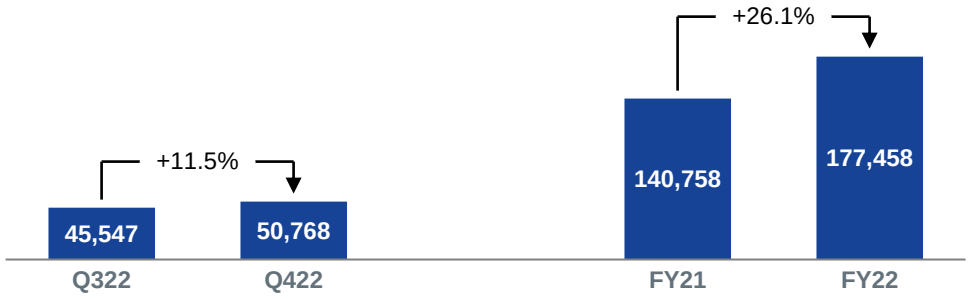
FY22: PATAMI impacted by drag from forex loss on USD-denominated borrowings and higher net finance cost (from higher finance lease), cushioned by lower tax expense.

1. FCF = EBITDA – capex

1 Digital Telco – Dialog: Stabilizing performance

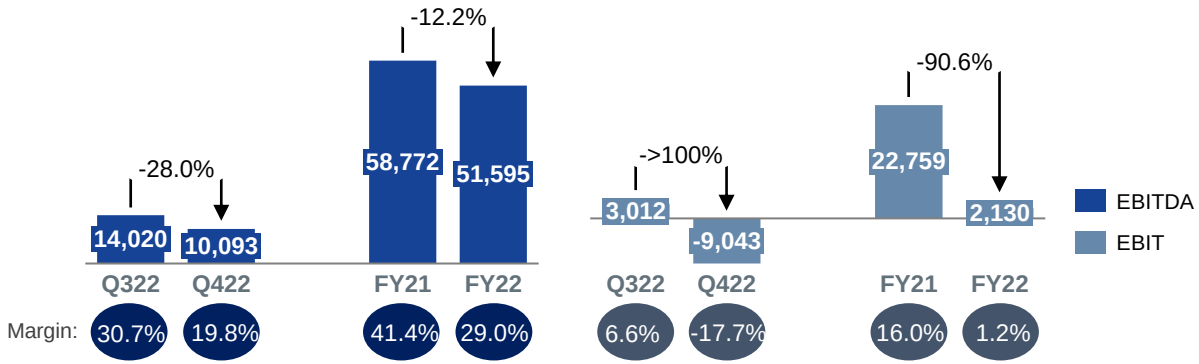
FY22 revenue ex-device +26.1% driven by international and enterprise business. However PATAMI ->100% to –LKR33.4bn impacted by higher network costs (mostly in USD), higher net finance cost, goodwill and asset impairment, and forex loss, as macro uncertainties remain.

Revenue ex-device (LKRmn)



FY22: Double-digit growth on the back of higher contribution from international, HOne, and increased data revenues.

EBITDA & EBIT (LKRmn)



FY22: EBITDA impacted by higher staff costs, network costs (mainly Network AMC and Electricity cost denominated in USD) and organization transformation cost. EBIT further impacted by higher D&A which includes goodwill and asset impairment.

FCF[1] (LKRmn)

FY22: Impacted by higher capex of (+LKR20.4bn) and unfavourable forex movement against USD, compounded by decline in EBITDA.

PATAMI (LKRmn)

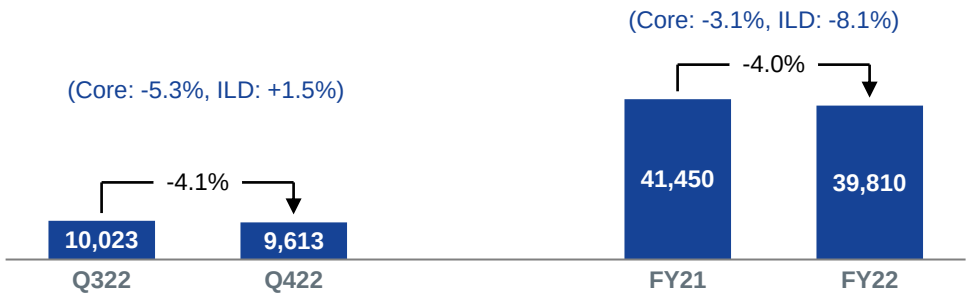
FY22: Significantly impacted by forex loss arising from USD-denominated debt USD136.5m (depreciation of LKR against USD – Dec'22: 366.0; Dec'21: LKR200.8), compounded by higher net finance cost.

1. FCF = EBITDA – capex

1 Digital Telco – Ncell: Revenue and cost pressures persist

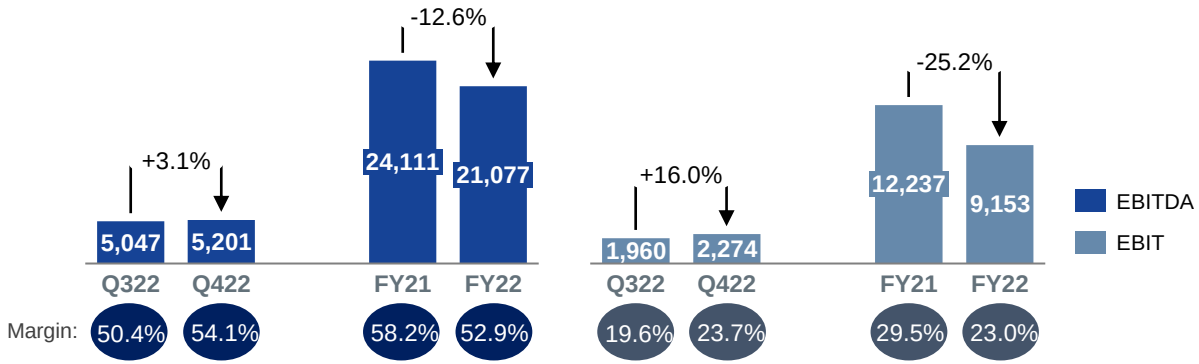
FY22 revenue ex-device -4.0% impacted by lower core -3.1% (mainly from voice -11.4% due to reduction in domestic interconnect rate) and ILD -8.1%. Consequently, EBIT -25.2% compounded by higher direct and admin cost while PATAMI -22.6% cushioned by lower taxes and higher forex gain.

