

Financial Results

For the full year ended
31 March 2023

Yuen Kuan Moon, Group CEO

25 May 2023



Key highlights



Robust core performance

Core business¹ grew S\$168M or 15%²

Optus EBIT doubled³ on mobile growth

SG Consumer up 18%² boosted by roaming rebound & 5G take-up

Group Enterprise resilient with robust ICT demand



Regional Associates' repositioned for growth

Regional Associates' PBT up 15%⁴

More **rational mobile competition** & **post-COVID economic recovery**

Building fixed broadband capabilities

Recycling assets to fund growth



Growth engines executing to plan

Scaling Regional Data Centre (RDC) pipeline

NCS diversifying growth & improving margins

GXS live in SG; launching in MY & ID



Strong cash generation supporting higher returns

Record S\$2.8B from capital recycling

Financial flexibility with S\$2.6B of free cash flow

Solid balance sheet with S\$3.2B of cash & low gearing

Total dividend of 14.9cts, up 60%

1. Comprising Optus (excluding NBN migration revenue), Group Enterprise & Singapore Consumer businesses.

2. EBIT YoY.

3. In A\$ & excluding NBN migration revenue.

4. On constant currency basis.

Key financials

Operating revenue

S\$14.6B

▼ 5% (▲ 5%¹)

EBITDA

S\$3.7B

▼ 2% (▲ 3%¹)

EBIT
(ex associates' contribution)

S\$1.1B

▲ 6% (▲ 8%¹)

Regional associates' PBT

S\$2.3B

▲ 10% (▲ 15%²)

Underlying net profit

S\$2.1B

▲ 7% (▲ 11%²)

Net profit

S\$2.2B

▲ 14% (▲ 19%²)

Return on equity

8.5%

Mar 22: 7.3%

Return on invested
capital (ROIC)³

8.3%

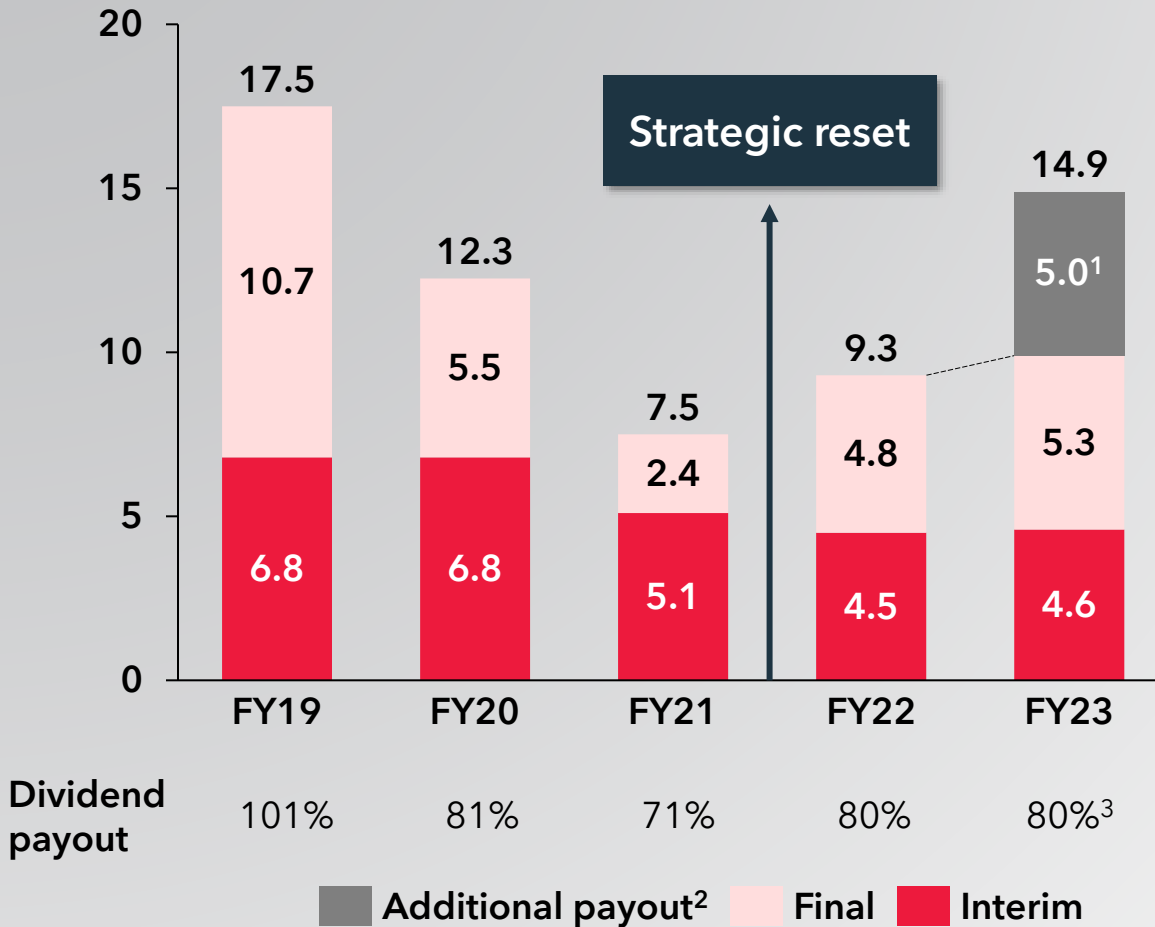
Mar 22: 7.3%³

1. On constant currency basis & excluding NBN migration revenue & Amobee in prior comparative period FY22.
2. On constant currency basis.
3. Excluding Optus goodwill. With Optus goodwill, Group ROIC would be 5.4% & 5.9% in FY22 & FY23 respectively.

Total dividends of 14.9 cents

Dividend per share

(S cents)



Holistic approach to dividends

FY23 Total dividends **14.9 cents** (▲ 60%)

Dividend yield **5.8%**⁴

Dividend policy

60% & 80% of underlying NPAT



Any excess proceeds from capital recycling
after funding growth & repaying debt

1. Payable together with the ordinary dividends in December 2022 & August 2023, to shareholders on Singtel's register at each respective record date.
2. Additional payout supported by excess proceeds from capital recycling after funding growth initiatives & repaying debt.
3. Ordinary dividend as percentage of FY23 underlying NPAT.
4. Based on Singtel closing share price of S\$2.56 on 24 May 2023.

