

Singtel's Digital Transformation

17 May 2018

Forward looking statement – Important note

The following presentation contains forward looking statements by the management of Singapore Telecommunications Limited ("Singtel"), relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of Singtel. In particular, such targets should not be regarded as a forecast or projection of future performance of Singtel. It should be noted that the actual performance of Singtel may vary significantly from such targets.

"S\$" means Singapore dollars, "A\$" means Australian dollars and "US\$" means United States dollars unless otherwise indicated. Any discrepancies between individual amounts and totals are due to rounding.

Asia's leading communications group

Regional Scale & Diversification

- Market-leading operators in Singapore, Australia, India, Indonesia, Thailand, Philippines and across Africa

Integrated fixed & wireless operator

- Delivering seamless entertainment & communications experience to customers
- Growth engines in cyber security, digital marketing, cloud and analytics

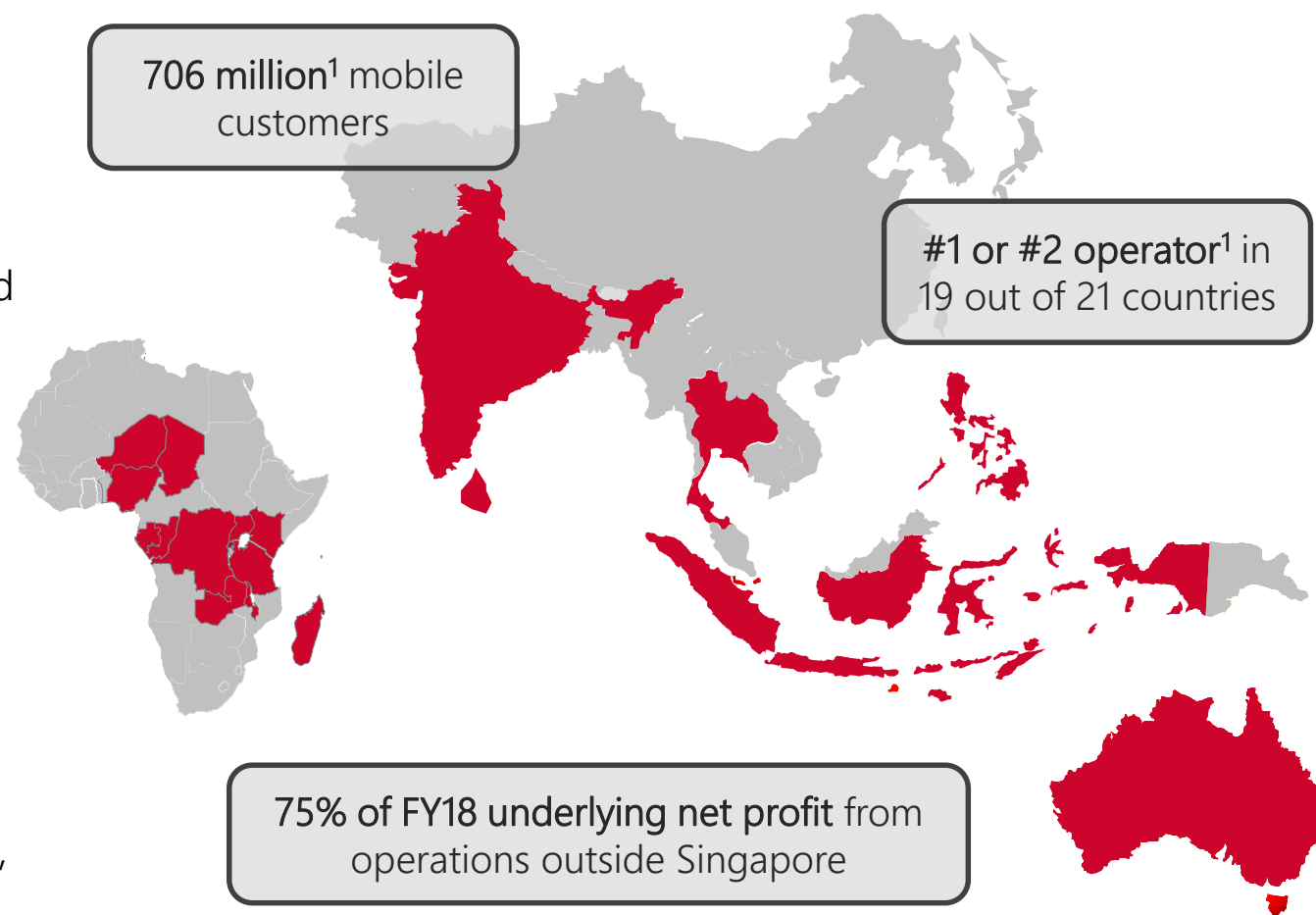
Reaping benefits from digitalisation

- ~24% of FY18 revenue from ICT & digital businesses
- Productivity & customer experience improvements
- Well-placed to benefit from opportunities in the digital economy