Revenue ex-device (NPRmn)



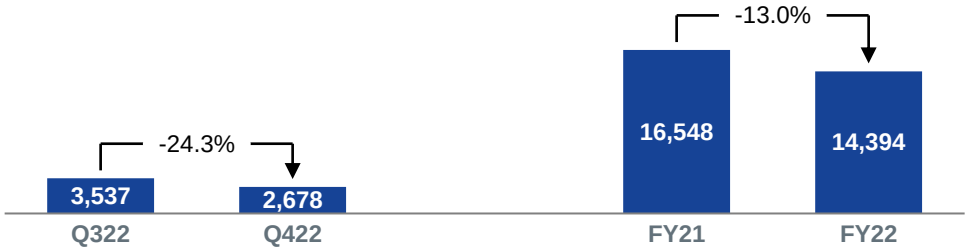
FY22: Core voice –11.4% impacted by reduced domestic interconnect rate since mid-Jan'22, coupled with ILD -8.1%; this was offset by higher data contribution (+9.6%).

EBITDA & EBIT (NPRmn)



FY22: Revenue decline flowed through to EBIT, impacted further by increase in direct and admin costs.

FCF[1] (NPRmn)



FY22: Largely impacted by EBITDA decline of -12.6%.

PATAMI (NPRmn)

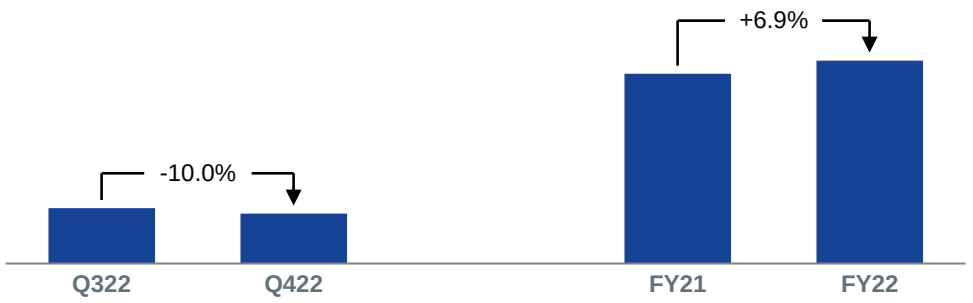
FY22: PATAMI decline (-NPR1,503mn) moderated relative to EBIT (-NPR3,084mn), due to lower taxes and recognition of higher forex gain.

1. FCF = EBITDA – capex

1 Digital Telco – Smart: Strong performance clouded by regulatory costs

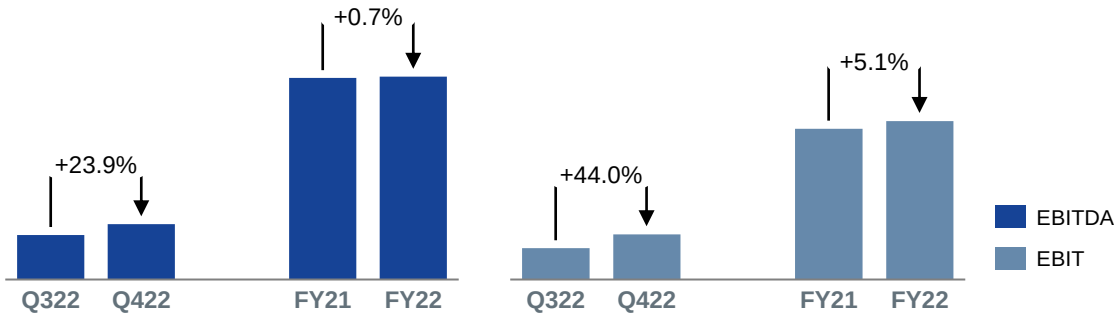
FY22 revenue ex-device +6.9% predominantly driven by data growth. However, EBITDA +0.7% and PATAMI -25.9% were impacted by one-off retrospective microwave fees and penalties.

Revenue ex-device (USDmn)



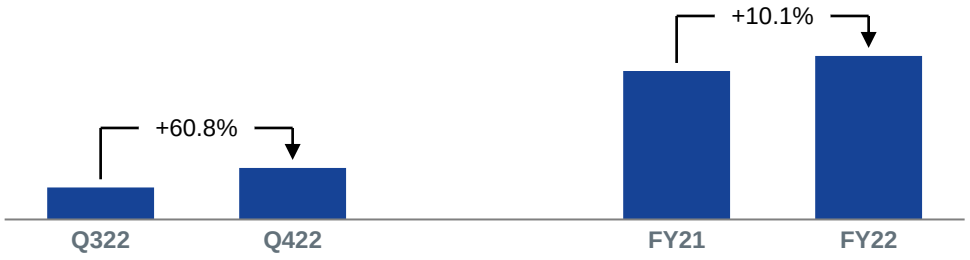
FY22: Revenue growth contributed by increased data and one-off revenue from expired scratch card incurred in Q322.

EBITDA & EBIT (USDmn)



FY22: EBITDA and EBIT margins impacted largely by higher regulatory costs from microwave fees and one-off retrospective microwave fee for prior years.

FCF[1] (USDmn)



FY22: Improvements in FCF driven by lower CAPEX (-24.8% YoY).

PATAMI (USDmn)

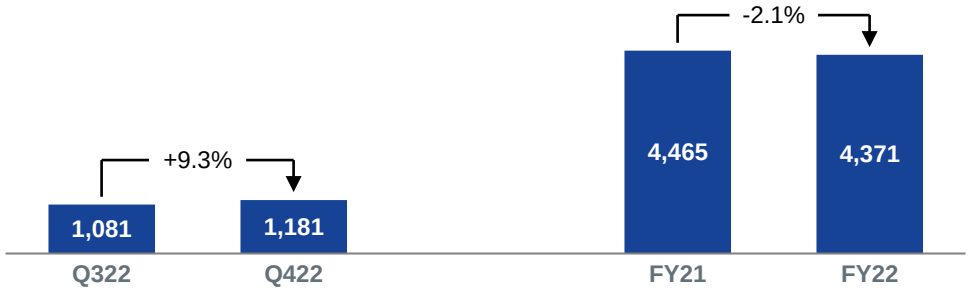
FY22: PATAMI further impacted by one-off penalty fee for microwave.

