



Business Update

Nine months & third quarter ended
31 December 2023

23 February 2024

9MFY24 at a glance



Underlying NPAT up 7% despite sustained macro & forex headwinds

- Strong EBIT performance from growth engines offset decline from core business
- Deconsolidation of Trustwave losses from Q3FY24
- Strong SGD impacted revenue (-S\$406M) & underlying NPAT (-S\$51M)



Optus recovery post-outage

- Key brand & subscriber metrics recovering well in Q4FY24
- Took A\$60M (S\$54M) provision for costs related to the network outage



Momentum in growth engines

- Nxera¹ rapidly scaling up; capex fully funded with KKR investment & green loan
- NCS continues expansion into enterprise & outside SG, margins boosted by cost optimisation



Stable associates' PBT contribution & dividends in line with S\$1.3B guidance

- Airtel impacted by weak Nigerian Naira (circa -S\$130M²) & BTL finance expenses. Divested direct stake in Airtel Africa in Q3FY24
- Telkomsel impacted by 5% shareholding dilution, mitigated by higher growth trajectory of IndiHome which is tracking to plan

On track to pay upper end of dividend policy³ in FY24

1. New brand name for Singtel's data centre business.
 2. Comprises mark-to-market losses from FX liabilities & translation impact.
 3. Barring unforeseen circumstances, Singtel plans to pay ordinary dividends at between 70% & 90% of underlying net profit.

9MFY24 financial highlights

Operating revenue

S\$10,621M

▼ 3% (Stable¹)

EBITDA

S\$2,722M

▼ 2% (▲ 1%¹)

EBIT
(ex associates' contribution)

S\$903M

▲ 4% (▲ 5%¹)

Regional associates'
PBT

S\$1,696M

Stable (▲ 4%¹)

Underlying net
profit

S\$1,680M

▲ 7% (▲ 11%¹)

Net profit²

S\$2,602M

▲ 53% (▲ 55%¹)

1. On constant currency basis but number still includes impact of Naira depreciation of circa \$130M.
2. Includes net exceptional gain of S\$921M in 9MFY24 mainly from the dilution of Singtel's equity interest in Telkomsel.