Strong Dividend Track Record

- Strong cash generation and disciplined capital allocation, supporting returns to shareholders
- One of the strongest credit ratings amongst global telcos

Our Diversified Operations




FY18: Record earnings on NetLink Trust divestment gains

Strong core execution and growth in digital services

S\$17,532m  5%
OPERATING REVENUE

S\$5,089m  2%
EBITDA

S\$2,304m  13%
**SHARE OF REGIONAL
ASSOCIATES' EARNINGS**

S\$3,544m  8%
UNDERLYING NET PROFIT

S\$3,606m  18%
FREE CASH FLOW

S\$5,451m  42%
NET PROFIT

Three pronged approach to Singtel's digital transformation



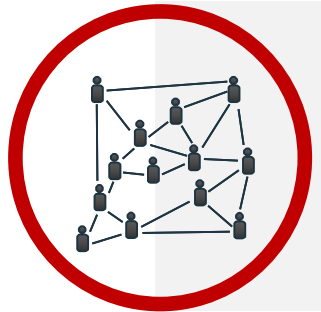
Digitising core operating model



Driving sales via
online store



Driving self-help
adoption via Apps



Partnerships to build digital ecosystem & enhance the core



Mobile
Payments



Gaming &
E-Sports



Cloud



Building new standalone businesses where we have a right to play



Digital
Advertising



Cyber
Security



OTT
Video

Group Enterprise

Key enabler of smart cities & digital enterprises with deep capabilities