1. FCF = EBITDA – capex

1 Digital Telco – Link Net: Homes passed reaches 3.1m

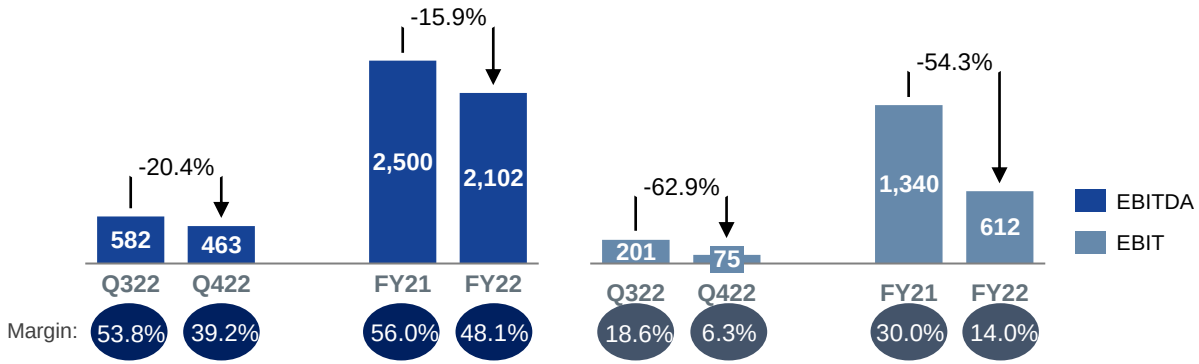
FY22 revenue -2.1% impacted by higher churn rate and lower ARPU. EBIT -54.3% impacted by higher staff cost, bad debt and D&A. Higher NFC further contributed to the PATAMI decline of -72.8%. Positively, homes passed +288k to 3.1mn homes in FY22.

Revenue ex-device (IDRbn)



FY22: Revenue decline impacted by higher churn rate due to expiry of promo contracts and lower ARPU of IDR337k (vs IDR348k in FY21).

EBITDA & EBIT (IDRbn)



FY22: EBITDA declined -15.9% as a result of higher staff cost and bad debt. Increased in D&A cost further impacted EBIT (-54.3%).

FCF[1] (IDRbn)

FY22: Lower EBITDA (-IDR397bn) coupled with increased in CAPEX (+IDR419bn).

PATAMI (IDRbn)

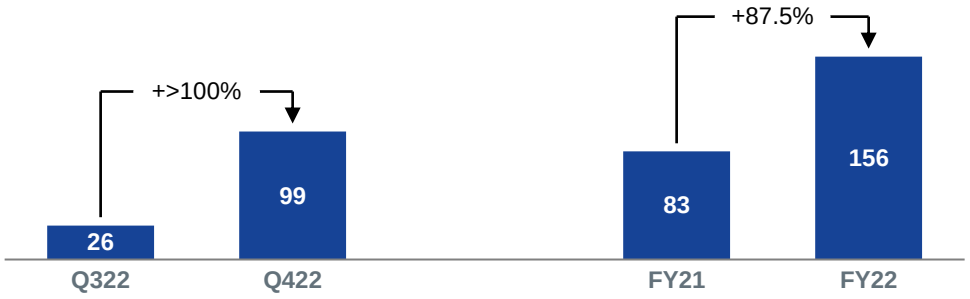
FY22: PATAMI decline from lower EBIT and higher net finance cost from additional drawdown of borrowings.

1. FCF = EBITDA – capex

2 Digital businesses – Boost: Growth from Boost Life and Boost Credit

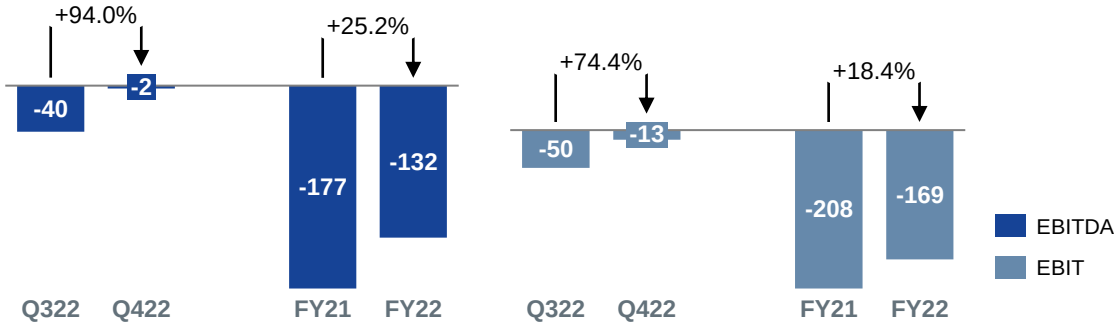
FY22 revenue +87.5% mainly driven by Boost Life and Boost Credit; EBIT improved +18.4% as revenue growth was offset with higher OPEX. YTD GTV +21.2% to RM6.1bn, while Boost Life users +7.4% YoY to 10.4mn and Malaysian merchants +26.4% to 555k.

Revenue (RMmn)



FY22: Mainly driven by growth in offline payment and increased loan disbursement. Q422 revenue spike due to Mastercard deal and monetization of advertising assets from digital App.

EBITDA & EBIT (RMmn)

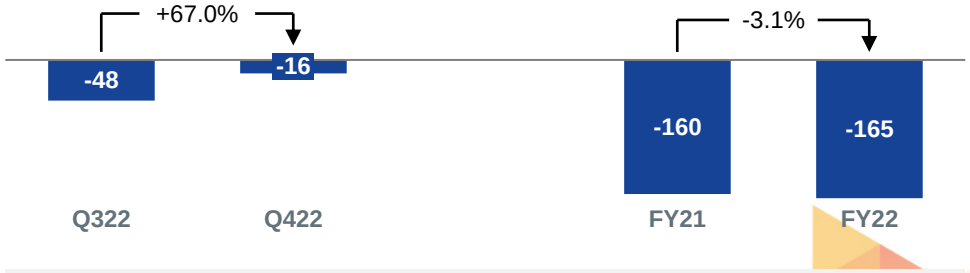


FY22: EBIT improved +18.4% as revenue growth was offset with higher OPEX.