Revenue

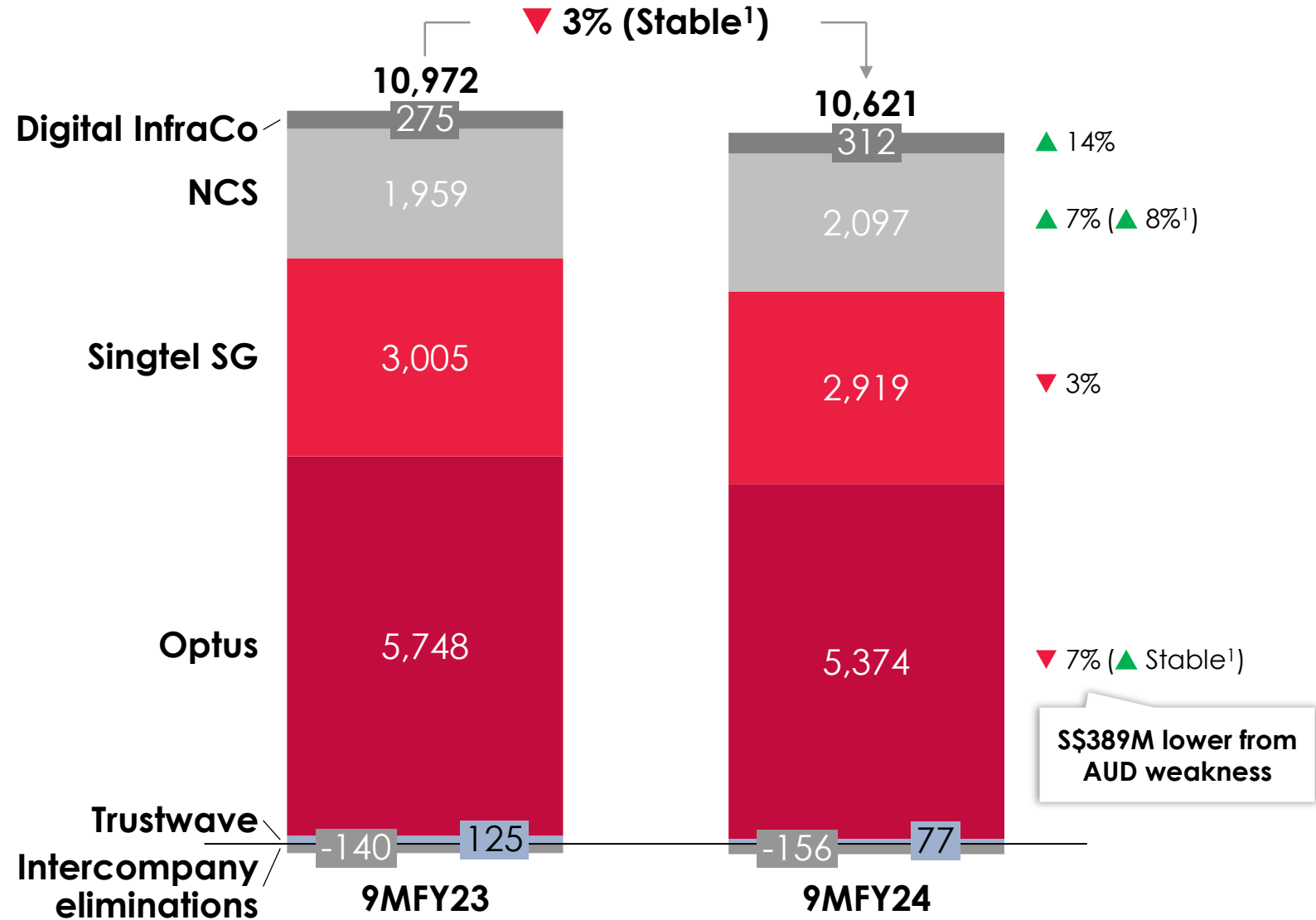
9MFY24

\$S\$10,621M

▼ 3% (Stable¹)

- **Optus:** Mobile service revenue up 3%¹ despite network outage, mitigating decline in fixed enterprise
- **Singtel SG:** Lower ICT sales from weak sentiment; strong roaming & broadband growth
- **NCS:** Robust contributions across all business segments
- **Digital InfraCo:** Nxera price renewals & utility pass through; project-based satellite deployment services