Revenue

A\$8,053MYoY ▲ 3%
(ex NBN ▲ 4%)

EBITDA

A\$2,088MYoY ▲ 1%
(ex NBN ▲ 4%)

EBIT

A\$287MYoY ▲ 35%¹
(ex NBN ▲ 100%¹)

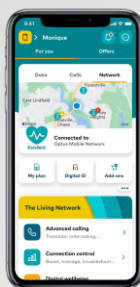
Optus

Financial highlights

- Strong FY23 with continued growth in mobile services, driven by:
 - Solid net connections, 425k net adds for FY23
 - Increasing ARPU: Postpaid ARPU +1.8% YoY (+4.0% HoH)
 - Growth in prepaid including strong contribution from amaysim
- Added A\$143M² of EBIT growth to the Group through disciplined cost management & focus on profitability

Operational highlights

Unique & innovative services delivered



Optus Pulse



SubHub

Unifying One Optus - Enterprise & Consumer



Synergy & revenue upside

Ongoing investment in Australia's fastest 5G³

- Adjusting for the sale of Optus towers from April 2021, EBIT would have increased 15% or 59% (excluding NBN migration revenue).
- Excluding NBN migration revenue.
- 5G download speeds by OpenSignal awarded Oct 22.

Bringing together our B2B businesses in AU

Business aligned to market segments



Grow **small business**



Build **mid-market** foundation



Drive **enterprise** profitability



Expand **wholesale & satellite**

Focus on cost synergies & opex reduction¹ over next 2 years

- Integration of teams & centralisation of relevant functions
- Rationalise product offering
- Investing in platforms
- One Optus approach

<20%

Real market share provides headroom for growth

- Under indexed versus consumer mobile share of ~30%
- Cross-sell across segments and scale in mid-market

1. Optus Enterprise & Business opex.

Optus Cyberattack Update

- In Sep 22, Optus was subject to a malicious cyberattack targeting certain customer data
- Optus' network, systems & services were not compromised & remained fully operational & available
- As previously indicated, the attack was undertaken by a motivated & determined criminal(s)¹ who targeted Optus with techniques designed to evade detection & bypass security controls
- The attack was detected & shut down by Optus; it communicated swiftly and transparently; it notified relevant Government agencies & regulators; & worked closely with the police & other authorities to protect customers
- In its response, Optus' focus on protecting customers, accepting accountability & apologising, & committing to taking steps to do better were all important factors in rebuilding trust & returning to strong customer growth in the second half

Putting customers first



- Sustained positive net add momentum since Dec 22
- All customers communicated with bespoke messaging
- Ongoing customer support, free credit & identity monitoring, & payment for document replacement costs²

Committed to cyber excellence



- Continued investment in cyber capability; currently stopping over 100M cyberattacks per year
- Funding to advance cyber security innovation & digital skills
- Sharing learnings with the aim of improved national cyber defences

1. The cyberattack is still subject to investigation by the Australian Federal Police who are working with the FBI. There is no indication as to whether this is an individual or group.

2. As previously disclosed, a provision of A\$140m was taken to cover these costs. Subsequently, a Class Action has been filed which will be vigorously defended.

Revenue

S\$1,814M

YoY ▲ 3%

EBITDA

S\$655M

YoY ▲ 13%

EBIT

S\$331M

YoY ▲ 18%

Singapore Consumer

Financial highlights

- Strong 11% growth in mobile service revenue
 - Postpaid driven by travel recovery (roaming more than tripled YoY) & 5G take-up
 - Prepaid boosted by return in foreign workers & inbound tourists
- Home boosted by higher speed broadband plans & TV profitability with content savings
- Improved margins despite inflationary pressures, due to robust cost management

Operational highlights

Strengthened 5G leadership



3rd consecutive
5G speedtest
win¹

>760K
5G subs



Pioneered one of
world's first 5G Security-
as-a-Slice capability

Best-in-class telco



14th consecutive
Best Telco Service
Provider in SG win²

Improved roaming activations



Enhanced
ReadyRoam offering

1. Fastest 5G network at Ookla's Speedtest Awards for Singapore's Fastest 5G Mobile Network 2022.

2. HardwareZone's annual Tech Awards 2023 Readers' Choice.

Revenue

S\$2,556MYoY ▲ 1%
(ICT ▲ 15%)

EBITDA

S\$1,095M

YoY Stable

EBIT

S\$714M

YoY ▼ 2%

Group Enterprise

Financial highlights

- Solid & broad-based ICT growth in data centres, 5G services & cybersecurity
- Pressure on carriage mitigated by
 - Roaming recovery (+60% YoY) with the pickup in business travel
 - Increasing demand for network connectivity services

Operational highlights

Commercialisation of 5G

Holomedicine¹Smart retail
showcase¹Connected
cars

Infra enhancement

Start of new satellite
programme

1. Leveraging Paragon – the industry's first all-in-one platform for 5G network, edge computing & services orchestration.

Revenue

S\$2,728M

YoY ▲ 16%

EBITDA

S\$254M

YoY ▼ 16%

EBIT

S\$139M

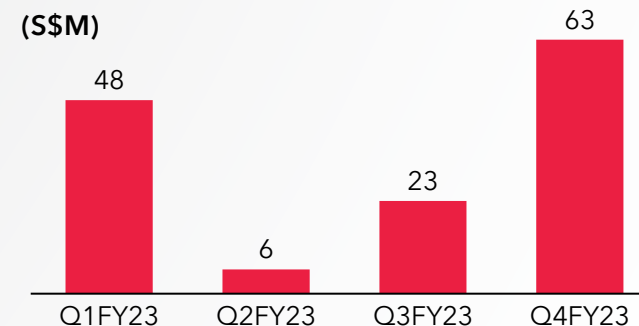
YoY ▼ 35%

NCS**Financial highlights**

- 16% revenue growth from expansion of enterprise business & new acquisitions¹
 - Ex acquisitions, recorded organic growth of 5% against macro uncertainty
- EBIT declined on planned acquisitions & digital investments, as well as higher wage adjustments due to inflationary pressures
 - Sequential quarterly EBIT improved due to proactive cost management & solid topline growth
- Robust bookings of S\$3.2B setting strong foundation for FY24