FCF[1] (RMmn)

FY22: Flow through from EBITDA improvement.

PATAMI (RMmn)



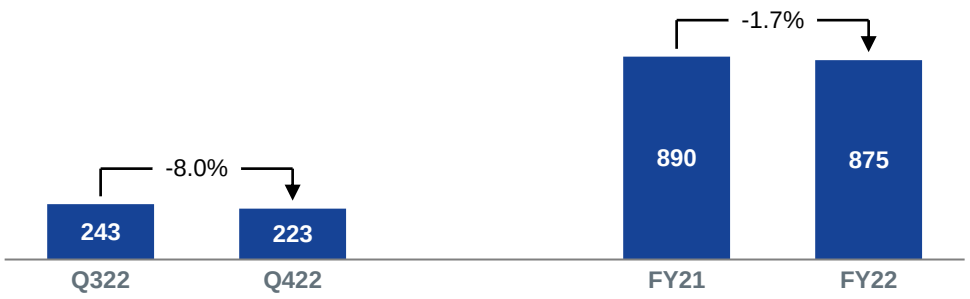
FY22: FY21 PATAMI was supported by MDEC grant of RM27mn which was absent in FY22.

1. FCF = EBITDA – capex

2 Digital businesses – ADA: Profits jump 49.8% to RM80mn; Year 4 of profitability

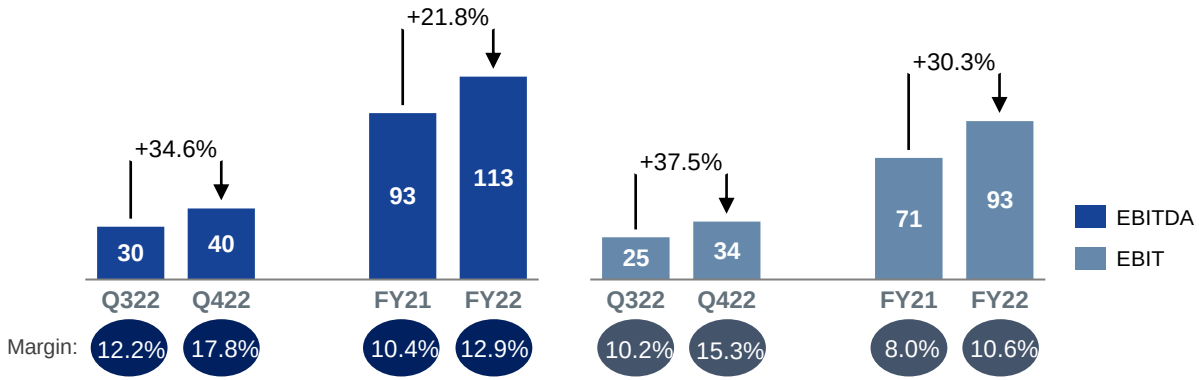
FY22 revenue -1.7% from lower Digital Marketing solutions spending, partially offset by strong growth in Customer Engagement and eCommerce solutions. EBIT +30.3% due to higher extraction rates and controlled staff costs; PATAMI jumps 49.8% to RM80mn.

Revenue (RMmn)



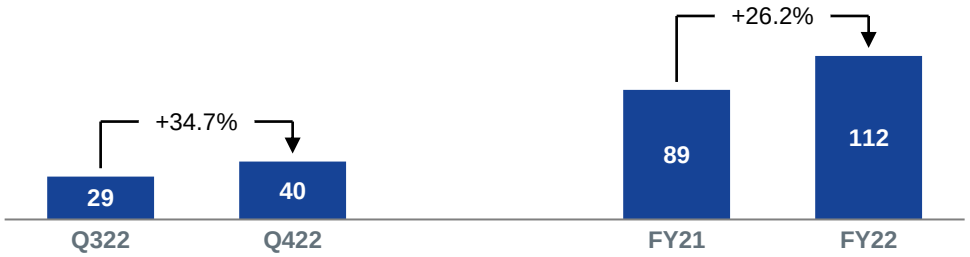
FY22: Gross Revenue decline in Digital Marketing solutions due to lower media spending.

EBITDA & EBIT (RMmn)



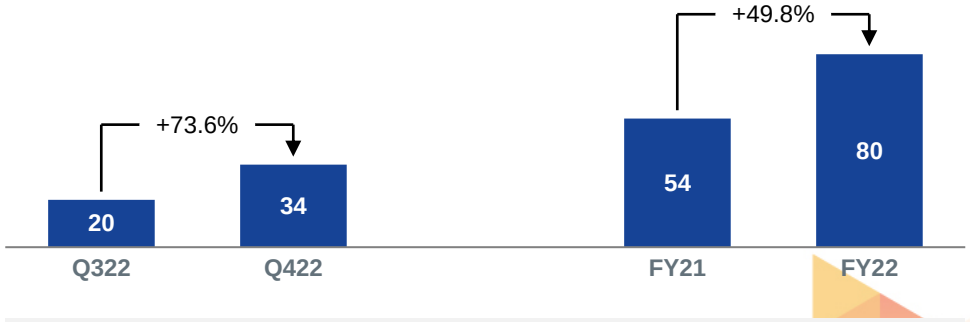
FY22: EBITDA and EBIT growth attributed to higher extraction rates leading to higher Gross Profit (+28%) and tight control over staff cost.

FCF[1] (RMmn)



FY22: Improvements in FCF due to higher EBITDA and lower CAPEX (RM1.3mn).

