

GENERAL ANNOUNCEMENT::BUSINESS UPDATE FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

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Lim Li Ching (Ms)

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Attachments

[3rdqtr-Business Update.pdf](#)

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Business Update For The Third Quarter and Nine Months Ended 31 December 2023

Singapore, 23 February 2024 – Singtel reported its business update for the third quarter and nine months ended 31 December 2023.

Key highlights for the third quarter

- Underlying net profit was stable at S\$559 million; up 1.5% in constant currency terms
- Net profit down 13% due to a higher net exceptional loss mainly from Optus and Airtel
- Operating revenue down 3.2% due to absence of contributions from Trustwave¹ and a 4% depreciation in the Australian Dollar
- EBITDA and EBIT² rose 2.6% and 12% respectively without consolidation of Trustwave's¹ losses
- On an underlying basis³, operating revenue, EBITDA and EBIT² were stable as growth in NCS and Optus offset Singtel Singapore's weaker performance

| | Quarter | | YOY | | Nine Months | | YOY | |
|---|-------------------------|-------------------------|-----------|-----------------------------------|-------------------------|-------------------------|-----------|-----------------------------------|
| | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | Chge % | Chge in cc ⁽¹⁾ % | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | Chge % | Chge in cc ⁽¹⁾ % |
| Operating revenue | 3,593 | 3,713 | -3.2 | -1.4 | 10,621 | 10,972 | -3.2 | 0.5 |
| <i>Underlying operating revenue ⁽²⁾</i> | 3,593 | 3,674 | -2.2 | -0.3 | 10,545 | 10,847 | -2.8 | 0.9 |
| EBITDA | 935 | 911 | 2.6 | 4.4 | 2,722 | 2,788 | -2.4 | 1.1 |
| <i>Underlying EBITDA ⁽²⁾</i> | 935 | 943 | -0.8 | 0.9 | 2,770 | 2,878 | -3.7 | -0.3 |
| EBIT (before associates' contributions) | 324 | 288 | 12.3 | 12.9 | 903 | 867 | 4.2 | 5.3 |
| <i>Underlying EBIT ⁽²⁾</i> | 324 | 324 | -0.2 | 0.3 | 959 | 970 | -1.2 | 0.1 |
| Net finance expense | (91) | (91) | 0.2 | 2.6 | (220) | (287) | -23.5 | -19.3 |
| Share of regional associates' post-tax profits | 374 | 407 | -8.1 | -6.0 | 1,224 | 1,216 | 0.7 | 5.0 |
| Underlying net profit | 559 | 559 | ** | 1.5 | 1,680 | 1,564 | 7.4 | 10.7 |
| Exceptional items (post-tax) | (94) | (28) | 236.9 | 245.9 | 921 | 137 | @ | @ |
| Net profit | 465 | 532 | -12.5 | -11.3 | 2,602 | 1,701 | 52.9 | 54.9 |

"@" denotes more than +/- 500% and "****" denotes less than +/- 0.05%

Notes:

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar and/ or regional currencies from the corresponding periods ended 31 December 2022.

(2) Excluded Trustwave's results.

¹ Trustwave was classified as a 'subsidiary held for sale' as at 30 September 2023 and ceased to be consolidated on a line-by-line basis from 1 October 2023. In January 2024, the Group completed the sale of Trustwave.

² Excluding associates' contributions.

³ In constant currency basis and excluding Trustwave's contributions in the last corresponding quarter.

Message from Group CEO, Mr Yuen Kuan Moon

“Our underlying financial results in the third quarter were stable despite a tough macroeconomic environment and persistent currency headwinds. NCS kept up its positive momentum with strong bookings while Optus was supported by growth in the mobile segment. However, Singtel Singapore continues to face business pressures and scaling our Nxera regional data centre business has required investment costs. While Airtel delivered a solid performance in India, currency depreciation from its African operations affected its contribution.

The Optus team has taken steps to increase network resilience since November’s outage. We are confident that our strong balance sheet and our priorities to improve the operational efficiencies of our core business and scale our growth engines will drive long-term value and returns.”

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GROUP SUMMARY INCOME STATEMENT

For The Third Quarter and Nine Months Ended 31 December 2023

| | Quarter | | YOY | | Nine Months | | YOY | |
|---|-------------------------|-------------------------|-----------|-----------------------------------|-------------------------|-------------------------|-----------|-----------------------------------|
| | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | Chge % | Chge in cc ⁽¹⁾ % | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | Chge % | Chge in cc ⁽¹⁾ % |
| | Operating revenue | 3,593 | 3,713 | -3.2 | -1.4 | 10,621 | 10,972 | -3.2 |
| EBITDA | 935 | 911 | 2.6 | 4.4 | 2,722 | 2,788 | -2.4 | 1.1 |
| - EBITDA margin | 26.0% | 24.5% | | | 25.6% | 25.4% | | |
| Share of associates' pre-tax profits | 499 | 572 | -12.7 | -10.5 | 1,694 | 1,729 | -2.0 | 2.5 |
| EBITDA and share of associates' pre-tax profits | 1,434 | 1,482 | -3.3 | -1.3 | 4,415 | 4,517 | -2.2 | 1.6 |
| Depreciation & amortisation | (611) | (622) | -1.8 | 0.5 | (1,818) | (1,921) | -5.3 | -0.8 |
| EBIT | 823 | 860 | -4.3 | -2.7 | 2,597 | 2,596 | 0.1 | 3.5 |
| EBIT (before associates' contributions) | 324 | 288 | 12.3 | 12.9 | 903 | 867 | 4.2 | 5.3 |
| Net finance expense | (91) | (91) | 0.2 | 2.6 | (220) | (287) | -23.5 | -19.3 |
| Profit before exceptional items and tax | 731 | 769 | -4.9 | -3.3 | 2,378 | 2,308 | 3.0 | 6.3 |
| Taxation | (170) | (208) | -18.4 | -16.6 | (691) | (738) | -6.4 | -2.9 |
| Minority interests | (2) | (2) | 46.7 | 46.7 | (6) | (6) | 1.6 | 1.6 |
| Underlying net profit | 559 | 559 | ** | 1.5 | 1,680 | 1,564 | 7.4 | 10.7 |
| Exceptional items (post-tax) | (94) | (28) | 236.9 | 245.9 | 921 | 137 | @ | @ |
| Net profit | 465 | 532 | -12.5 | -11.3 | 2,602 | 1,701 | 52.9 | 54.9 |

"@" denotes more than +/- 500% and "***" denotes less than +/- 0.05%

Note:

(1) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/ or regional currencies from the corresponding periods ended 31 December 2022.