Operational highlights**Executing to 3-axis strategy**

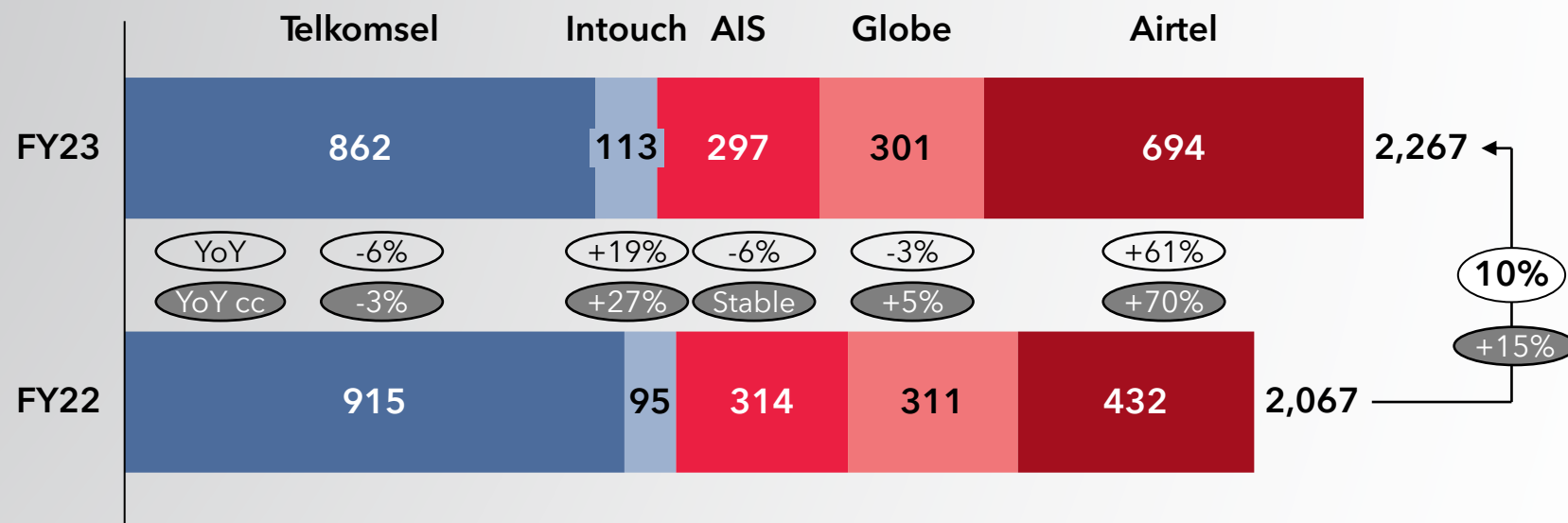
51%	33%	15%
from Digital Business ²	from enterprise ^{2,3}	from outside SG ²
(FY22: 49%)	(FY22: 26%)	(FY22: 5%)

Consecutive EBIT improvement

- Includes ~S\$300M of contributions from new acquisitions.
- Of revenue.
- Includes enterprise & telco+ businesses.

Regional associates

Pre-tax profit contribution (S\$M)



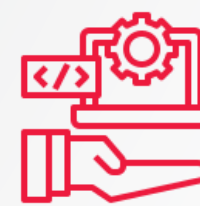
Operational highlights



Improving pricing environment & post COVID recovery



Driving 5G adoption



Rolling out digital services



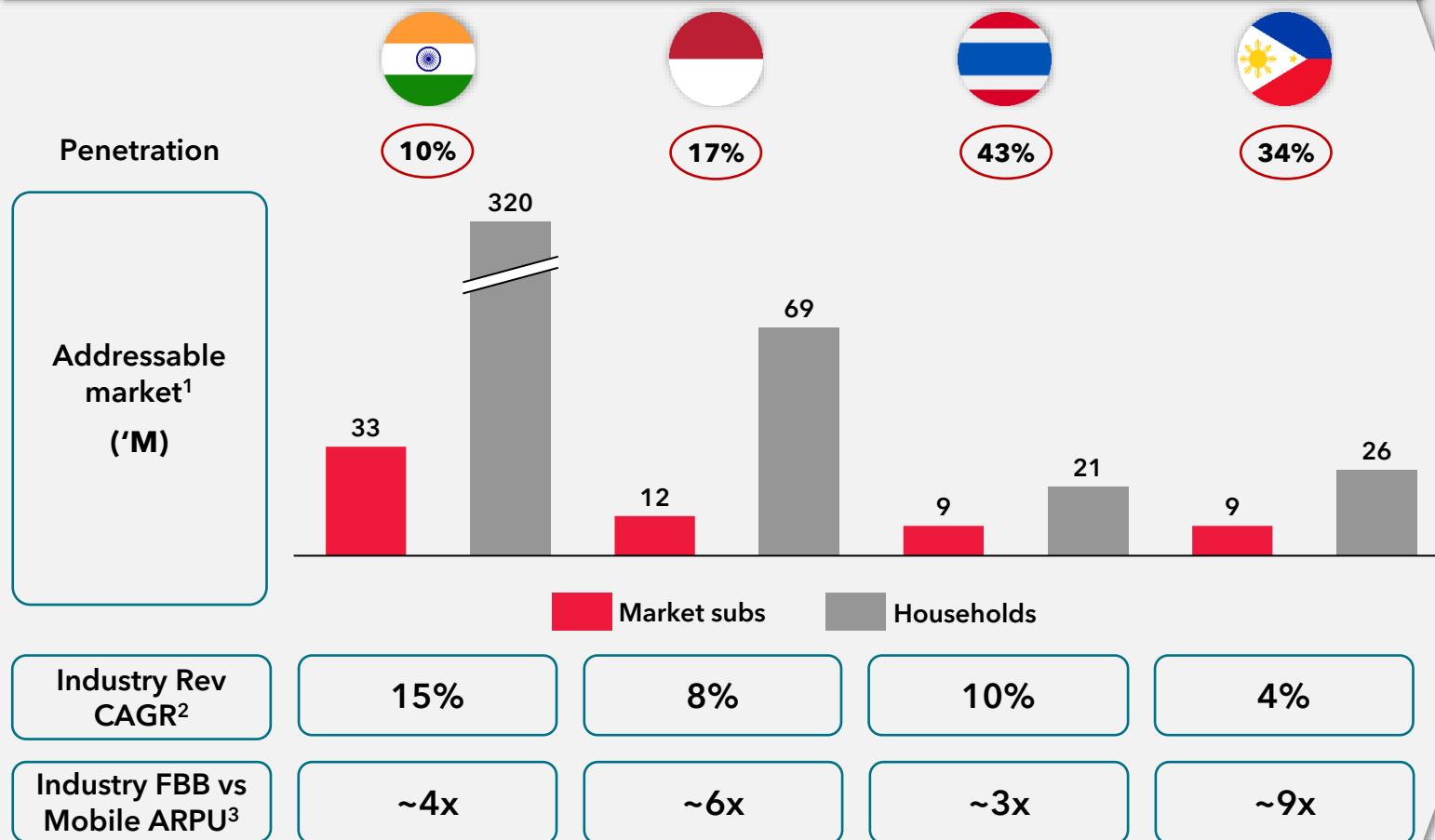
Unlocking value of assets

Financial highlights

- Regional associates' growth supported by Airtel, which recorded double-digit growth led by mobile ARPU increase & strong Homes adds
- Telkomsel: strong data growth offset by decline in legacy services & tower leaseback charges
- AIS: intense mobile competition, which eased in H2FY23. Continued expansion of broadband & enterprise businesses