PATAMI (RMmn)



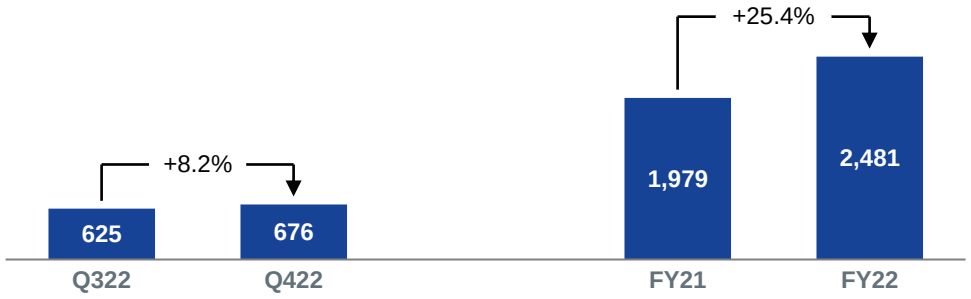
FY22: Flow through from higher EBIT and one-off forex gains in FY22

1. FCF = EBITDA – capex

3 Infrastructure – EDOTCO: Inorganic contribution complementing growth in B2S and Colo

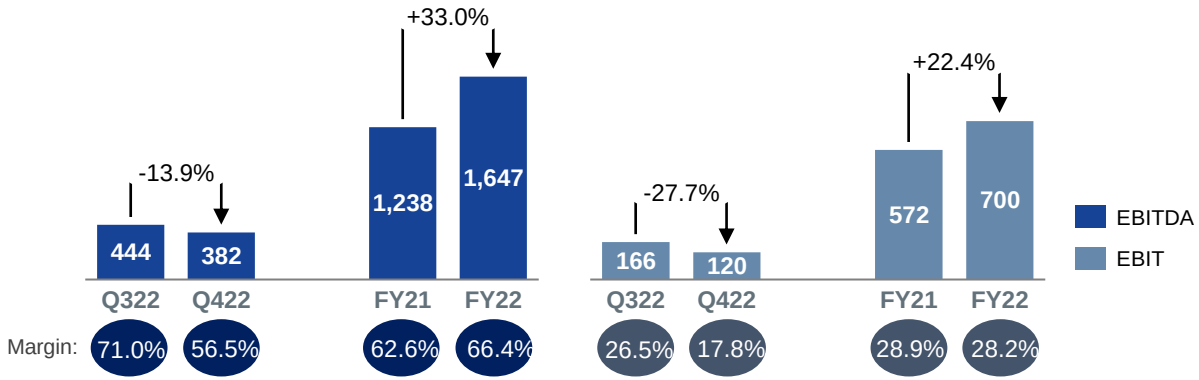
FY22 revenue +25.4% led by organic rollout and colocation particularly in Bangladesh and Malaysia, supported by inorganic contribution in MY, PH and ID. Strong revenue flowed through to EBIT +22.4% partly offset by higher D&A, while PATAMI -51.0% impacted by forex loss, higher net finance cost and one-off regulatory fees.

Revenue (RMmn)



FY22: Double digit growth driven by significant increased in organic B2S and Colo tenancies in Bangladesh and Malaysia, further supported by full year recognition of inorganic acquisition in Malaysia, and additional inorganic expansion in Philippines and Indonesia.

EBITDA & EBIT (RMmn)



FY22: EBITDA and EBIT growth mainly driven by revenue flow through and lower staff cost, offset by higher rental cost and D&A.

FCF[1] (RMmn)

FY22: Despite the higher EBITDA +33.0%, FCF impacted by higher capex mainly due to the funding of inorganic expansion in Philippines and Indonesia.

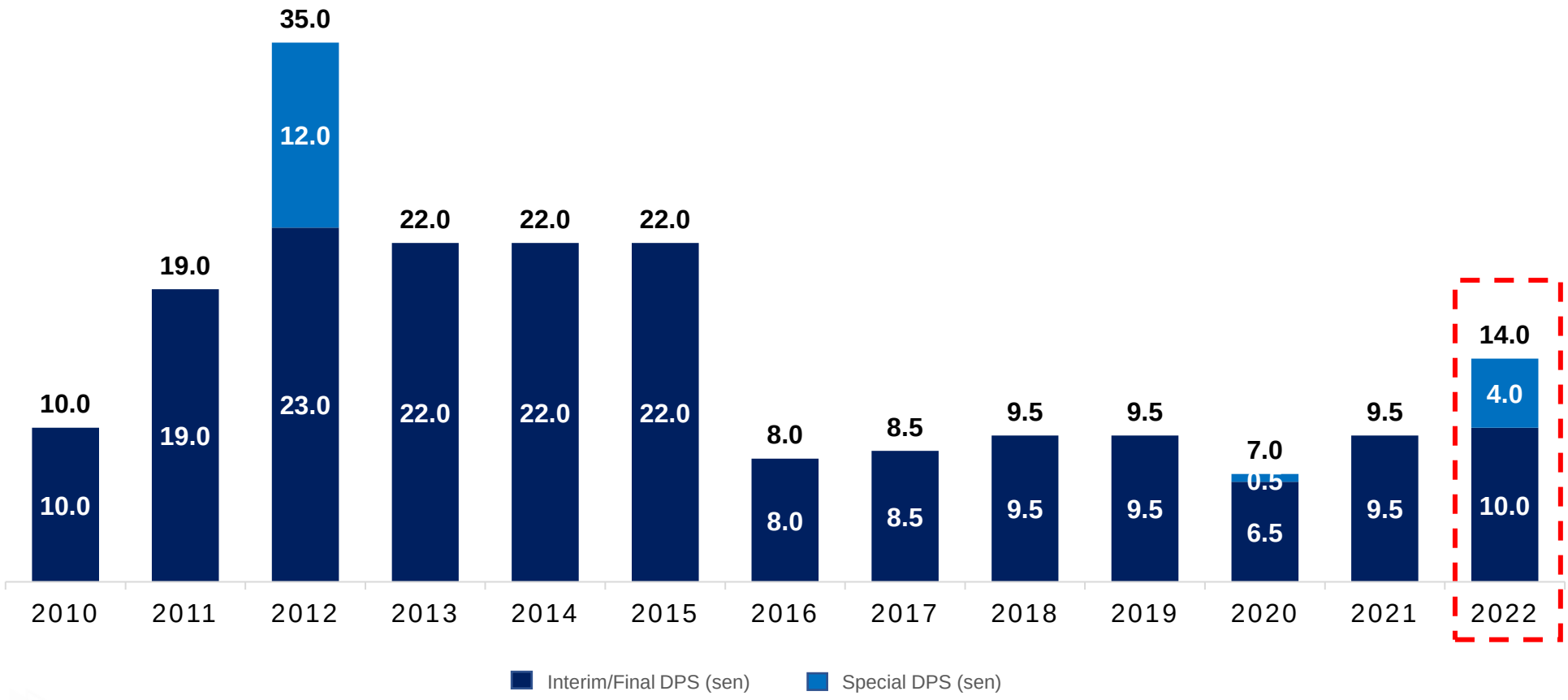
PATAMI (RMmn)

FY22: Impacted by forex movement (net unrealised forex translation loss in FY22 versus a gain position in FY21), coupled with higher net finance cost following incremental debt for recent acquisitions mainly in Malaysia, Philippines and Indonesia.