\$S\$M



1. On constant currency basis.

EBIT from core¹

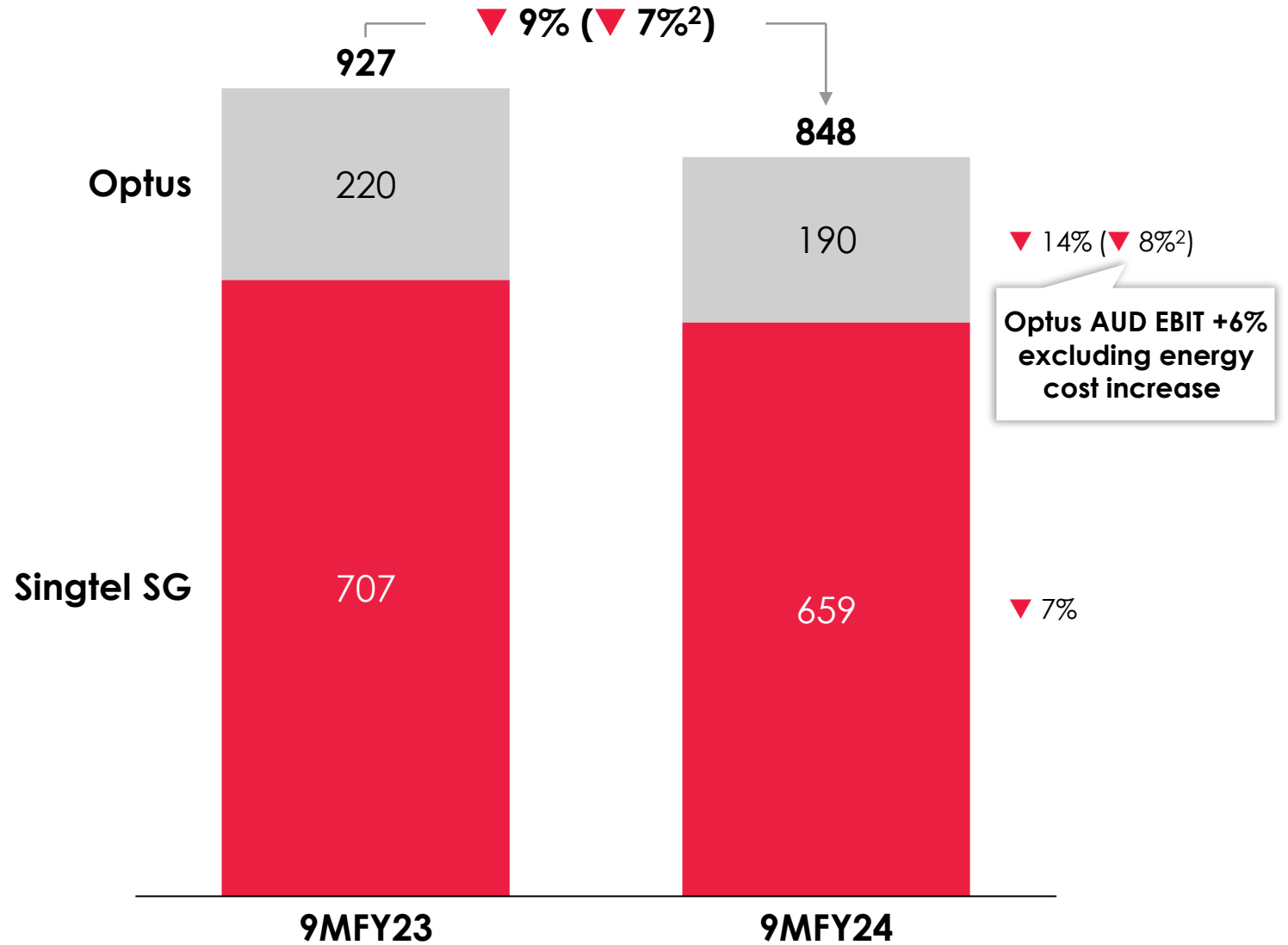
9MFY24

\$848M

▼ 9% (▼ 7%²)

- **Optus:** Sustained mobile growth
 - Market driven fixed enterprise price erosion
 - Higher energy & content costs
- **Singtel SG:** Challenging trading environment
 - Inflationary cost increases
 - Higher depreciation from IT & network investments
- On track to deliver cost out of S\$0.2B by end FY24