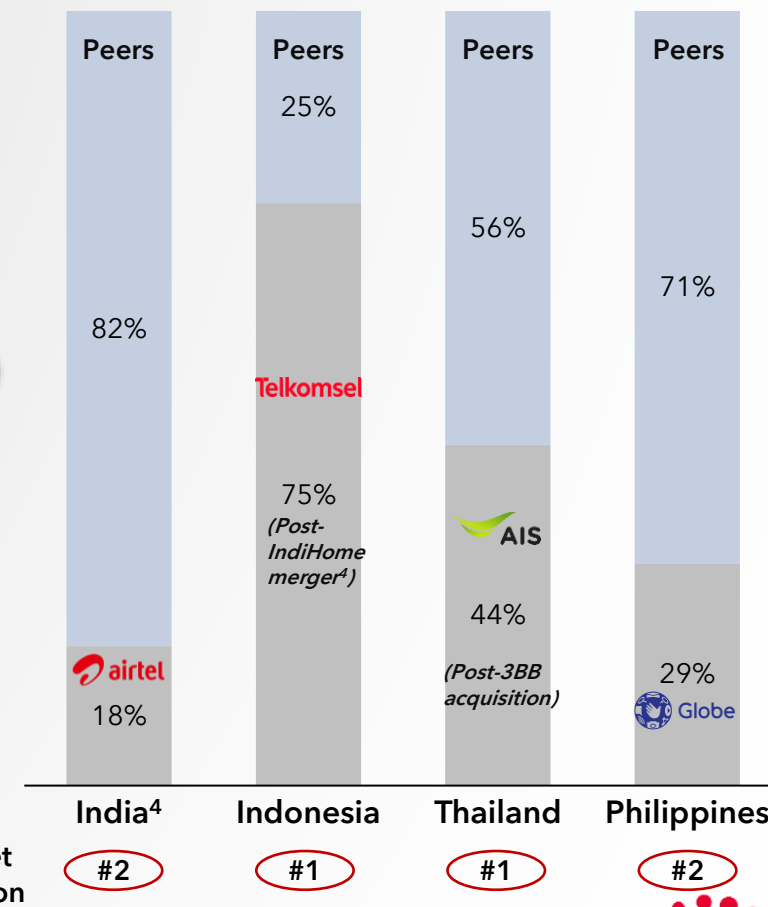
Capturing the regional broadband opportunity

Sizeable untapped opportunities in Regional Associates' (RAs) markets..



.. that RAs are well-positioned to capture

(Customer market share¹)

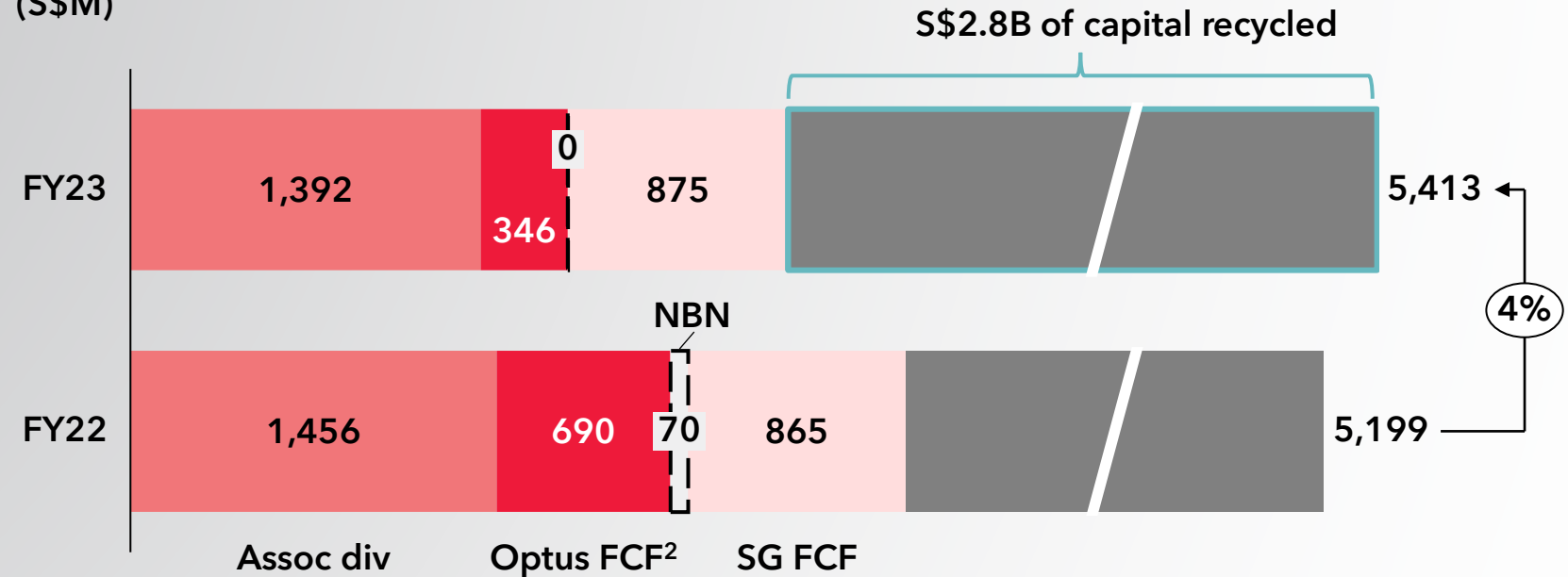


1. World Broadband Information Series data dashboard, publicly available sources & Singtel's internal estimates as of Dec-22.
2. CY basis for SEA and FY for India.
3. Based on Dec-22 quarter.
4. In Apr-23, Telkomsel signed a conditional spin-off agreement with its parent company Telkom to integrate IndiHome services.

Balance sheet well-positioned for growth¹³

Free cash flow¹ & capital recycled

(\$M)



Net debt

S\$8B

▼ S\$2B

Net debt to EBITDA
& assoc PBT

1.4x

(Mar 22: 1.7x)

Interest rate
cover

16.8x

(Mar 22: 14.8x)

Fixed rate debt

~90%

(Mar 22: 95%)

1. Cash flow from operating activities, including dividends from associates, less cash capital expenditure.

2. Free cash flow excluding NBN migration revenue.

3. Excludes lease liabilities.

4. Comprised cash and cash equivalents as well as investments in Singapore Treasury bills and fixed deposits with original maturity longer than three months.