1. FCF = EBITDA – capex

Announced dividends

FY22 DPS of 14.0 sen, including special dividend of 4.0sen, is higher than FY21 DPS of 9.5 sen.



Goodwill impairment

Annual goodwill and cost of investment impairment assessment was undertaken to assess future cashflow of OpCos, which resulted in goodwill impairment of RM4.1bn, comprising RM2.6bn in Ncell, RM1.5bn in XL and RM55.3m in Dialog.

RECAP from Q222

Macroeconomic impact across Axiata footprint

Sri Lanka facing forex devaluation, hyper inflation, higher interest rates and fuel shortage – leading to USD-driven and inflationary costs increase, wallet pressure, higher interest cost, forex impact from USD-denominated borrowings and increased energy cost. Increased macroeconomic challenges foreseen in Bangladesh and Nepal too.

	Macroeconomic Impact
Malaysia	
Indonesia	
Cambodia	
Sri Lanka	
Bangladesh	
Nepal	
Philippines	
Myanmar	

Legend:

Low Risk

High Risk

23

Goodwill impairment due to higher WACC from higher interest rates and market risk premium. Furthermore:

- **Market structure in Nepal is not seen as conducive for future growth opportunities for Ncell.**
- **Heavy investments in XL have long payback.**

FY22 Headline KPIs

Revenue ex-device growth of 10.3% and EBIT growth of 20.1% is ahead of FY22 Headline KPIs.

	FY22 Headline KPIs	FY22 Results
	@ constant rate[4]	
Revenue growth[1]	Mid single digit	10.3% ✓
EBIT growth[2]	High single digit	20.1% ✓
Capex[3]	RM7.1bn	RM6.6bn

Notes:
1. Revenue is based on revenue excluding devices
2. EBIT excludes goodwill impairment
3. Capex is not a Headline KPI
4. Constant rate is based on FY21 Average Forex Rate (ie 1 USD = RM4.14)

Moving Forward

FY23 Headline KPIs

Revenue ex-device growth of mid single digit and EBIT growth of high single digit, based on Continuing Operations.

	FY23 Headline KPIs @ constant rate[3]
Revenue growth[1]	**Mid single digit**
EBIT growth	**High single digit**
Capex[2]	**RM7.1bn**

Notes:
1. Revenue is based on revenue excluding devices
2. Capex is not a Headline KPI
3. Constant rate is based on FY22 Average Forex Rate (ie 1 USD = RM4.39)

Risk & Opportunities

RISKS

- Strengthening USD and rising interest rates.
- Regulatory risks e.g. network QoS requirement, higher taxes, spectrum fees.
- Change in industry landscape eg consolidation
- Future strategic investments constrained by balance sheet limitations.

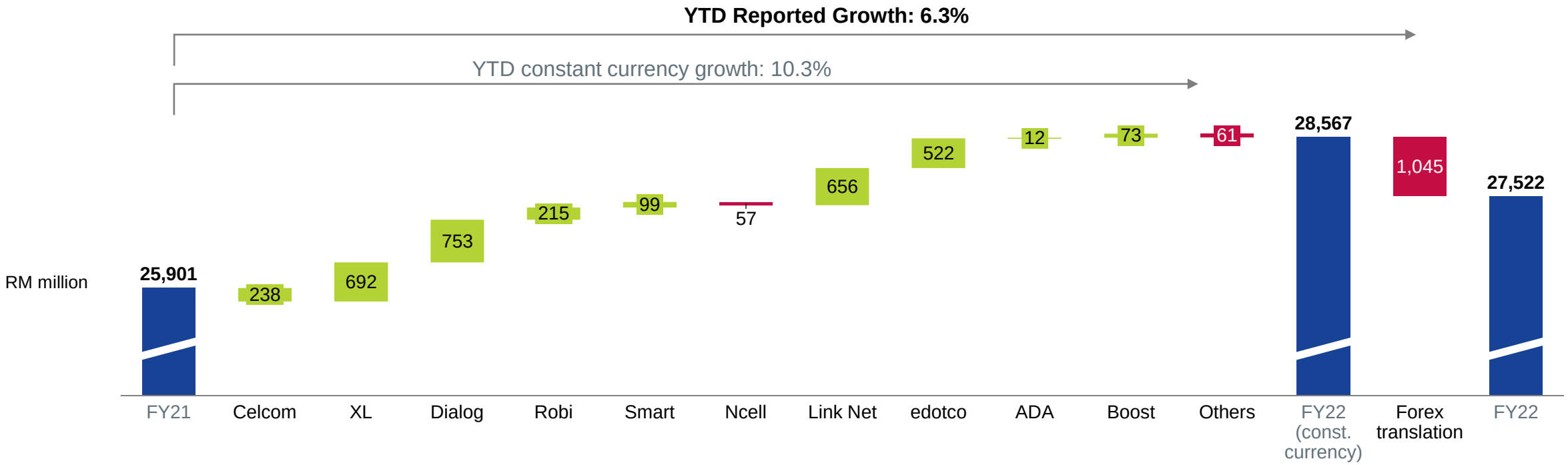
OPPORTUNITIES

- Sustained rational competitive landscape.
- Synergistic benefits from XL and Link Net.
- OpCo delayering and/or asset monetization.