Singtel Group Enterprise at a glance



Largest Smart Nation
ICT Partner in Singapore



Top 5 global cyber security
service providers
among Telcos

Best Telco Cloud
Provider in APAC⁴



#1 ICT Provider
in Singapore¹

#1 Market
Leadership²
APAC Enterprise
Data Services

#1
International
IPVPN in APeJ

#1
EVPN and Eline
in APeJ

#1
IPLC in
Singapore³



11

Data Centres



10 Advanced Security
Ops Centres (ASOC)
5 Network Operating
Centres (NOC)



Staff >12,000



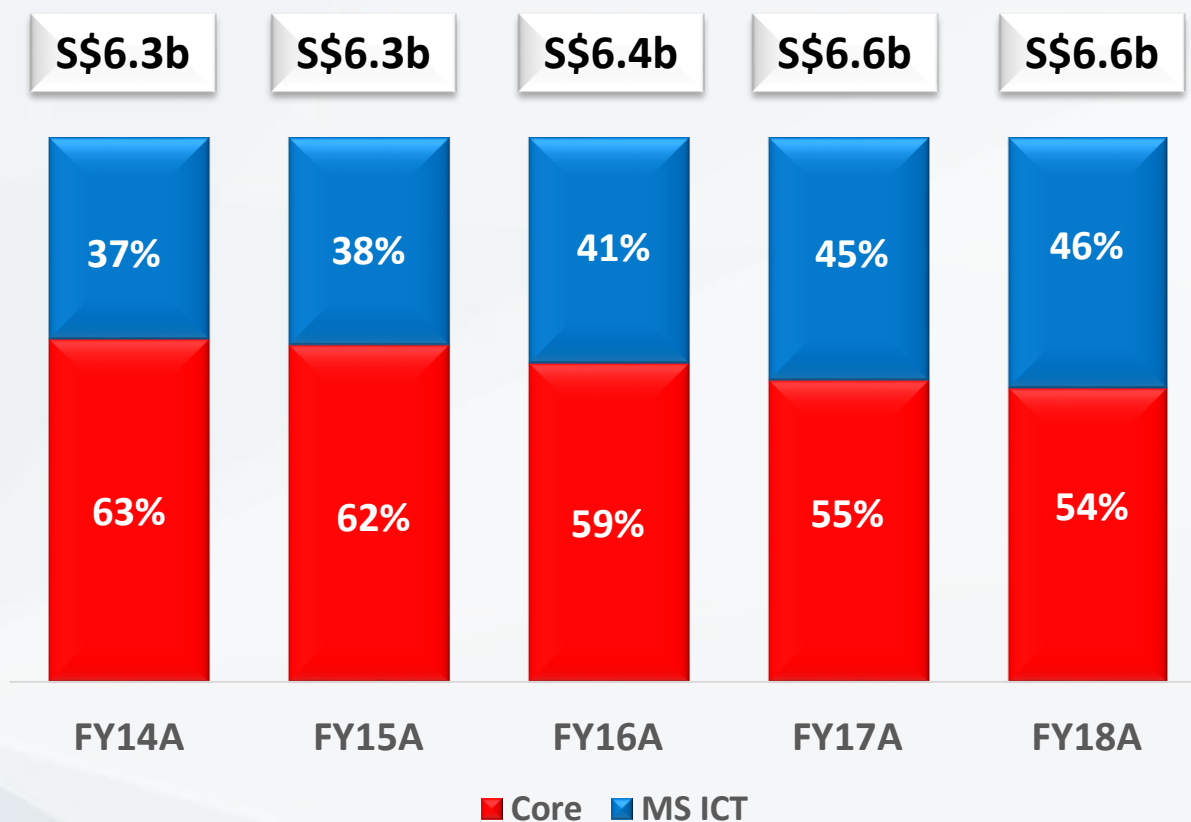
>70 Offices in
>25 Countries

> 3,000 Industry Certifications
> 2,000 Cyber Security Experts

1. Gartner IT Services, Apr 2017
2. IDC Telecom Services Database Asia-Pacific 1H2017, Jan 2018
3. Leased line + Eline market revenue for Local Singapore
4. Frost & Sullivan 2016 Asia Pacific Telco Cloud Service Provider of the Year

Shift in revenue mix towards ICT services

S\$'M



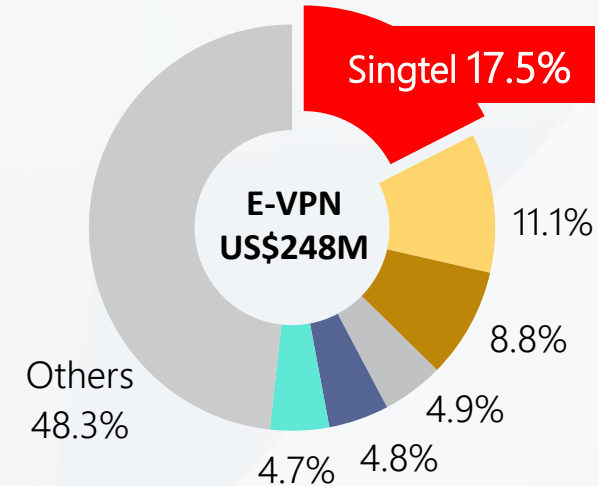
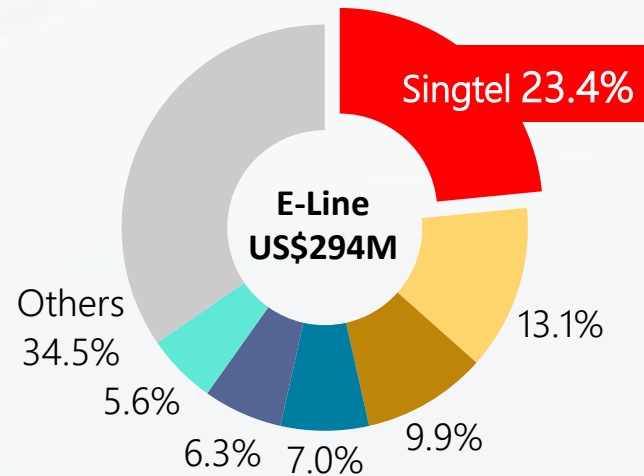
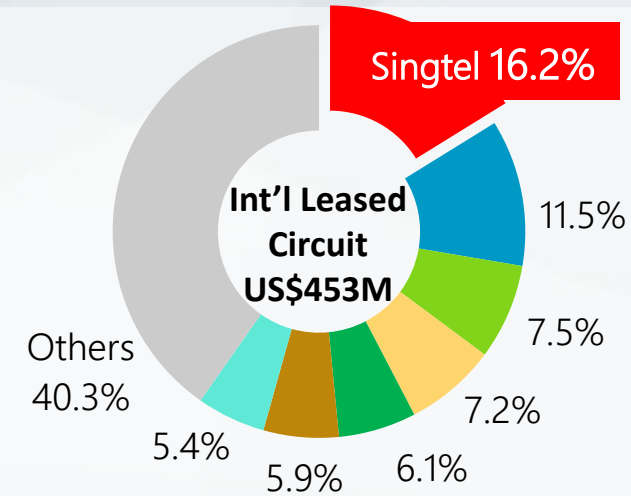
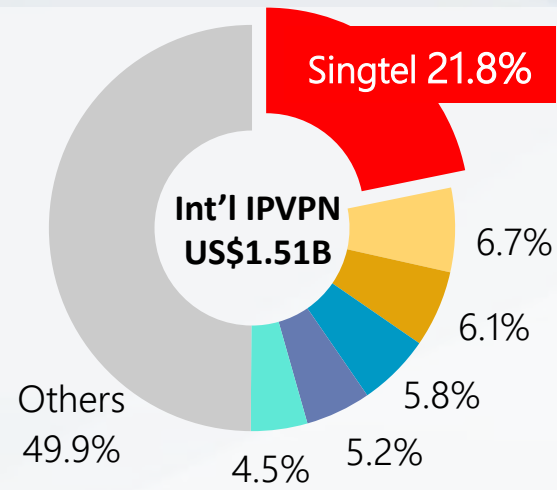
FY18