BUSINESS SEGMENTS INCOME STATEMENT

For The Third Quarter and Nine Months Ended 31 December 2023

| | Quarter | | YOY | | Nine Months | | YOY | |
|---|-------------------------|--|-------------|-----------------------------------|-------------------------|--|-------------|-----------------------------------|
| | 31 Dec 2023 S\$ m | 31 Dec 2022 ⁽¹⁾ S\$ m | Chge % | Chge in cc ⁽²⁾ % | 31 Dec 2023 S\$ m | 31 Dec 2022 ⁽¹⁾ S\$ m | Chge % | Chge in cc ⁽²⁾ % |
| Operating revenue ⁽³⁾ | | | | | | | | |
| Optus | 1,802 | 1,905 | -5.4 | -2.0 | 5,374 | 5,748 | -6.5 | 0.2 |
| Singtel Singapore ⁽⁴⁾ | 1,025 | 1,047 | -2.1 | -2.1 | 2,919 | 3,005 | -2.9 | -2.9 |
| NCS | 701 | 676 | 3.6 | 4.0 | 2,097 | 1,959 | 7.0 | 7.8 |
| Digital InfraCo | 109 | 95 | 15.6 | 15.6 | 312 | 275 | 13.6 | 13.6 |
| Less: Intercompany eliminations | (44) | (49) | -10.2 | -10.2 | (156) | (140) | 11.9 | 11.9 |
| | 3,593 | 3,674 | -2.2 | -0.3 | 10,545 | 10,847 | -2.8 | 0.9 |
| Trustwave ⁽⁵⁾ | - | 40 | nm | nm | 77 | 125 | -38.7 | -37.0 |
| Group | 3,593 | 3,713 | -3.2 | -1.4 | 10,621 | 10,972 | -3.2 | 0.5 |
| EBITDA ⁽³⁾ | | | | | | | | |
| Optus | 465 | 474 | -1.8 | 1.7 | 1,382 | 1,507 | -8.3 | -1.6 |
| Singtel Singapore ⁽⁴⁾ | 372 | 391 | -4.9 | -4.9 | 1,113 | 1,141 | -2.4 | -2.4 |
| NCS | 75 | 51 | 47.1 | 46.5 | 211 | 161 | 31.4 | 30.9 |
| Digital InfraCo | 55 | 57 | -2.7 | -2.7 | 167 | 164 | 2.2 | 2.2 |
| Corporate | (35) | (34) | 2.6 | 2.6 | (101) | (103) | -2.5 | -2.5 |
| Less: Intercompany eliminations | 2 | 4 | -47.6 | -47.6 | (3) | 9 | nm | nm |
| | 935 | 943 | -0.8 | 0.9 | 2,770 | 2,878 | -3.7 | -0.3 |
| Trustwave ⁽⁵⁾ | - | (32) | nm | nm | (49) | (90) | -45.9 | -44.0 |
| Group | 935 | 911 | 2.6 | 4.4 | 2,722 | 2,788 | -2.4 | 1.1 |
| EBIT (before associates' contributions) ⁽³⁾ | | | | | | | | |
| Optus | 64 | 61 | 4.8 | 8.4 | 190 | 220 | -13.7 | -7.5 |
| Singtel Singapore ⁽⁴⁾ | 216 | 248 | -12.7 | -12.7 | 659 | 707 | -6.9 | -6.9 |
| NCS | 55 | 23 | 139.0 | 137.2 | 148 | 76 | 93.7 | 92.4 |
| Digital InfraCo | 18 | 19 | -4.9 | -4.9 | 58 | 51 | 13.4 | 13.4 |
| Corporate | (44) | (44) | 1.4 | 1.4 | (130) | (133) | -2.8 | -2.8 |
| Less: Intercompany eliminations | 15 | 17 | -16.1 | -16.1 | 35 | 50 | -29.0 | -29.0 |
| | 324 | 324 | -0.2 | 0.3 | 959 | 970 | -1.2 | 0.1 |
| Trustwave ⁽⁵⁾ | - | (36) | nm | nm | (56) | (103) | -45.9 | -44.0 |
| Group | 324 | 288 | 12.3 | 12.9 | 903 | 867 | 4.2 | 5.3 |

"nm" denotes not meaningful.

Notes:

- (1) Segment results have been restated to be consistent with the organisation chart in FY2024.
- (2) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding periods ended 31 December 2022.
- (3) Based on statutory view, which include transactions with the other entities in the Singtel Group.
- (4) Comprised consumer and enterprise telco businesses.
- (5) Trustwave was classified as a 'subsidiary held for sale' as at 30 September 2023 and ceased to be consolidated on a line-by-line basis from 1 October 2023. In January 2024, the Group completed the sale of Trustwave.

For accounting purposes, the Group's business segment reports from 1 April 2023 are prepared based on the new organisation structure. The consumer and enterprise telco businesses in Singapore are consolidated under Singtel Singapore while the infrastructure businesses are under Digital InfraCo. The comparatives had been restated to be consistent with the presentation in the current periods.

REVIEW OF GROUP OPERATING PERFORMANCE

For The Third Quarter Ended 31 December 2023

The Group's operating revenue in the third quarter ended 31 December 2023 was down 3.2% due to the absence of contributions from Trustwave as well as a 4% depreciation in the Australian Dollar. However, EBITDA and EBIT increased 2.6% and 12% respectively as Trustwave's losses were no longer consolidated. On an underlying basis⁴, operating revenue, EBITDA and EBIT were stable as growth in NCS and Optus offset Singtel Singapore's weaker performance.

In this quarter, trading momentum in Optus was disrupted by a network outage. Operating revenue was down 2.0% with continued weakness in the enterprise fixed business as a result of churn and price erosion. Mobile service revenue, however, was up 3.4% due to prepaid customer growth and increased ARPU. With an improved mobile performance and lower operating expenses, EBITDA was up 1.7%.

Singtel Singapore faced a challenging environment amid weak corporate and consumer spending, ARPU pressure from intense price competition and the continued shift in the market to lower end plans. Operating revenue fell 2.1% on declines in legacy voice, mobile equipment sales and pay TV, which were partly offset by higher mobile service revenue. Mobile service revenue was up 1.7%, driven by customer growth and higher roaming but partially offset by lower prices. Equipment sales contracted with the increased popularity of SIM only plans and longer device replacement cycles. With lower operating revenue and inflationary cost increases, EBITDA fell 4.9%.

NCS' operating revenue increased 3.6% due to growth in its Enterprise and Gov+ businesses. EBITDA was up a robust 47% following resource and cost optimisation and a reduction in acquisition-related costs. NCS also recorded strong bookings of S\$694 million this quarter with a pipeline of projects in various sectors.

Digital InfraCo's revenue grew 16%, driven mainly by Nxera⁵ due to price up-lifts and utility pass-through as well as fees earned from project-based satellite deployment services. Operating expenses were higher as Nxera⁵ increased investments in capabilities to support pipeline projects and regional expansion work amid a competitive labour market. Nxera⁵ also incurred costs from business development and branding activities. Consequently, EBITDA was down 2.7%.