Highlights

- Recycled ~S\$6B cumulatively since FY21
- S\$0.5B³ of debt maturing in next 12 months with S\$3.2B of cash⁴
- ~90% of debt on fixed rates with average maturities of >5 years
- Banking exposure spread across multiple banks with strong credit ratings
- Optus FCF declined mainly due to higher 5G investment & handset receivables
- Assoc dividends declined due to higher special dividends from Telkomsel in FY22

Executing to our strategic reset



Executing to our strategic reset



Reinvigorate
the core

**15% EBIT growth
from core¹**

Leveraged 5G
leadership to
commercialise services

Consolidating consumer
& enterprise businesses
in SG & AU to drive scale
& cost benefits

**15% increase in
regional associates' PBT²**
on Airtel outperformance



Capitalise on
growth trends

RDC expanded into TH & ID;
pipeline to more than
double in 3 years

Digital InfraCo: Being
carved out to capture
new growth

NCS expanded beyond SG,
accelerated enterprise &
digital business

GXS: Live in SG with
loan & deposit products



Reallocate capital,
unlock value

**\$S\$2.8B from
asset recycling**

Illuminated value of
assets; Airtel stake sale

Completed strategic
review & sale of
Amobee

Divested non-core
assets like Thaicom &
Optus Insurance



Champion people
& sustainability

11% reduction in
Scope 1 & 2 absolute
emissions

\$S\$32M
community investment

\$S\$22M
investment in staff
training

1. Comprising Optus (excluding NBN migration revenue), Group Enterprise & Singapore Consumer businesses.
2. On constant currency basis.

Revenue

S\$273M¹

EBITDA

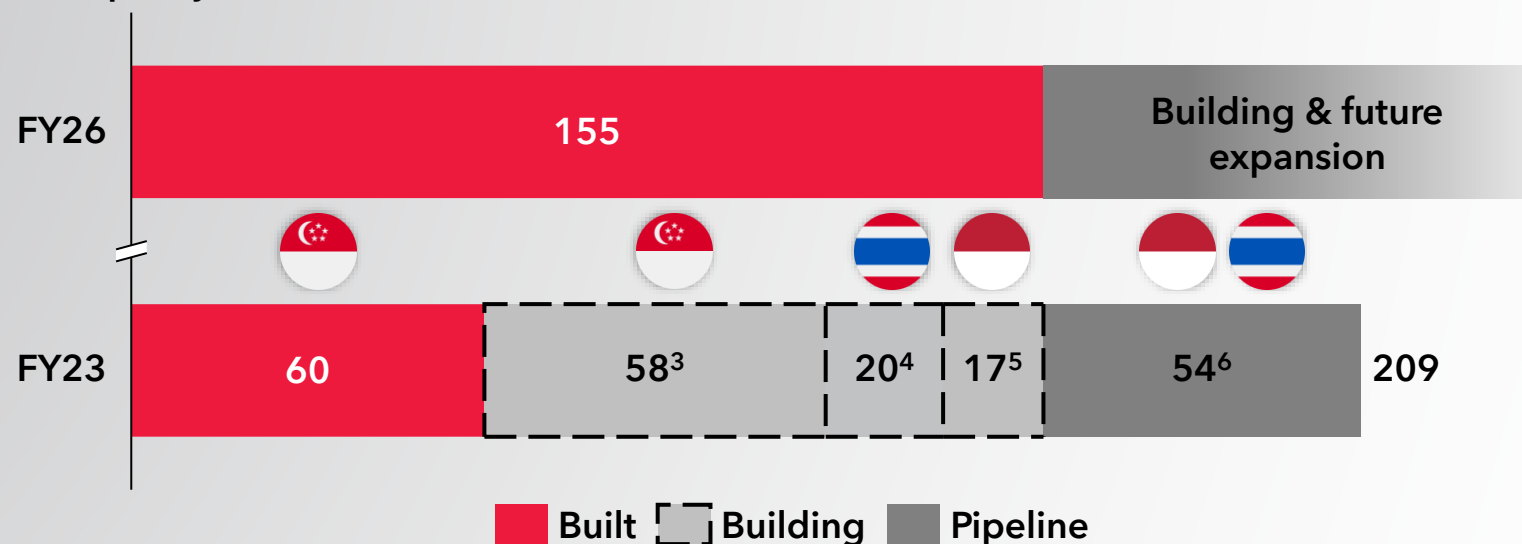
S\$172M¹

Asset yield²

14.5%¹

Regional Data Centre (RDC)

Gross capacity (MW)



Key highlights

Broke ground in TH & ID



Dec 22

Jan 23

Scaling DC Tuas



Plans to recycle 5 old DCs into DC Tuas



DC Tuas ~60MW & PUE <1.3

Exploring opportunities



MY & VN

1. RDC set up in FY23 & has no YoY comparative.

2. For DC West & Kim Chuan 2.

3. DC Tuas.

4. Singtel holds 35% interest in Thailand DC with Gulf & AIS.

5. Singtel to hold 30% interest in Batam DC with PT Telkom & MedcoEnergi International.

6. Comprising 34MW in Batam DC & 20MW in Thailand DC.

Setting the benchmark in sustainability



Climate change & environment



A- leadership score for 6th consecutive year



CLEAN200™

Top 100 in Corporate Knights Clean 200

11%

Reduction in Scope 1 & 2 absolute emissions



Sustainable value creation



Rated "A" for MSCI ESG score



Launched first tokenised sustainability-linked loan & bond in SG



1st AU telco to sign A\$1.4B sustainability-linked revolving credit facility



Community impact

S\$32M

Community investment in SG & AU

>840K

Beneficiaries of digital enablement programmes since 2015



Top SEA company in the 2023 Digital Inclusion Benchmark



People & future of work

S\$22M

Training investment in SG & AU

>3K

employees reskilled to new roles



Bloomberg Gender-Equality Index for 5th consecutive year

Our key commitments



United Nations
Global Compact



Capital management framework



Capital management approach



Core operations

Driving profits to support dividends

Key metrics:

- Free cash flow generation
- EBIT margin growth
- ROIC



Growth engines

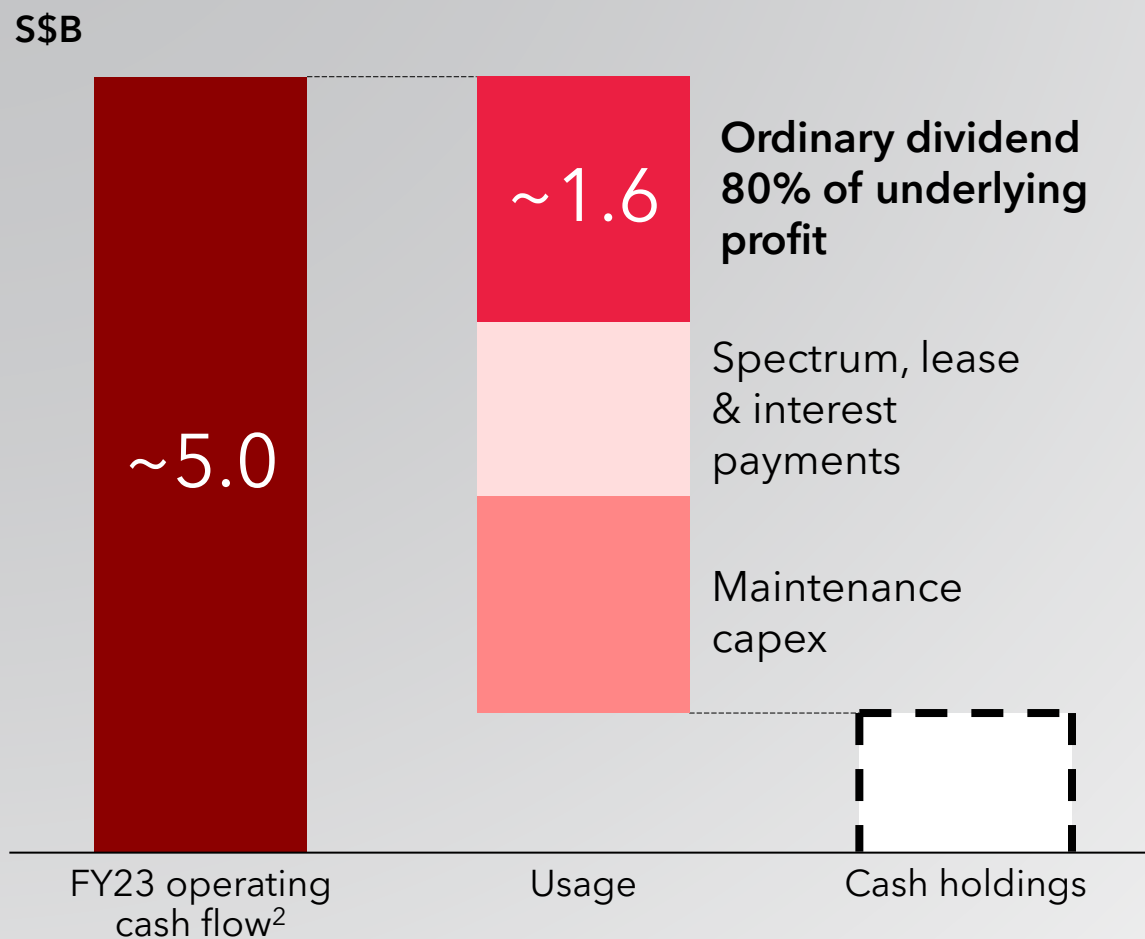
IRR-driven model for returns & capital partnerships for scalable growth

Key metrics:

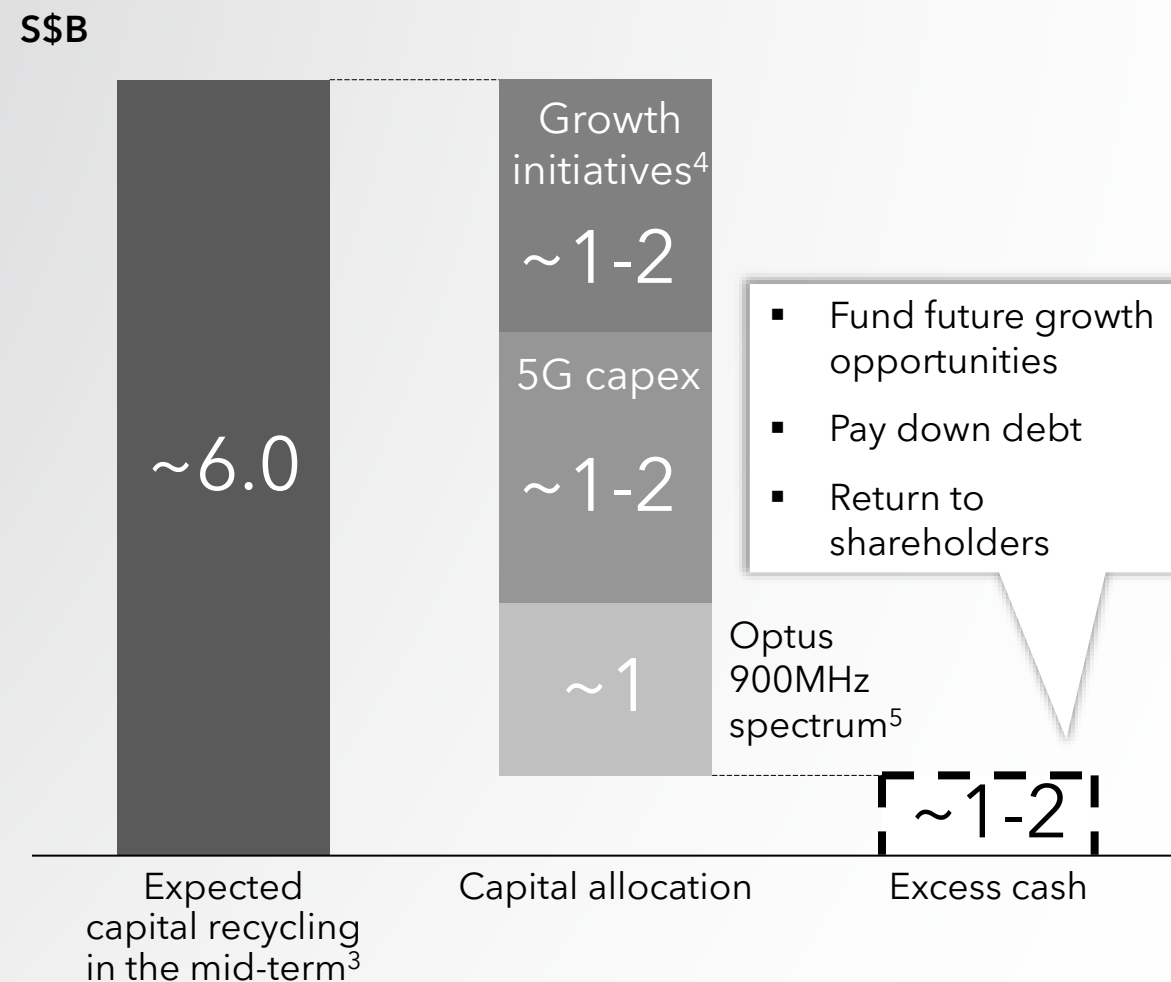
- Asset yields
- Ability to recycle
- Efficient capital deployment