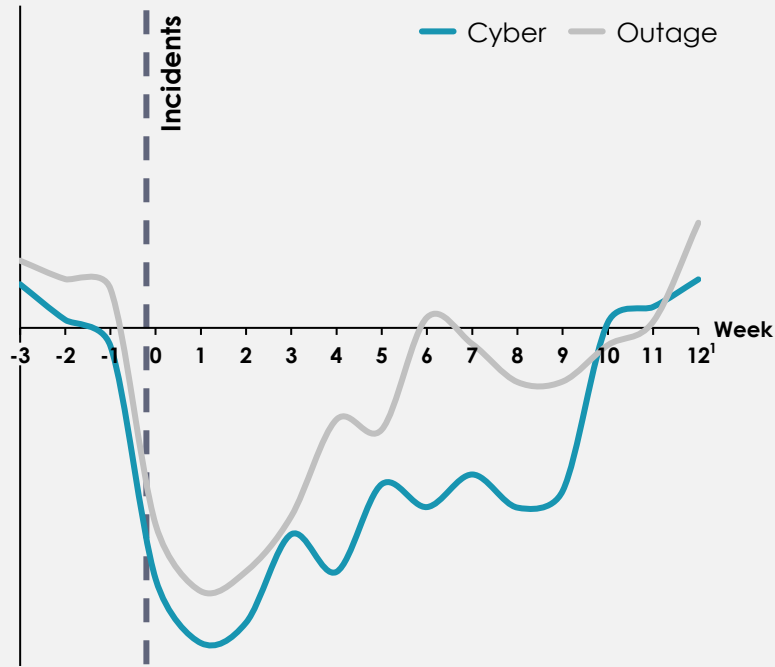
S\$M



1. Comprises Optus & Singtel Singapore businesses.
 2. On constant currency basis.

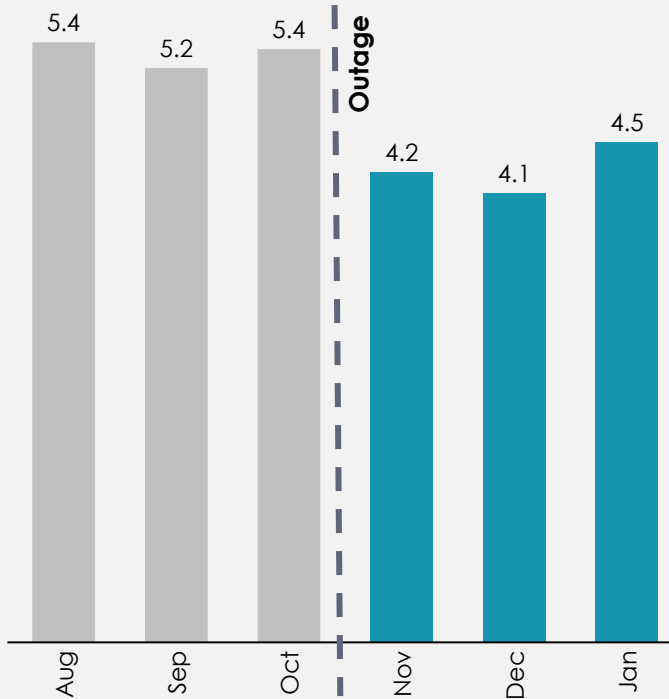
Optus momentum recovering in Q4FY24

Optus Branded Postpaid Net Connections by week



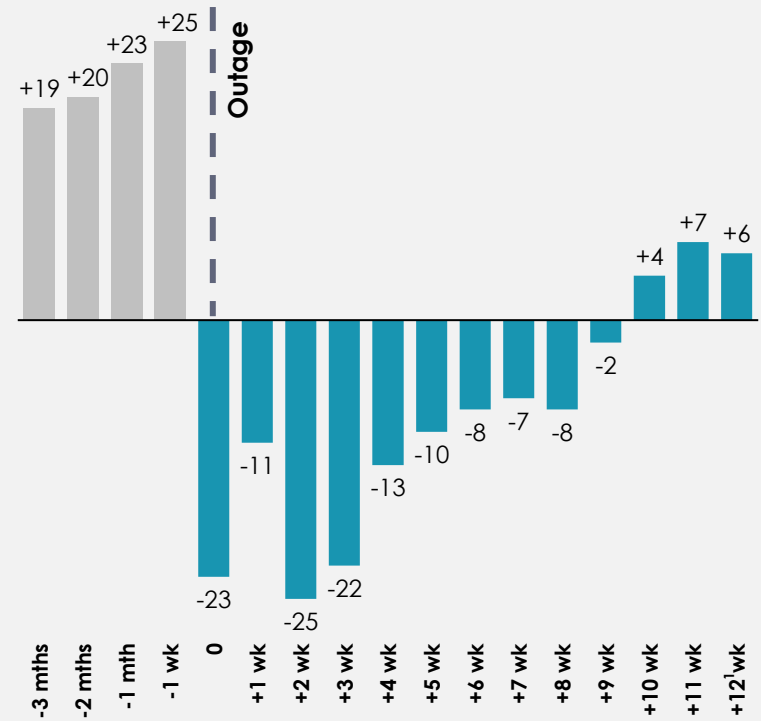
- Customer churn stabilised within Q3FY24 & seeing recovery in postpaid net adds

Brand Health – First Choice



- Brand perception score recovering well

Consumer Net Promoter Score (NPS)