The Group's equity share of post-tax profits from the regional associates decreased 8.1% and would have declined 6.0% in constant currency terms due mainly to lower contributions from Airtel and Telkomsel. Airtel continued to execute strongly and its operating profits improved across India and Africa but its overall net profit was severely eroded by the steep depreciation of local currencies in Africa, especially the Nigerian Naira. Telkomsel's performance was impacted by lower mobile earnings on account of accelerated declines in legacy services and higher operating expenses and depreciation charge.

Income tax expense was lower mainly due to a decline in dividend withholding tax.

Consequently, the Group's underlying net profit was stable at S\$559 million in the current quarter. On a constant currency basis, underlying net profit would have increased 1.5%.

⁴ In constant currency basis and excluding Trustwave's contributions in the last corresponding quarter.

⁵ Nxera is the brand name for Singtel's data centre business.

With a higher net exceptional loss compared to the last corresponding quarter, net profit was down 13% to S\$465 million. The net exceptional loss included a provision for costs related to the recent network outage in Australia and Airtel's one-offs comprising mainly of a fair value loss from its foreign currency convertible bonds. In the corresponding quarter last year, the net exceptional loss was mainly from a significant receivable provision by Airtel's tower associate for a major customer, which was partially offset by the Group's share of Globe's tower sales gain.

For The Nine Months Ended 31 December 2023

For the nine months ended 31 December 2023, the Group's operating revenue and EBITDA were down 3.2% and 2.4% respectively on the back of a 7% depreciation of the Australian Dollar. However, EBIT was up 4.2% from lower depreciation and amortisation charges. On an underlying basis⁶, operating revenue, EBITDA and EBIT would have been stable.

The regional associates' post-tax profit contribution was stable. On a constant currency basis, the regional associates' post-tax profit contribution would have increased 5.0% due to higher contributions from Airtel, AIS and Intouch.

Net finance expense fell 24%, mainly due to higher interest income from increases in average interest rate and fund size.

Consequently, underlying net profit rose 7.4% to S\$1.68 billion. After including higher net exceptional gains arising mainly from the dilution of Singtel's equity interest in Telkomsel, net profit increased 53% to S\$2.60 billion.

⁶ In constant currency basis and excluding contributions from Trustwave.

SHARE OF RESULTS OF REGIONAL ASSOCIATES

| | Quarter | | YOY | | Nine Months | | YOY | |
|--|----------------|----------------|-------------|-----------------------------------|----------------|----------------|-------------|-----------------------------------|
| | 31 Dec 2023 | 31 Dec 2022 | Chge % | Chge in cc ⁽¹⁾ % | 31 Dec 2023 | 31 Dec 2022 | Chge % | Chge in cc ⁽¹⁾ % |
| | S\$ m | S\$ m | | | S\$ m | S\$ m | | |
| Pre-tax contributions ⁽²⁾ | | | | | | | | |
| Bharti Telecom ("BTL")/ Airtel ⁽³⁾⁽⁴⁾ | | | | | | | | |
| - India and South Asia | 168 | 131 | 28.4 | 33.9 | 471 | 320 | 47.5 | 57.1 |
| - Africa | 10 | 80 | -87.9 | -88.2 | 137 | 239 | -42.6 | -38.7 |
| Airtel | 177 | 211 | -15.9 | -12.4 | 609 | 559 | 9.0 | 16.3 |
| BTL | (32) | (27) | 17.8 | 23.1 | (86) | (38) | 124.0 | 135.7 |
| | 146 | 184 | -20.8 | -17.7 | 523 | 520 | 0.5 | 7.3 |
| Telkomsel ⁽³⁾ | 179 | 210 | -14.9 | -12.2 | 609 | 665 | -8.5 | -4.4 |
| AIS | 77 | 81 | -5.7 | -4.5 | 247 | 220 | 12.2 | 13.6 |
| Intouch ⁽⁵⁾ | 44 | 32 | 40.6 | 41.4 | 112 | 83 | 34.5 | 36.0 |
| Globe ⁽³⁾ | 64 | 51 | 25.8 | 26.5 | 205 | 223 | -8.0 | -3.8 |
| Regional associates | 509 | 557 | -8.7 | -6.4 | 1,696 | 1,712 | -0.9 | 3.6 |
| Post-tax contributions ⁽²⁾ | | | | | | | | |
| BTL/ Airtel ⁽³⁾⁽⁴⁾ | | | | | | | | |
| - India and South Asia | 120 | 106 | 13.6 | 18.1 | 344 | 243 | 41.8 | 50.5 |
| - Africa | (2) | 34 | nm | nm | 55 | 94 | -41.2 | -37.3 |
| Airtel | 118 | 140 | -15.4 | -12.1 | 400 | 337 | 18.7 | 26.2 |
| BTL | (32) | (27) | 18.6 | 23.8 | (100) | (51) | 95.3 | 106.7 |
| | 87 | 113 | -23.5 | -20.6 | 299 | 285 | 4.9 | 11.7 |
| Telkomsel ⁽³⁾ | 139 | 162 | -14.4 | -11.7 | 475 | 512 | -7.2 | -3.1 |
| AIS | 62 | 66 | -6.1 | -4.9 | 200 | 179 | 11.9 | 13.3 |
| Intouch ⁽⁵⁾ | 38 | 25 | 53.0 | 53.8 | 93 | 67 | 39.4 | 41.1 |
| Globe ⁽³⁾ | 48 | 41 | 18.4 | 19.1 | 157 | 174 | -9.4 | -5.4 |
| Regional associates | 374 | 407 | -8.1 | -6.0 | 1,224 | 1,216 | 0.7 | 5.0 |

"nm" denotes not meaningful.

Notes:

- (1) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 December 2022.
- (2) The accounts of the regional associates are prepared based on local accounting standards. Where applicable and material, the accounting policies of the regional associates have been adjusted for compliance with the Group's accounting policies.
- (3) Exclude material one-off items which have been classified as exceptional items of the Group.
- (4) Singtel holds an equity interest of 49.4% in BTL and an effective equity interest of 29.9% in Airtel (31 December 2022: 29.5%).
- (5) Singtel holds an equity interest of 24.99% in Intouch which has an equity interest of 40.4% in AIS.

In this quarter, Airtel's post-tax contribution was lower, impacted by a 4% depreciation of the Indian Rupee against the Singapore Dollar, as well as significant currency weakness in Africa. Airtel India reported strong double-digit growth in both operating revenue and EBITDA, backed by growth across its portfolio of businesses. Mobile service revenue was higher, led by strong 4G/5G additions and an industry-leading quarterly mobile ARPU⁷ of Rs.208. Airtel Africa, a 56%-owned subsidiary of Airtel, also posted robust operational performance with double-digit growth in operating revenue and EBITDA in constant currency terms as a result of customer growth and higher mobile usage. However, its earnings declined sharply after including currency translation losses for its foreign currency denominated liabilities due to the steep depreciation of the African currencies especially the Nigerian Naira, and higher interest expenses. BTL's net loss widened on higher finance expenses from increased borrowings following its recent acquisition of additional stake in Airtel.