Delivering sustainable dividends & funding growth¹

Pot 1: Operating cash underpins sustainable dividends



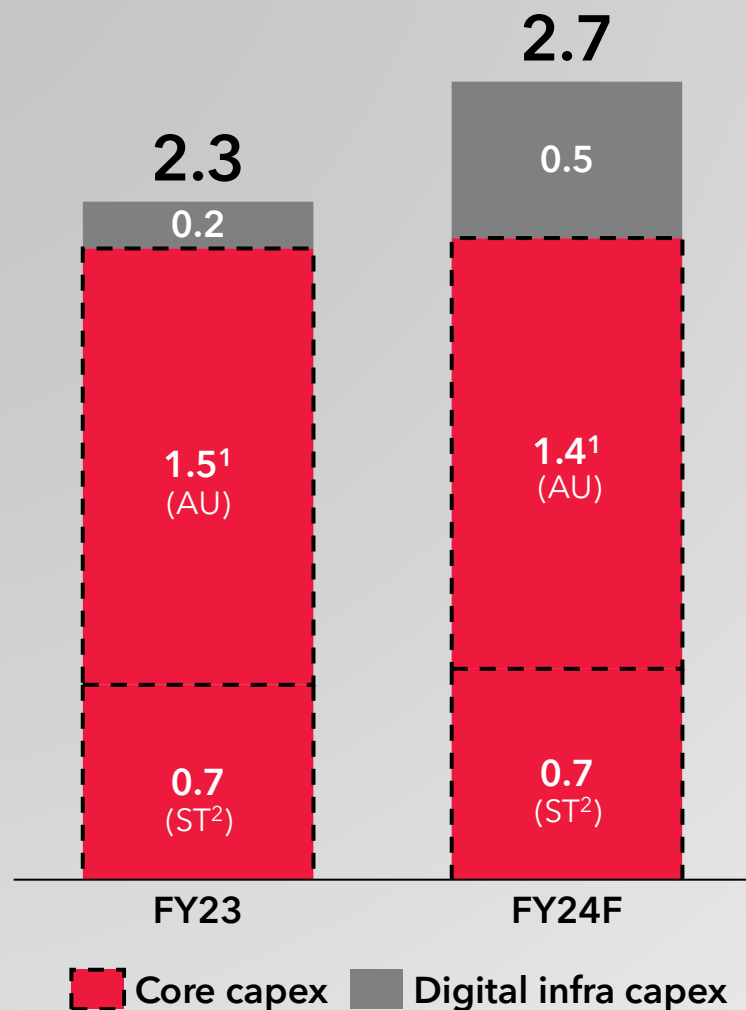
Pot 2: Continued capital recycling to fund investments



1. Chart not drawn to scale.
2. Includes dividends from associates.
3. Includes proceeds from divestment of Comcentre stake.
4. Predominantly data centres.
5. Payable FY25.

Capex outlook for FY24

S\$B



FY24 core capex stable

- 5G investments in AU; SG completed
- Additional investments in cybersecurity, green & digital transformation initiatives

FY24 new digital infrastructure capex funded by asset recycling

- Mainly for DC Tuas in SG
- Investments into new satellites in SG & AU, SG satellite will be fully funded by customers

1. Equivalent to A\$1.6B for both FY23 & FY24F.

2. Rest of Singtel Group.

Low double digit¹ ROIC target in the mid-term

		FY23 EBIT (Chg)	Key drivers
ROIC > WACC	Regional Associates	S\$2,267M ³ (▲ 15% ⁴)	- Capture fixed opportunity - Focus on market repair & cost management
	SG OpCo ²	S\$1,044M (▲ 4%)	- Accelerate 5G monetisation - Tap into regional IoT opportunity - Cost optimisation & digital transformation
	NCS	S\$139M (▼ 35%)	- Grow international & enterprise business - Cost-to-serve optimisation
ROIC < WACC	Optus	A\$287M (▲ 100% ⁵)	- Build on rational market competition & customer gains - Win share in under indexed enterprise market - Cost management & efficient network deployment
Negative ROIC	Trustwave	-\$133M (▼ 10% ⁴)	- Complete strategic review - Continued focus on cost efficiencies
Asset yield	RDC	S\$172M ⁶	- Drive scalable growth & operating efficiencies - Optimise customer mix - Pursue capital partnerships

FY23 ROIC of 8.3%¹ (FY22: 7.3%¹)

1. Excluding Optus goodwill.
 2. Includes Singapore Consumer & Group Enterprise.
 3. PBT.

4. On constant currency basis.
 5. Excluding NBN migration revenue.
 6. EBITDA. No YoY comparative as RDC set up in FY23.

Priorities for FY24



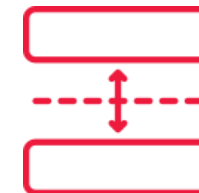
Integrate consumer & enterprise businesses to drive growth & synergies