- NPS positive within 2 months of outage with proactive outage response

1. Refers to week ending 31 Jan 24 for outage.

Growth Engines¹ EBIT

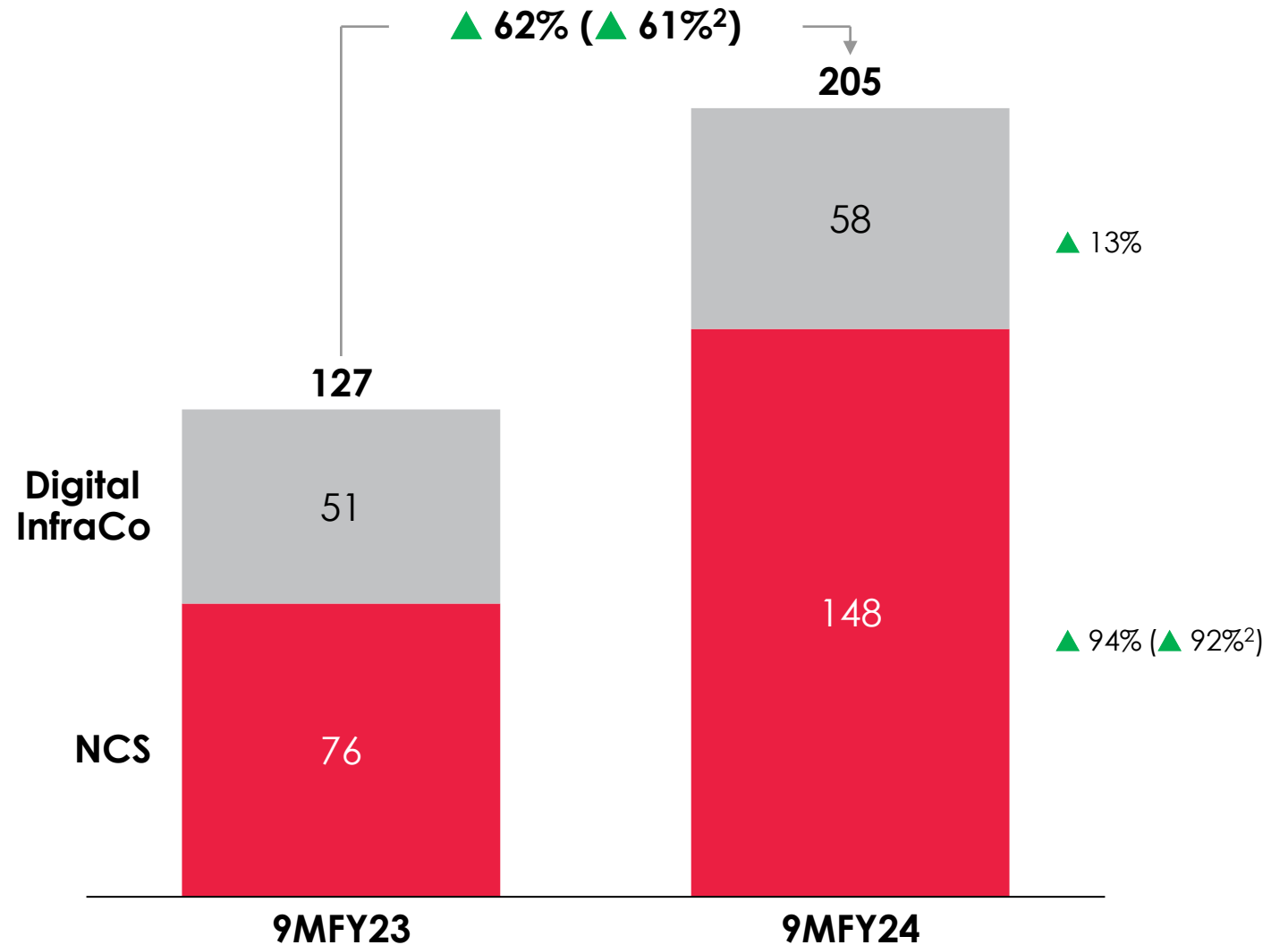
9MFY24

\$205M

▲ 62% (▲ 61%²)

- **Digital InfraCo:** Expansion mode
 - Supported by project-based satellite deployment services
 - Nxera margins impacted by ramp up in capabilities
- **NCS:** Improving profitability
 - Driven by revenue growth, cost & resource optimisation efforts
 - New bookings of S\$2.1B