⁷ Denotes average revenue per user.

Telkomsel reported slightly higher net profit⁸ (excluding fair value adjustments for GoTo) in local currency terms due to contributions from IndiHome's fixed broadband business which was consolidated from 1 July 2023, partly offsetting a decline in profits in its mobile business. Operating revenue from its mobile business was stable as growth in digital services was offset by accelerated declines in legacy services, while operating expenses (including accruals for catch-up costs) and depreciation charges were higher. Its profit contribution to the Group was lower after including a 4% depreciation of the Indonesian Rupiah and the reduction in Singtel's equity interest from 35.0% to 30.1% from 1 July 2023.

AIS reported higher operating revenue including a first-time contribution from Triple T Broadband Public Company Limited (TTTBB) acquired in November 2023. AIS' profit declined due to increased staff, depreciation and finance costs.

Intouch's net profit rose, lifted by a write back of a provision for a legal dispute.

Globe reported improved profit, driven by mobile price increases and lower operating expenses.

⁸ Excluded fair value gain or loss from revaluation of Telkomsel's investment in GoTo which was recorded by Singtel in equity in accordance with its accounting policy for investment classified under 'Fair value through other comprehensive income'. Telkomsel records the said fair value gain or loss in its income statement.

EXCEPTIONAL ITEMS ⁽¹⁾

| | Quarter | | YOY Chge % | Nine Months | | YOY Chge % |
|--|-------------------------|-------------------------|------------------|-------------------------|-------------------------|------------------|
| | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | | 31 Dec 2023 S\$ m | 31 Dec 2022 S\$ m | |
| | Dilution gain on Airtel | 11 | | - | nm | |
| Dilution gain on Telkomsel | - | - | - | 1,205 | - | nm |
| Provision for network outage in Australia | (54) | - | nm | (54) | - | nm |
| Release of deferred gain on disposal of Indara | - | - | - | - | 84 | nm |
| Release of cumulative translation loss from equity upon sale of Amobee | - | - | - | - | (31) | nm |
| Provision for Trustwave | - | - | - | (57) | - | nm |
| Gain on sale of assets | - | - | - | 13 | - | nm |
| Net gain on disposal of partial stake in Airtel | - | - | - | - | 1,014 | nm |
| Impairment of goodwill of Optus | - | - | - | - | (1,004) | nm |
| Provision for costs related to cyber attacks | - | - | - | - | (142) | nm |
| Staff restructuring costs | (18) | (2) | @ | (39) | (9) | 317.0 |
| Others ⁽²⁾ | (11) | (3) | 288.9 | (17) | (12) | 38.7 |
| | (72) | (5) | @ | 1,127 | 121 | @ |
| Tax (expense)/ credit on exceptional items | (1) | 1 | nm | 3 | (62) | nm |
| Group exceptional items (post-tax) | (73) | (4) | @ | 1,130 | 59 | @ |
| Airtel | (32) | (53) | -39.9 | (239) | (38) | @ |
| Globe | 10 | 34 | -69.5 | 30 | 44 | -31.4 |
| Telkomsel | - | - | - | - | 77 | nm |
| Singpost | - | (5) | nm | - | (5) | nm |
| Share of associates' exceptional items (post-tax) | (21) | (24) | -10.5 | (209) | 78 | nm |
| Net exceptional (losses)/ gains | (94) | (28) | 236.9 | 921 | 137 | @ |

"nm" denotes not meaningful and "@" denotes more than +/-500%.

Notes:

- (1) Exceptional items are material items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.
- (2) 'Others' comprised mainly certain provisions, accelerated depreciation of Comcentre's assets and dilution gain on Globe. In the last corresponding period, 'Others' comprised mainly impairment of assets, accelerated depreciation of Comcentre's assets and dilution gain on Globe.

The Group recognised a provision for costs related to the network outage in Australia.

Airtel's exceptional loss comprised mainly a fair value loss on revaluation of its foreign currency convertible bonds⁹.

Globe's exceptional gain this quarter was from the sale of its telecommunication towers.

In the last corresponding quarter, there was an exceptional net loss of S\$28 million mainly from Airtel as a result of its share of Indus Tower's significant receivable provision for one of its major customers and a provision for licence fees related to prior periods which were partially offset by a deferred tax credit in Africa and a fair value gain on revaluation of its foreign currency convertible bonds⁹. The exceptional losses were partially offset by Globe's gain from the sale of its telecommunication towers.

⁹ Airtel records the fair value adjustment in equity under Indian Accounting Standards. However, Singtel records the share of such fair value gain or loss in income statement under Singapore Financial Reporting Standards. Fair value loss typically occurs when Airtel's share price increases in the measurement period (and vice versa).

APPENDIX 1 – KEY PRODUCT INFORMATION

SINGAPORE PRODUCT DRIVERS

| | Quarter | | | Nine Months | | YOY Chge % |
|---|----------------|----------------|----------------|----------------|----------------|------------------|
| | 31 Dec 2023 | 30 Sep 2023 | 31 Dec 2022 | 31 Dec 2023 | 31 Dec 2022 | |
| Mobile | | | | | | |
| Mobile revenue (S\$'M) ⁽¹⁾ | 520 | 462 | 523 | 1,412 | 1,414 | -0.2 |
| Mobile service revenue (S\$'M) ⁽²⁾ | 333 | 323 | 327 | 973 | 953 | 2.1 |
| Number of mobile customers (000s) | | | | | | |
| Prepaid | 1,502 | 1,443 | 1,385 | 1,502 | 1,385 | 8.4 |
| Postpaid | 2,990 | 2,965 | 2,888 | 2,990 | 2,888 | 3.5 |
| Total | 4,492 | 4,408 | 4,273 | 4,492 | 4,273 | 5.1 |
| Average revenue per customer per month ⁽³⁾⁽⁴⁾ (S\$ per month) | | | | | | |
| Prepaid | 11 | 11 | 13 | 11 | 13 | -13.8 |
| Postpaid | 34 | 33 | 34 | 33 | 33 | ** |
| Blended | 25 | 25 | 27 | 25 | 26 | -3.8 |
| Data usage (GB per month) ⁽⁵⁾ | 10 | 10 | 10 | 10 | 9 | 6.4 |
| Fixed Broadband | | | | | | |
| Fixed broadband revenue (S\$'M) ⁽⁶⁾ | 124 | 125 | 124 | 375 | 366 | 2.6 |
| Fixed broadband lines (000s) | 679 | 676 | 666 | 679 | 666 | 2.0 |
| Pay TV | | | | | | |
| Singtel TV revenue (S\$'M) | 35 | 36 | 40 | 105 | 119 | -12.1 |
| Residential TV customers (000s) | 304 | 312 | 328 | 304 | 328 | -7.3 |
| Fixed Voice | | | | | | |
| Fixed voice revenue (S\$'M) | 50 | 50 | 53 | 151 | 162 | -7.0 |

*** denotes less than +/- 0.05%

Notes:

- (1) Comprised mobile service revenue and sales of mobile equipment.
- (2) This is determined net of bill rebates and prepaid sales discount, and includes mobile revenue earned from international telephone calls and broadband bundles.
- (3) Based on average number of subscribers, calculated as the simple average of opening and closing number of subscribers.
- (4) Average Revenue Per User (ARPU) includes revenue earned from international telephone calls and excludes wholesale. For prepaid, ARPU is computed net of sales discounts.
- (5) Data usage of postpaid smartphone customers and excludes wholesale.
- (6) Comprised broadband service revenue and sales of equipment.