- S\$3.1B in ICT revenue ~ 46% of revenue
- S\$530M in Cyber Security Revenue

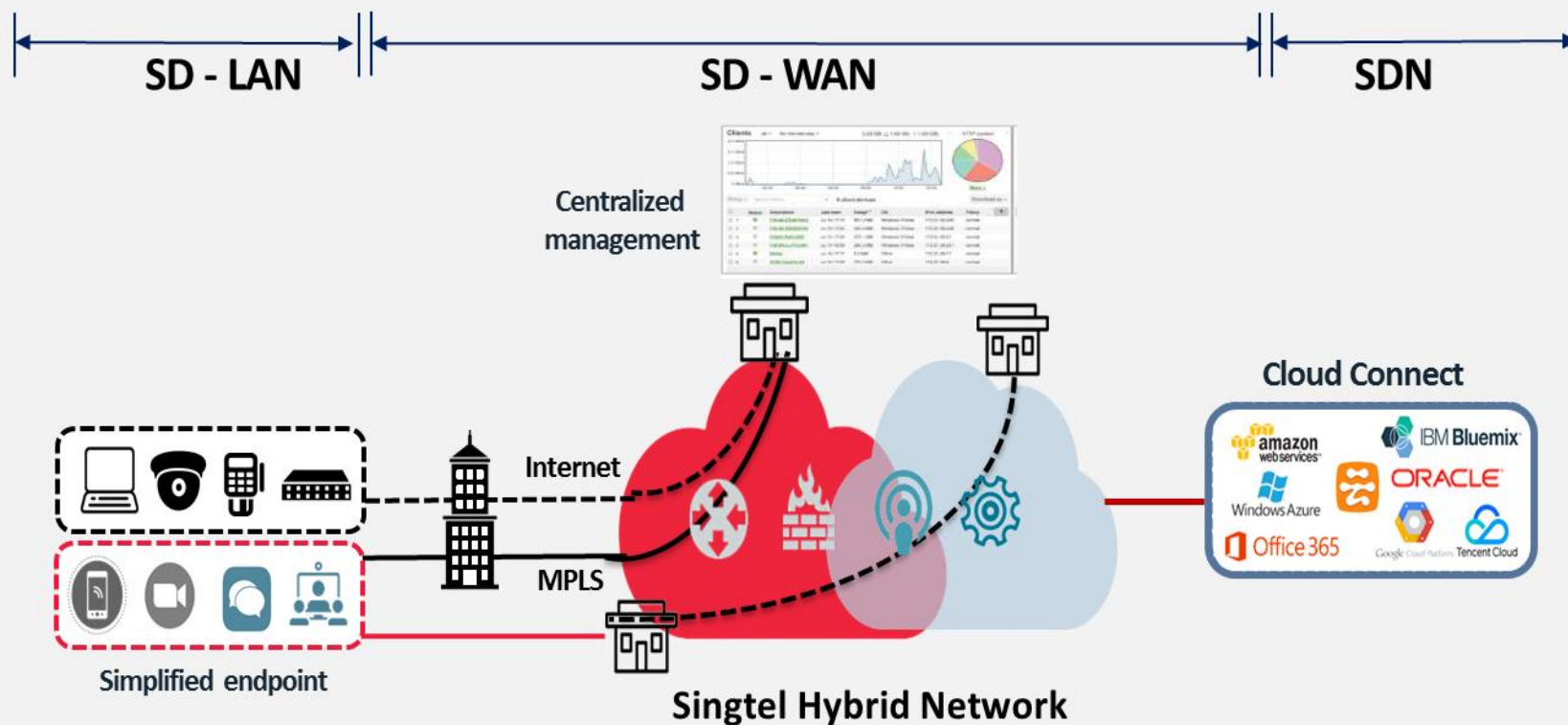
FY19 guidance

- ICT to grow mid-single digit, with cyber security to grow by low teens

Leadership in APAC Enterprise data services



Lead in Software Defined Network Services leveraging our network infrastructure and capabilities