Appendix

Group revenue: FY21 → FY22

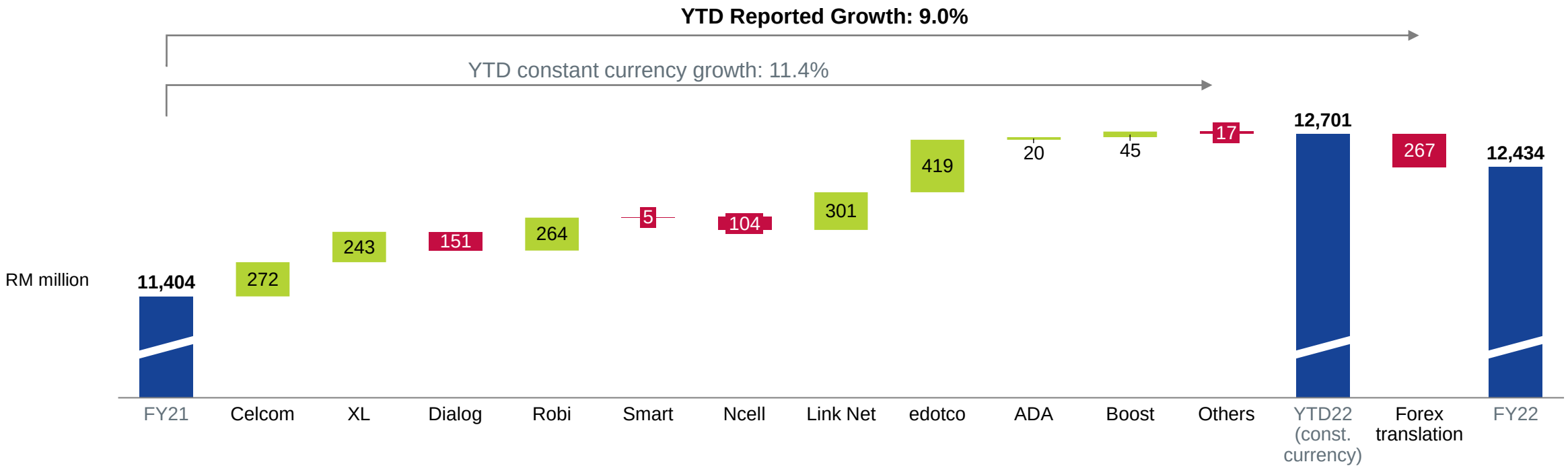
FY22 growth of 6.3% driven by better performance across all OpCos except Ncell, offset by forex translation impact due to significant depreciation of LKR.



Revenue	FY21	YTD Growth Rates		Revenue (const. currency)	FY22
Celcom	6,623	(238)	-3.6%	Celcom	6,385
XL	7,759	692	8.9%	XL	8,451
Dialog	2,954	753	25.5%	Dialog	3,707
Robi	3,955	215	5.4%	Robi	4,170
Smart	1,449	99	6.8%	Smart	1,548
Ncell	1,449	(57)	-4.0%	Ncell	1,392
Link Net	-	N/A	N/A	Link Net	656
edotco	1,979	522	26.4%	edotco	2,501
ADA	890	12	1.3%	ADA	902
Boost	83	73	87.5%	Boost	156
Others	(1,240)	(61)	-4.9%	Others	(1,301)
GROUP	**25,901**	**2,666**	**10.3%**	**GROUP**	**28,567**

Group EBITDA: FY21 → FY22

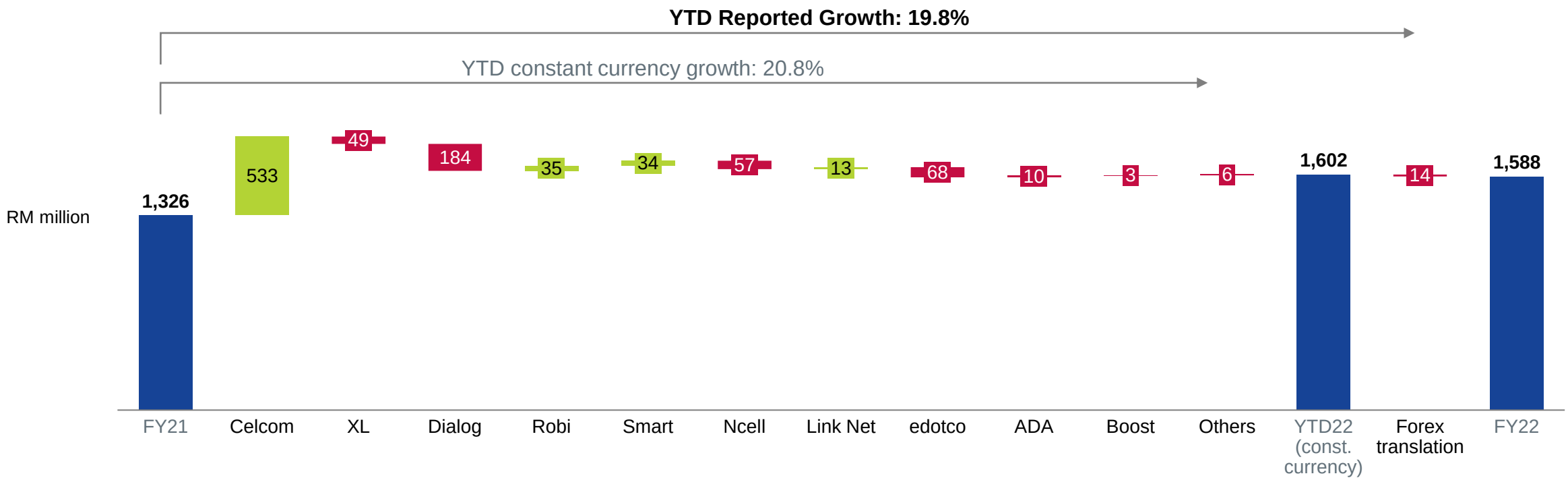
YTD growth of 9.0% driven by better performance from all OpCos, except Dialog, Smart and Ncell.



EBITDA	FY21	YTD Growth Rates		EBITDA (const. currency)	FY22
Celcom	2,826	272	9.6%	Celcom	3,098
XL	3,890	243	6.3%	XL	4,133
Dialog	1,223	(151)	-12.3%	Dialog	1,072
Robi	1,593	264	16.6%	Robi	1,857
Smart	775	5	0.7%	Smart	780
Ncell	842	(104)	-12.4%	Ncell	738
Link Net	-	N/A	N/A	Link Net	301
edotco	1,238	419	33.8%	edotco	1,657
ADA	93	20	21.7%	ADA	113
Boost	(177)	45	25.2%	Boost	(132)
Others	(899)	(17)	-1.9%	Others	(916)
GROUP	**11,404**	**1,297**	**11.4%**	**GROUP**	**12,701**