APPENDIX 1 – KEY PRODUCT INFORMATION

AUSTRALIA PRODUCT DRIVERS

| | Quarter | | | Nine Months | | YOY Chge % |
|---|---------------|---------------|---------------|---------------|---------------|-------------|
| | 31 Dec 2023 | 30 Sep 2023 | 31 Dec 2022 | 31 Dec 2023 | 31 Dec 2022 | |
| Mobile | | | | | | |
| Optus' mobile revenue (A\$'M) ⁽¹⁾ | 1,428 | 1,340 | 1,396 | 4,049 | 3,959 | 2.3 |
| Optus' mobile service revenue (A\$'M) | 996 | 986 | 963 | 2,943 | 2,845 | 3.4 |
| Number of mobile customers (000s) ⁽²⁾ | | | | | | |
| Prepaid | 3,479 | 3,456 | 3,312 | 3,479 | 3,312 | 5.0 |
| Postpaid | 5,957 | 5,985 | 5,882 | 5,957 | 5,882 | 1.3 |
| Connected devices ⁽³⁾ | 1,067 | 1,078 | 1,080 | 1,067 | 1,080 | -1.2 |
| Total | 10,503 | 10,519 | 10,275 | 10,503 | 10,275 | 2.2 |
| Average revenue per customer per month ⁽²⁾⁽⁴⁾ (A\$ per month) | | | | | | |
| Prepaid | 19 | 19 | 19 | 19 | 20 | -4.1 |
| Postpaid | 42 | 42 | 42 | 42 | 41 | 2.5 |
| Connected devices ⁽³⁾ | 13 | 13 | 12 | 13 | 13 | -4.1 |
| Blended | 32 | 31 | 31 | 31 | 31 | 0.2 |
| Data usage (GB per month) ⁽²⁾⁽⁵⁾ | 17 | 17 | 16 | 17 | 15 | 14.9 |
| Home | | | | | | |
| Blended Home ARPU (A\$) | 73 | 73 | 72 | 73 | 72 | 1.1 |
| Home customers (000s) ⁽⁶⁾ | | | | | | |
| NBN | 1,099 | 1,112 | 1,104 | 1,099 | 1,104 | -0.5 |
| Fixed Wireless Access | 214 | 212 | 206 | 214 | 206 | 3.7 |
| Total | 1,313 | 1,324 | 1,310 | 1,313 | 1,310 | 0.2 |
| Optus Sport customers (000s) ⁽⁷⁾ | 971 | 970 | 890 | 971 | 890 | 9.1 |

Notes:

(1) Comprised mobile service revenue (both outgoing and incoming) and sales of equipment.

(2) Comparatives have been restated.

(3) Defined as data-only SIMs and include customers on both prepaid and postpaid plans.

(4) Based on average number of customers, calculated as the simple average of opening and closing number of customers.

(5) Based on postpaid handset monthly usage and includes Wholesale and amaysim.

(6) Referred to retail customers who took up broadband (including fixed/ 4G/ 5G internet) and/ or voice.

(7) Based on a user level.

APPENDIX 2 – CURRENCY TABLE**MAJOR CURRENCY AVERAGE EXCHANGE RATES**

| | Quarter | | YOY Chge % | Nine Months | | YOY Chge % |
|--|----------------|----------------|------------------|----------------|----------------|------------------|
| | 31 Dec 2023 | 31 Dec 2022 | | 31 Dec 2023 | 31 Dec 2022 | |
| Derived weighted average exchange rate for operating revenue : | | | | | | |
| 1 Australian Dollar | 0.879 | 0.911 | -3.5 | 0.886 | 0.949 | -6.7 |
| 1 Singapore Dollar buys: | | | | | | |
| Indonesian Rupiah | 11,628 | 11,236 | 3.5 | 11,364 | 10,870 | 4.5 |
| Indian Rupee | 61.7 | 59.2 | 4.2 | 61.3 | 57.5 | 6.6 |
| Thai Baht | 26.4 | 26.2 | 0.8 | 26.0 | 25.7 | 1.2 |
| Philippine Peso | 41.5 | 41.3 | 0.5 | 41.5 | 40.0 | 3.8 |