Deep Visibility
Simplified central management

Agile Service Provisioning
Minimise footprint, quick deployment and on-demand

Smart Predictive Network
ML/AI driven actionable insights



Telco Cloud Forum Awards 2017
Best Telco Cloud SDN/NFV Project



Asia Telecoms Innovation Summit & Awards
Enterprise Service Innovation (SD Hybrid NW)
Software & Applications Innovation (C+ SD WAN)

Group Enterprise : Our 3 Year Vision

To be the key enabler of smart cities & digital enterprises
with deep capabilities



Cyber Security



Cloud Services



Digital
Capabilities



Analytics/ AI



Robotics
and IoT

Proven Track Record of Smart City and Digital Enterprise Transformation



Public Safety



Citizen Engagement with Smart Apps



Next-Generation Electronic Road Pricing System



Pharmacy Robotic Dispensary



Cyber Defence for Enterprises



Retail Analytics



Smart Urban Infrastructure



Automation & Robotics for Enterprises

Core & Digital capabilities

Cyber Security & OT Security



Cloud Infrastructure



Telco, Video, Social & Customer Data Analytics



Sensors & IOT Management



Geographic Information System



AI, Machine Learning, RPA



Collaboration with Research Institutions to develop local IP, build deep capabilities and drive Innovations.



LAUNCH OF NUS-SINGTEL CYBER SECURITY RESEARCH & DEVELOPMENT LABORATORY

Guest-of-Honour
Mr Teo Chee Hean
Deputy Prime Minister and Coordinating Minister for National Security
Chairman, National Research Foundation Singapore
October 2016



NUS-Singtel Cyber Security Research and Development Laboratory in Oct 16

Supported by:



NATIONAL RESEARCH FOUNDATION
PRIME MINISTER'S OFFICE
SINGAPORE





Singtel Cognitive and AI Lab (SCALE@NTU) & Singtel-A*STAR Master Research Collaboration on 4 Dec 17 by DPM Teo Chee Hean