S\$M



1. Comprises Digital InfraCo & NCS businesses.
 2. On constant currency basis.

Regional associates' pre-tax profits

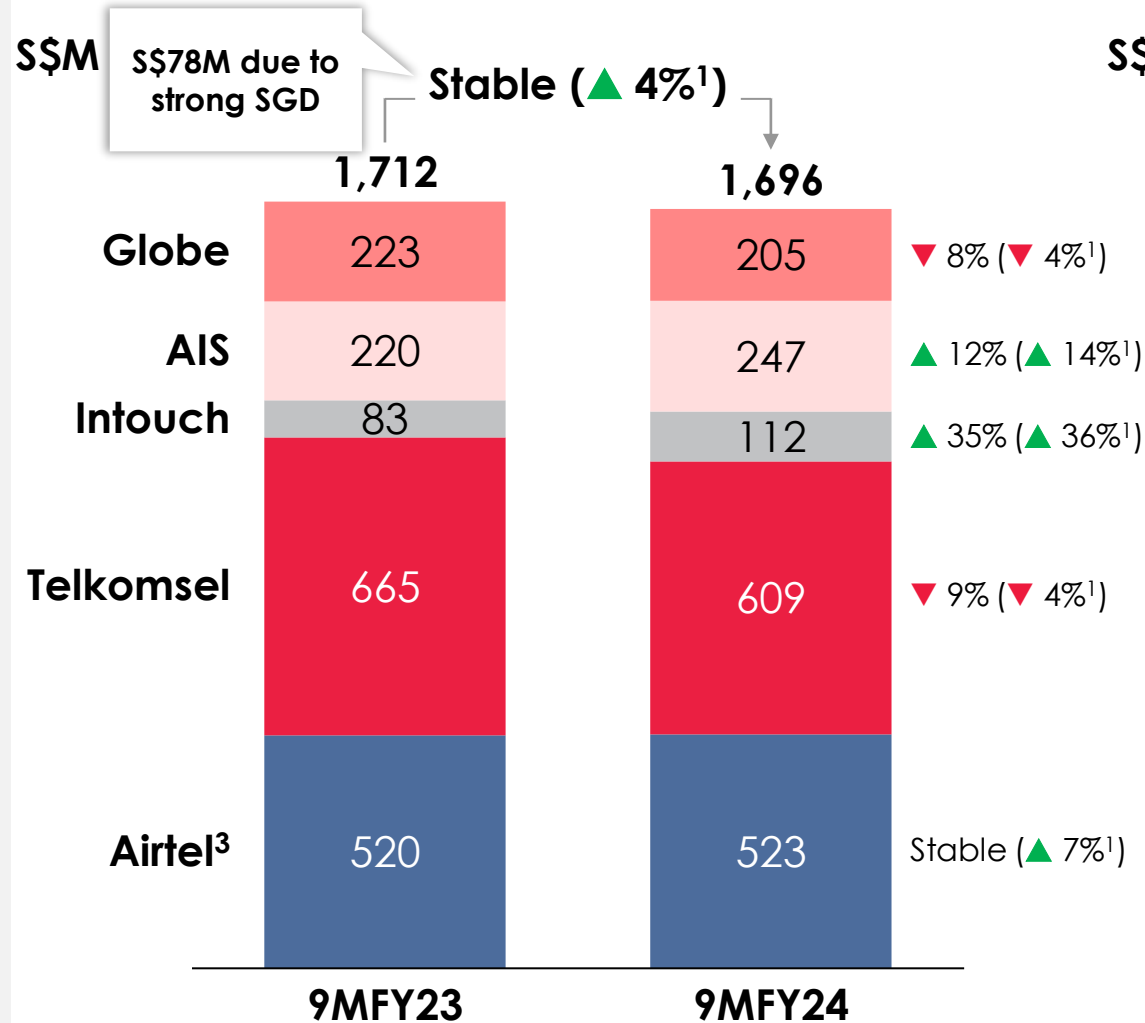
9MFY24

\$S\$1,696M

Stable (▲ 4%¹)