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

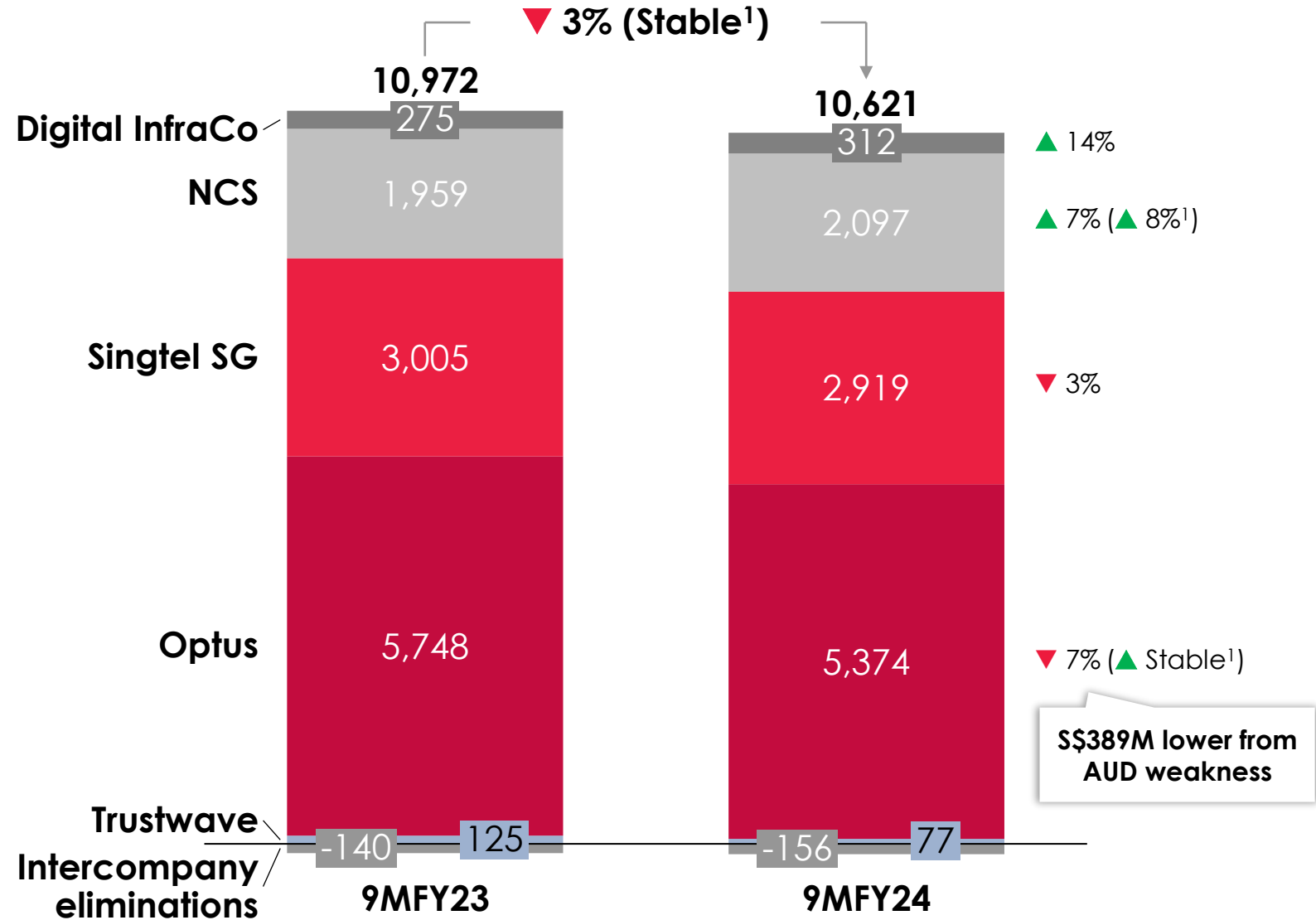
9MFY24

\$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

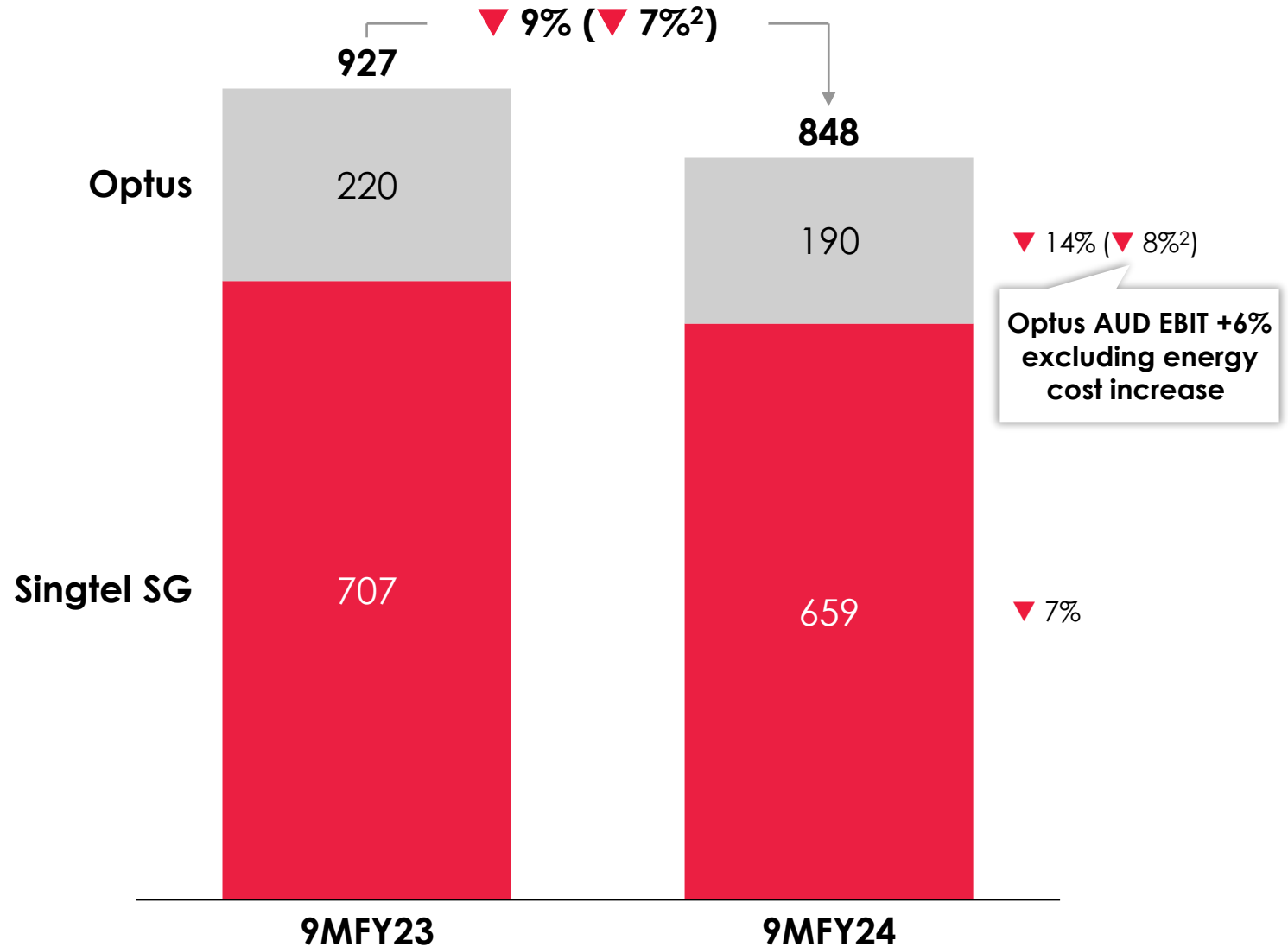
9MFY24

\$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

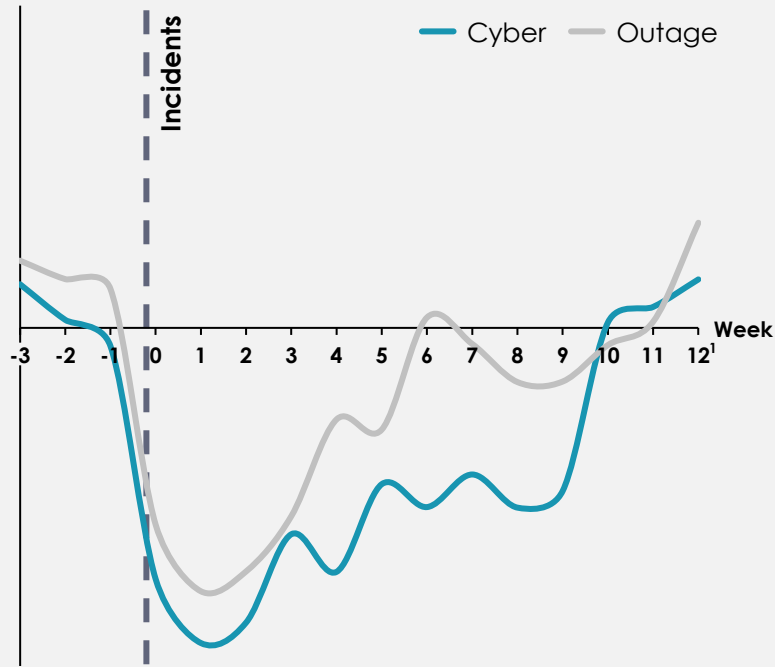