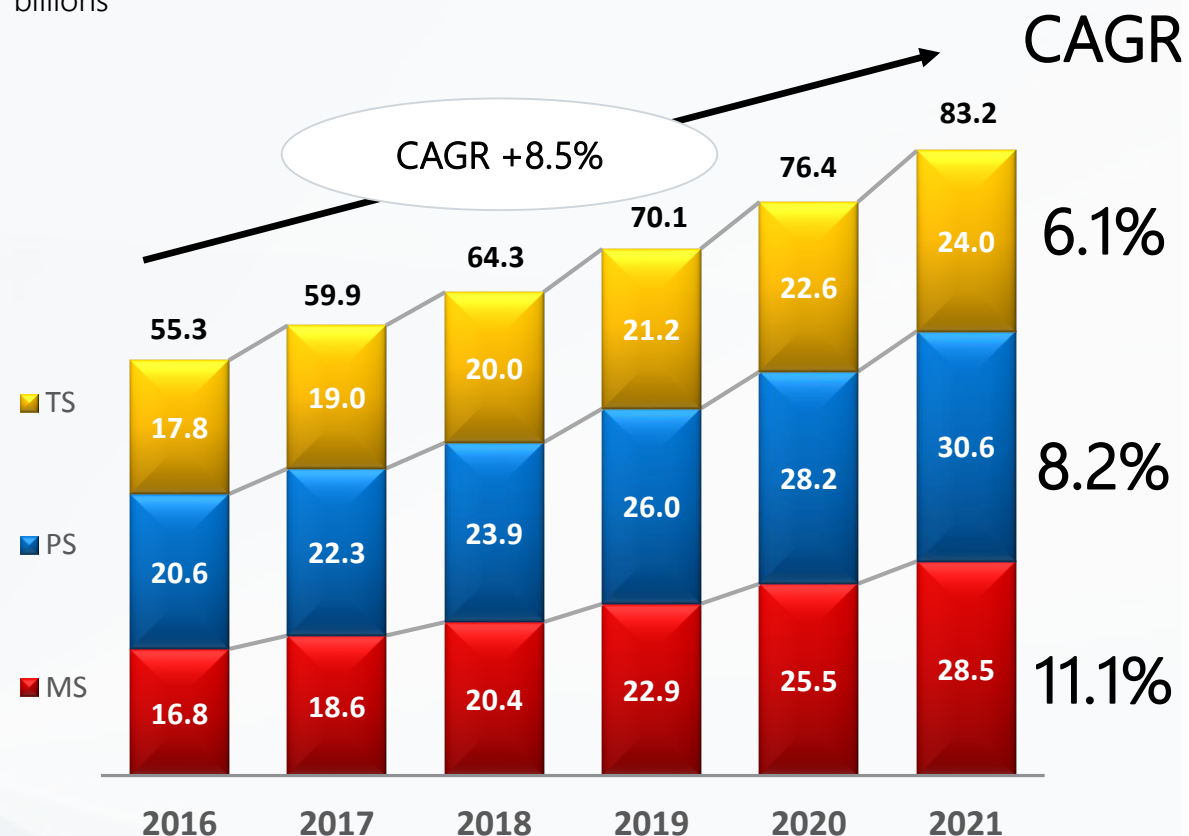




Advanced Remanufacturing and Technology Centre (ARTC) as 47th member to focus on Industrie 4.0

Global Cyber Security Market growing at 8.5% annually

in US\$'
billions



4 types of players compete in MSS

Carriers



System Integrators



Product Vendors



Pure-Play MSSPs



Source: Gartner, Forecast: Information Security, Worldwide, 2015-2021, 4Q17 Update, , 5 February 2018

Chart created by Singtel based on Gartner's Research

MS: Managed Security Service: Remote management and/or monitoring of IT security functions delivered via remote security operations centers (SOCs), not through personnel on-site.

PS: Professional Services includes professional / advisory services to help companies analyze business operations and technology strategies. Include two subsegments: business and IT consulting. Includes Security Testing