Group underlying PATAMI: FY21 → FY22

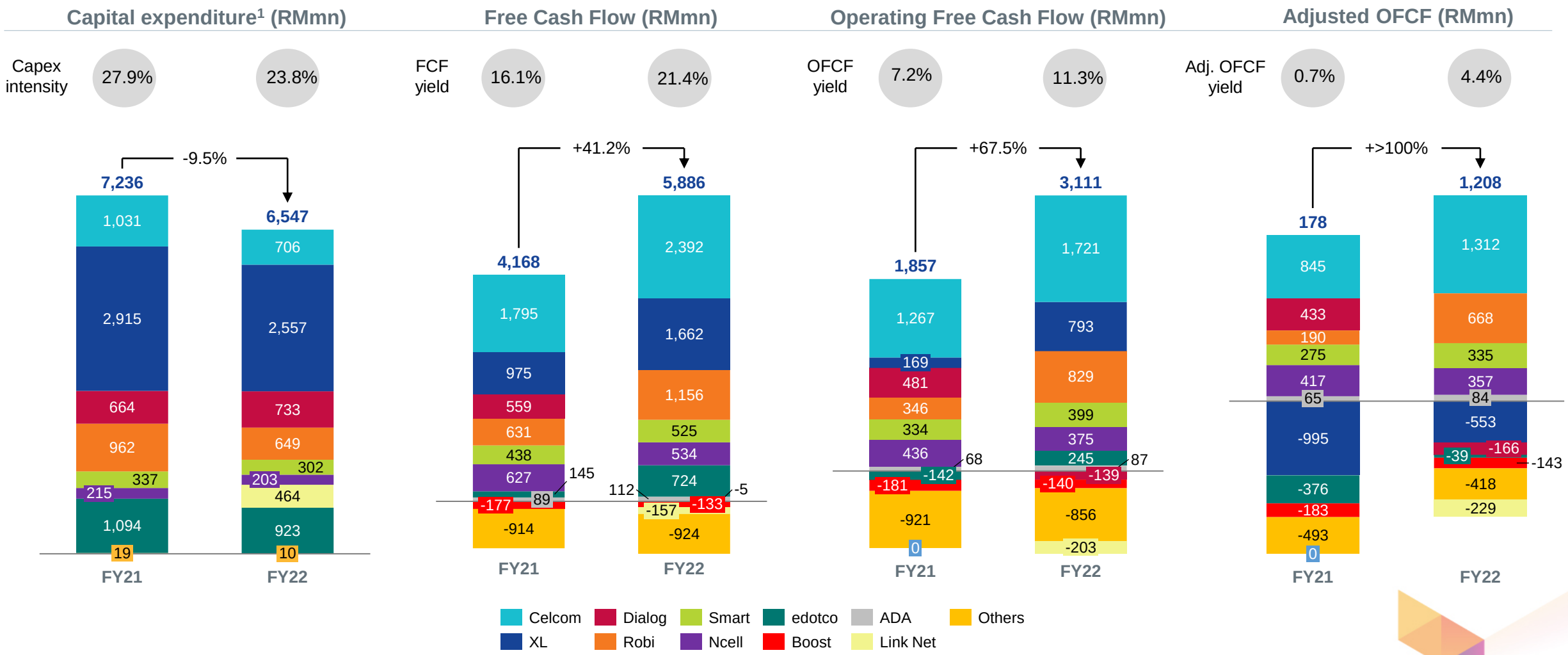
FY22 growth of +19.8% driven mainly by higher contribution from Celcom, Robi, Smart and maiden contribution from Link Net.



Norm PATAMI	FY21	YTD Growth Rates		Norm PATAMI (const. currency)	FY22
Celcom	818	533	65.2%	Celcom	1,351
XL	185	(49)	-26.5%	XL	136
Dialog	341	(184)	-54.1%	Dialog	157
Robi	58	35	60.6%	Robi	93
Smart	239	34	14.1%	Smart	273
Ncell	192	(57)	-29.4%	Ncell	135
Link Net	-	13	N/A	Link Net	13
edotco	161	(68)	-42.3%	edotco	93
ADA	33	10	28.6%	ADA	43
Boost	(126)	3	1.9%	Boost	(123)
Others	(575)	6	1.0%	Others	(569)
GROUP	**1,326**	**276**	**-23.5%**	**GROUP**	**1,602**

Capital expenditure and cash flow

OFCF +67.5% to RM3.1bn, as capex intensity drops 4.1% pts to 23.8%; Operational Excellence initiatives translate into lower CAPEX at Celcom, XL and Robi.



Note:
1. FY22 capex exclude USP capex of Celcom and EDOTCO's acquisition of Philippines telco towers
FCF = EBITDA-Capex
OFCF = EBITDA- Capex- Net Interest-Tax
Adjusted OFCF = OFCF less ROU depreciation

ESG: Ratings and Key Highlights for 2022

Maintained rating of 'AA' by MSCI. Axiata Group continues to build on the corporate sustainability agenda with our membership into UNGC, in addition to the Group's net-zero commitments and climate action amongst others.

ESG Ratings

FTSE4Good

Constituent of the **FTSE4Good Bursa Malaysia Index** and **FTSE4Good Bursa Malaysia Shariah Index** with 4-star ESG Grading Band

↑ **Scored 3.6 by FTSE Russel ESG Rating** (improved from 3.4)

MSCI ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA

AA

Maintain AA (Leader) rating by MSCI ESG Ratings

S&P Global

↑ **Scored 35/100** in the 2022 S&P Global Corporate Sustainability Assessment reflecting an improvement of 9 points over the last 2 years

CDP
DRIVING SUSTAINABLE ECONOMIES

↑ **CDP Scoring C (Awareness)** (improved from D)

ESG Recognition & Awards

NACRA Awards

- **Won Gold for IAR** in the category of companies with more than RM10 billion in market capitalisation

Sustainability Performance Awards 2022 by UNGC Malaysia & Brunei

- Group's Head of Sustainability won **Climate Action Fellow Award**

Key Highlights of the 2022

Axiata Group Board Sustainability Committee formalised in April 2022 to strengthen and oversee matters relating to sustainability within the Group, including areas of digital inclusion and climate action amongst others — Q2'

Rolled out the **Axiata Net-Zero Carbon Roadmap** aligned to **GSMA industry decarbonization by 2050** — Q2'

TCFD

Commenced the **adoption of all four Taskforce on Climate-related Financial Disclosures (TCFD)** recommendations via a three-year Roadmap, and will be progressively working towards fully **aligning with the framework** — Q3'

UN GLOBAL COMPACT

Axiata joins UNGC, the largest corporate sustainability initiative in the world — Q4'

Thank You

www.axiata.com

Axiata Group Berhad