S\$M



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

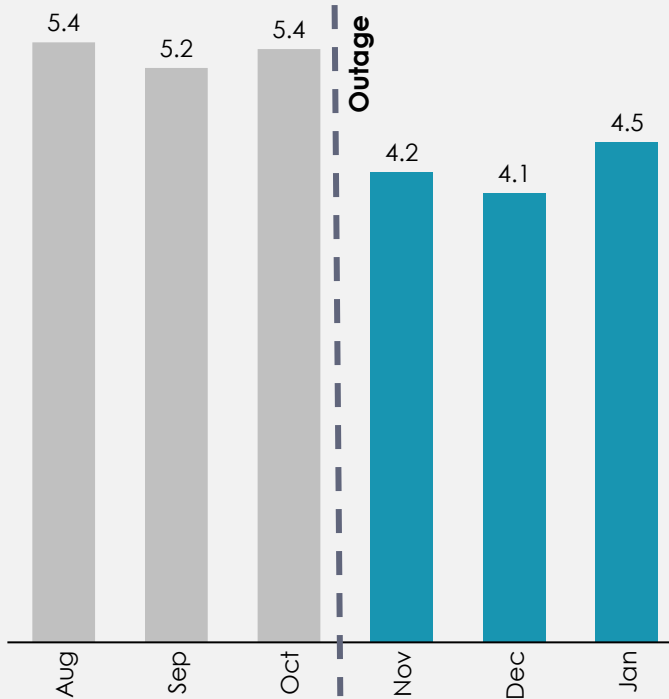
Optus momentum recovering in Q4FY24

Optus Branded Postpaid Net Connections by week



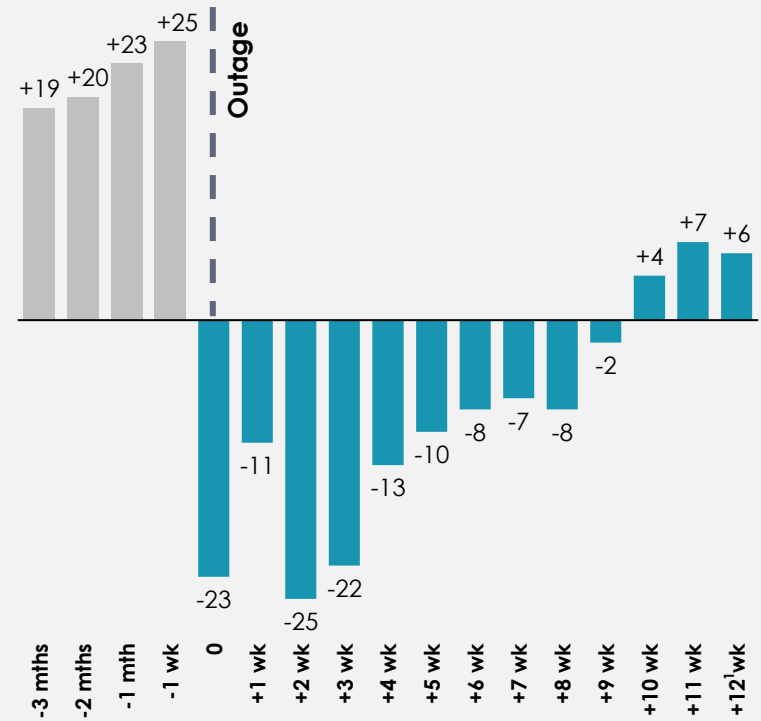
- Customer churn stabilised within Q3FY24 & seeing recovery in postpaid net adds