TS: Includes Hardware Support and Implementation

Our key cyber capabilities



Global ASOC network and market access



Developing automated Managed Detection & Response platform



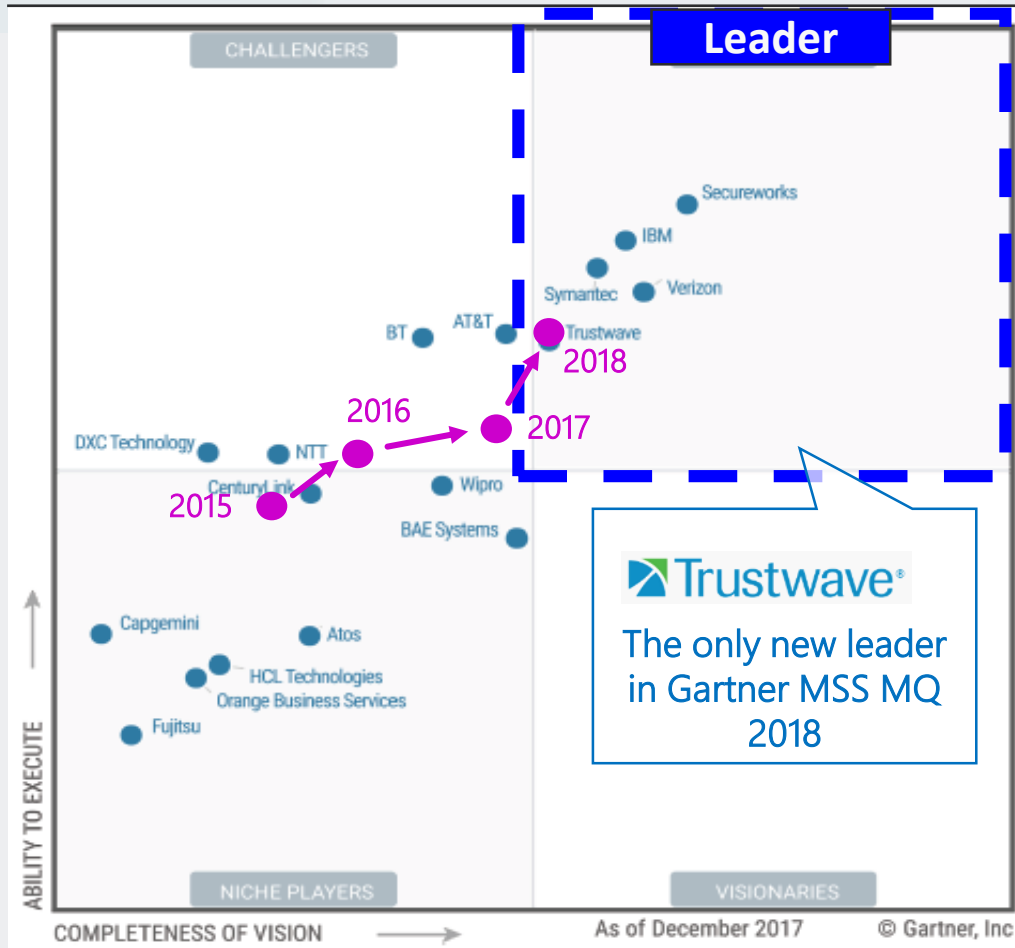
Cyber Security Institute



**Leading edge technology ecosystem
& R&D investments**

We have established a Global Leadership Position in Managed Security ...

Trustwave is a leader in Gartner's 2018 MSS Magic Quadrant



Highlights from Gartner

"Trustwave is a competitive provider with both, proprietary products and services"

"...able to support a large client base up to larger global organizations"

"Expanded global footprint across APAC and NA via strategic partnerships"

"Spiderlabs enhances the value of MSS through integration of threat intelligence data and SpiderLabs' analysts serving as a higher tier of skills for advanced triage"

Group Digital Life

Leveraging on our core telecom assets to build standalone digital businesses for the Singtel Group