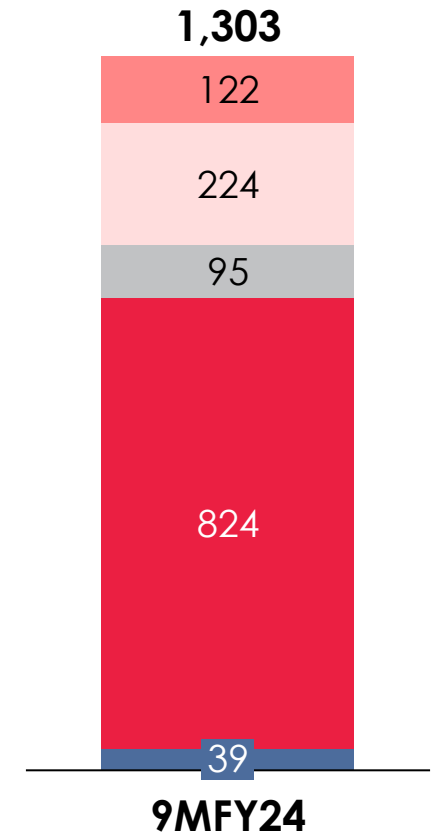
- Better market conditions across region; capturing fibre broadband opportunity
- **Airtel:** Strong performance impacted by weak Nigerian Naira (circa -\$S\$130M²) & higher BTL losses. Ex BTL, up 9% & 16% on cc
- **Globe:** Healthy mobile growth offset by increase in network costs
- **AIS:** Revenue growth across all businesses
- **Telkomsel:** Dilution in shareholding mitigated by IndiHome contribution

Pre-tax profits stable



Dividend guidance met

\$S\$M



1. On constant currency basis but number still includes impact of Naira depreciation of circa \$130M.
 2. Comprises mark-to-market losses from FX liabilities & translation impact.
 3. Includes BTL.

Q3FY24 highlights



Revenue impacted by Trustwave deconsolidation & strong SGD



Sustained mobile service growth on roaming recovery in SG & repricing in AU



Ex Trustwave, EBIT stable on better NCS & Optus performance



Associates' PBT decline largely from weak Nigerian Naira impacting Airtel (circa -\$80m¹) & Telkomsel shareholding dilution

Operating revenue

\$\$3,593M

▼ 3% (▼ 1%²)

EBITDA

\$\$935M

▲ 3% (▲ 4%²)

EBIT
(ex associates' contribution)

\$\$324M

▲ 12% (▲ 13%²)

Regional associates' PBT

\$\$509M

▼ 9% (▼ 6%²)

Underlying net profit

\$\$559M

Stable (▲ 2%²)

Net profit³

\$\$465M

▼ 13% (▼ 11%²)

1. Comprises mark-to-market losses from FX liabilities & translation impact.
 2. On constant currency basis but number still includes impact of Naira depreciation of circa \$80M.
 3. Includes net exceptional loss of \$94M in Q3FY24 largely from provision for network outage in Australia & fair value loss on revaluation of Airtel's foreign currency convertible bonds.

Delivering to our strategic reset – Q3FY24 highlights



Reinvigorate the core



Opened new flagship store at 313@Somerset



Completed acquisition of 3BB



Capitalise on growth trends



New brand for DC business



Nvidia cloud partnership to offer AI infra services



Deployment of Paragon



Reallocate capital, unlock value



Sold down remaining stake¹ for ~\$250M



Completion of divestment



Champion people & sustainability



First in SG to renew SBTi-validated targets



Asia's most sustainable telecom provider



Southeast Asia's first telco on CDP 'A List'

1. ~3.9% direct stake sold in Q3FY24.

Key focus areas

Sustain momentum of growth engines



- **Digital InfraCo:** Leverage green & AI-ready differentiation to scale DC business; Paragon on track for deployments in EMEA & North Asia
- **NCS:** Continued focus on profitable growth & cost optimisation

Rebuilding Optus brand



- Continued efforts to restore customer trust
- Simplify product offerings; realign enterprise business to support small business & mid-market segment growth

Singtel SG securing its market lead



- Push for growth with new device plans & sustain IoT services momentum
- Drive consolidation of consumer & enterprise businesses, with synergies expected from FY25