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

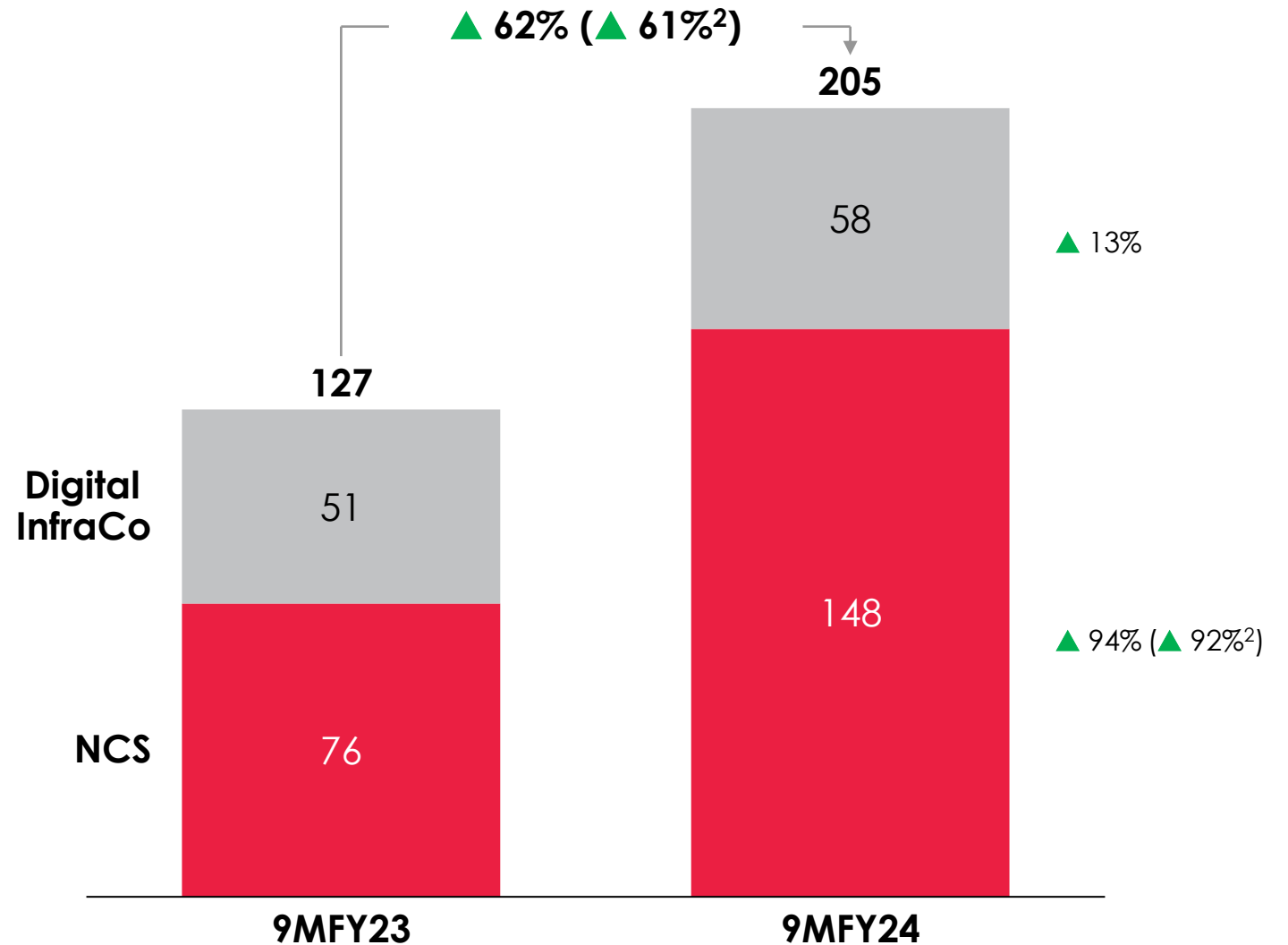
9MFY24

\$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

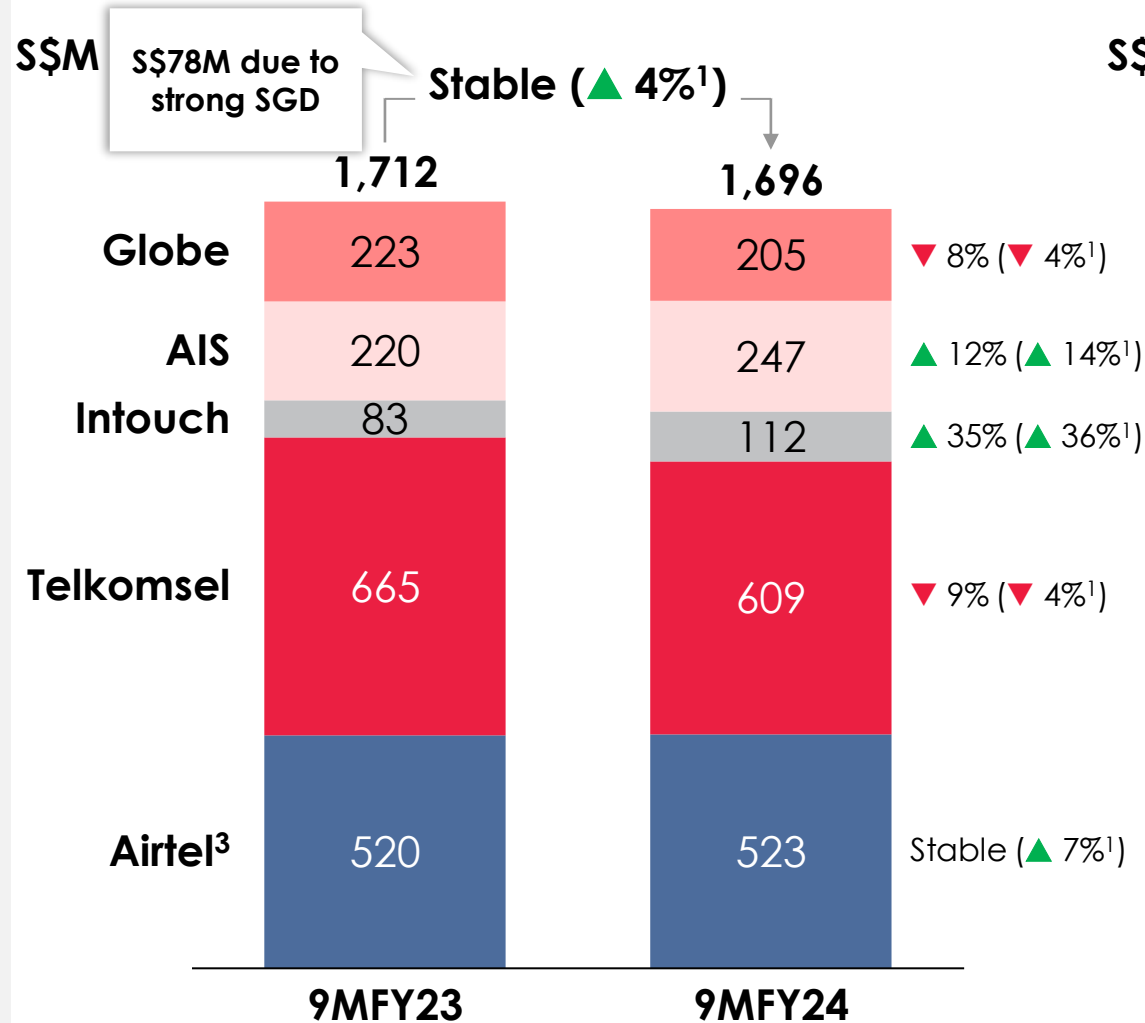
9MFY24

\$S\$1,696M

Stable (▲ 4%¹)

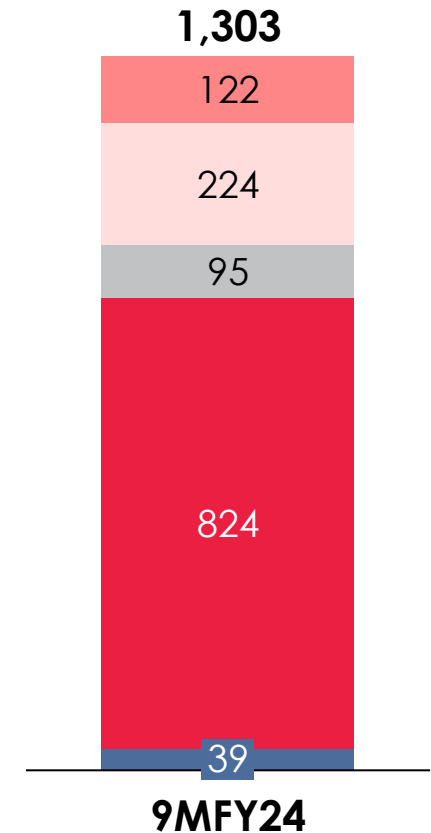
- Better market conditions across region; capturing fibre broadband opportunity
- **Airtel:** Strong performance impacted by weak Nigerian Naira (circa -\$S\$130M²) & higher BTL losses. Ex BTL, up 9% & 16% on cc
- **Globe:** Healthy mobile growth offset by increase in network costs
- **AIS:** Revenue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