Singtel Group Digital Life at a glance

Creating new scalable engines of growth for the Singtel Group

Group Digital Life Financials

FY18 Revenue

S\$1.16b + 66%

Actual

vs FY17

FY18 EBITDA

Increased by

S\$71m vs FY17

FY17 : -S\$-122m → FY18 : -S\$51m

Core businesses

AMOBEE

Digital Marketing



one the largest independent buy-side marketing technology providers in the world



~S\$1 Billion Revenue



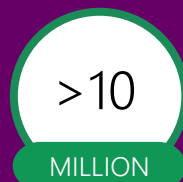
Working with >2000 advertisers

HOOQ

OTT Video



Leading subscription video service in the emerging markets



MILLION Downloads

#1 in downloads and branding in Indonesia



Rollout of Free to Air Live TV in FY19

DataSpark

Data Analytics



Delivering mobility intelligence insights leveraging carrier data



Data-as-Service
Mobility Intelligence Reports
Data Science Consulting

VC Fund

Singtel innov8

Innovation Engine



Offices in:
San Francisco
Israel
Singapore

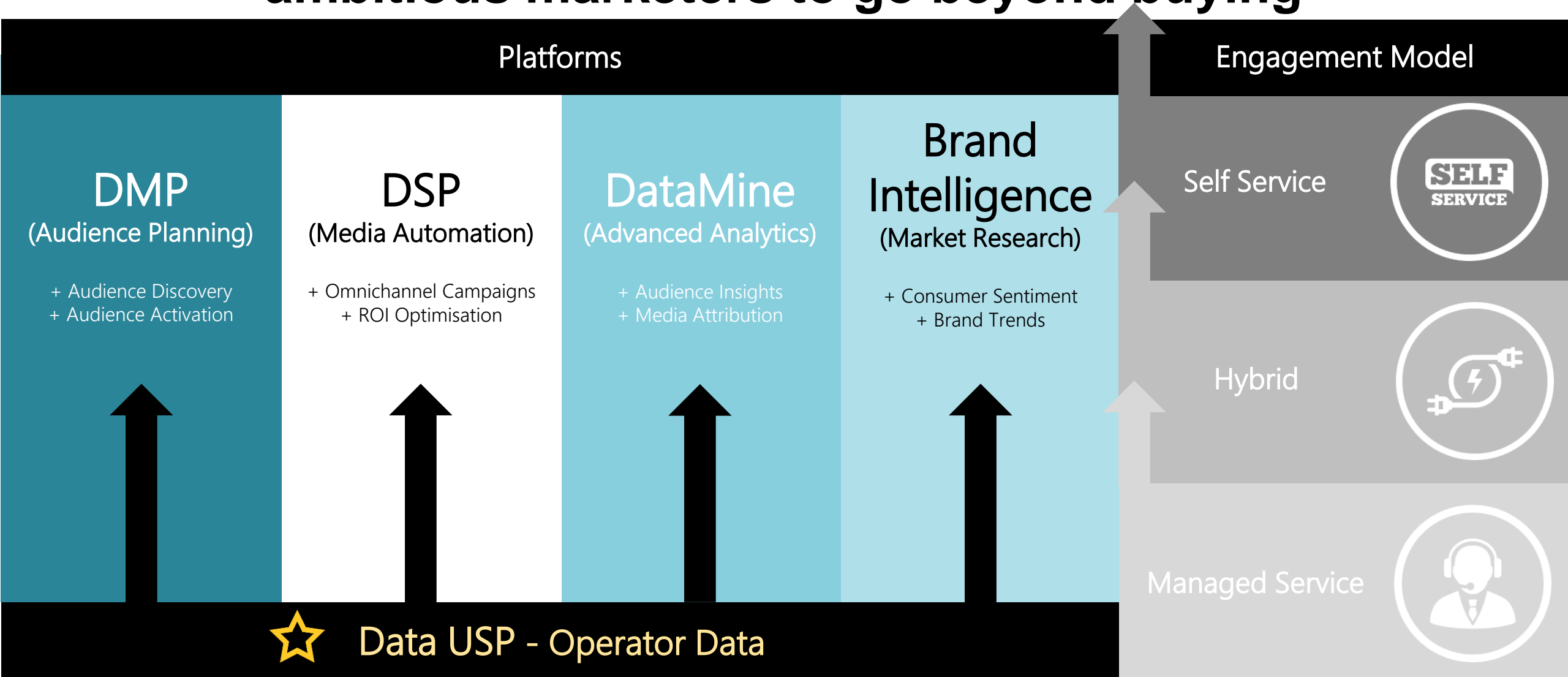


65+ Investments

US\$250

million evergreen fund

Amobee aims to be the best technology platform for ambitious marketers to go beyond buying



FY19: Amobee's revenue to grow at mid-teens and EBITDA to increase

HOOQ aims to be the leading SVOD service in the emerging markets

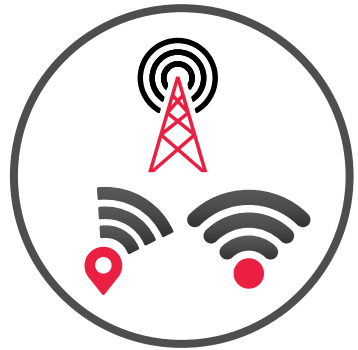
- **Joint Venture** between **Singtel, Warner Bros** and **Sony Pictures**
- First **launched in March 2015** in the **Philippines**, HOOQ is now live in **5 markets** including **Thailand, India, Indonesia** and **Singapore**
- Leading OTT service in SE Asia with **over 10M downloads in the Playstore**
- Premium content offering Hollywood + Local + Kids in every country we operate, with **average 40,000 hours**.
- To cater to the **Asian market**, HOOQ has introduced an **innovative and unique business model** comprising a **free to air Live TV** layer and a **sachet layer** for occasional users in addition to its existing **premium SVOD** layer



Our Value Proposition:

1. Bringing the 'Best of Hollywood and the Best of Local' for me time, family time, and kids time
2. Access anytime, anywhere, on any device (especially mobile)
3. All for less than the price of a trip to the movies

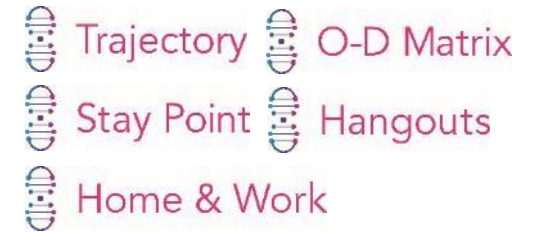
DataSpark combines rich carrier and other datasets, scalable platforms, and innovative solutions to enable a deep understanding of mobility patterns of people and things



Anonymised and aggregated data from telco operators, mobile SDKs and other sources of mobility data



Processed through DataSpark's scalable **Mobility Genome** algorithms



Mobility intelligence insights on population movement patterns which can power applications in **transport, retail, network optimisation** amongst others

Corporate venture capital and open innovation: Innov8

Our Mission

To help Singtel Group:

- Adopt new innovative technologies / solutions
- Strengthen existing Singtel Group business
- Seek new growth opportunities
- Foray into new markets



US\$250M

Evergreen Fund

with Own Decision
Making Structure

Our Objectives



Identify trends
and insights



Drive adoption
of innovative
technologies



Startup
Investments



Reinforce Singtel
as a Thought
Leader



Our Global Presence

Offices in Global Innovation Hubs

San Francisco



Tel Aviv



Singapore





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