Advance Associates' fixed & enterprise strategies



Continue to scale growth engines with capability & market expansion

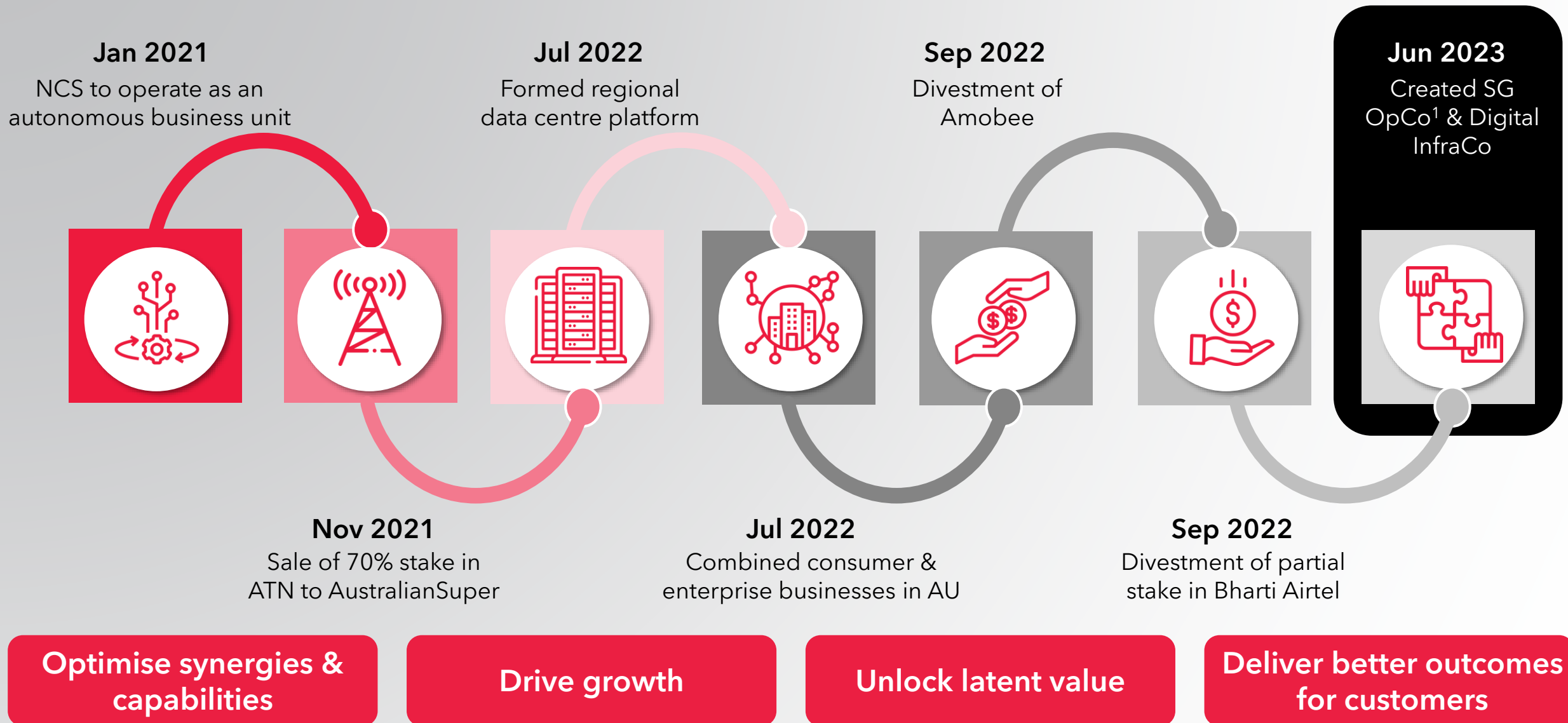


Drive profitability & identify monetisation opportunities to narrow HoldCo discount

Appendix



Restructure & reposition for growth

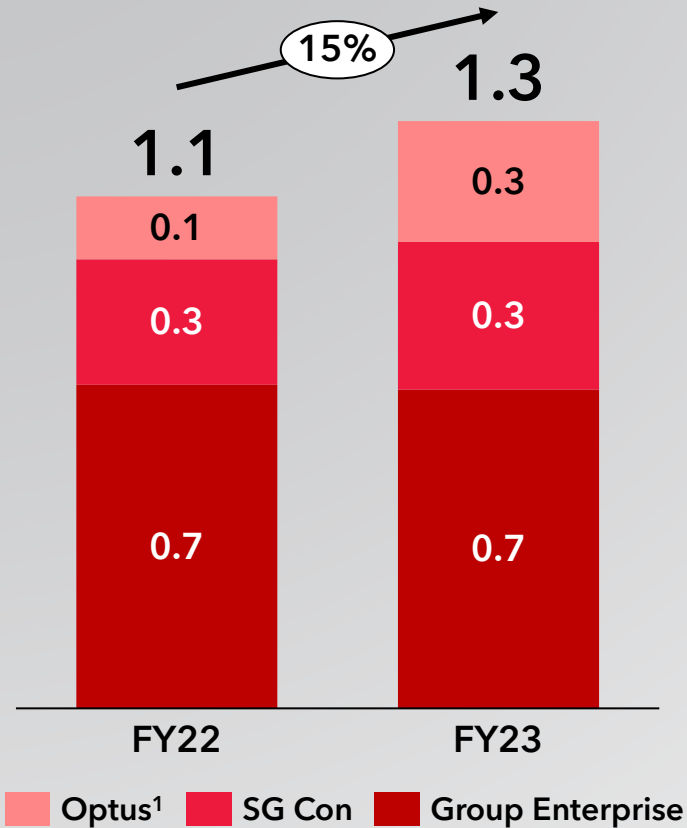


1. Consolidated Singapore Consumer & Group Enterprise (ex RDC) businesses.

Quality earnings growth

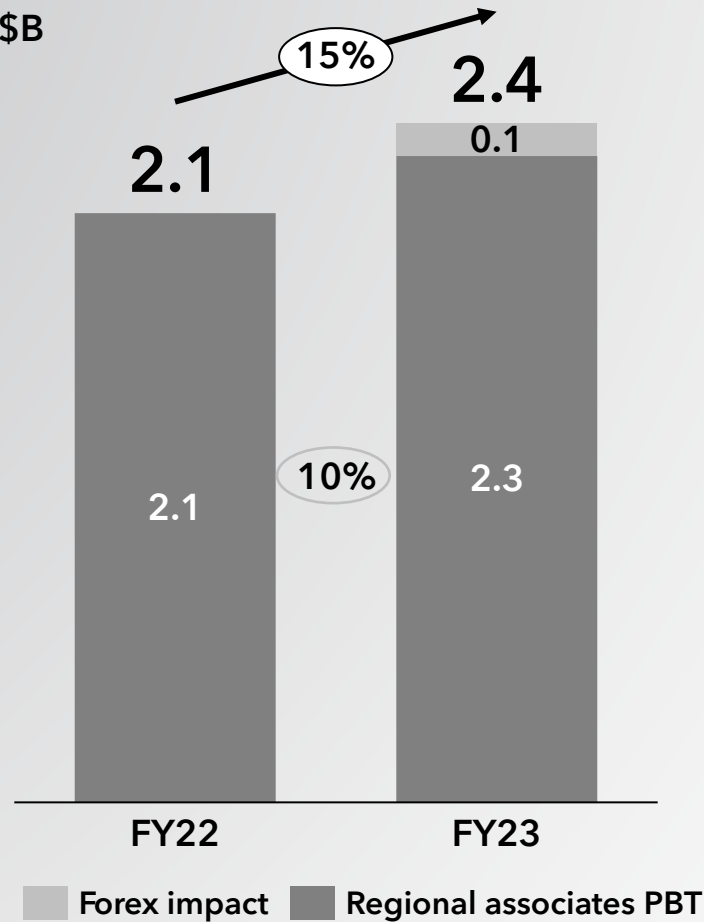
Core EBIT

S\$B



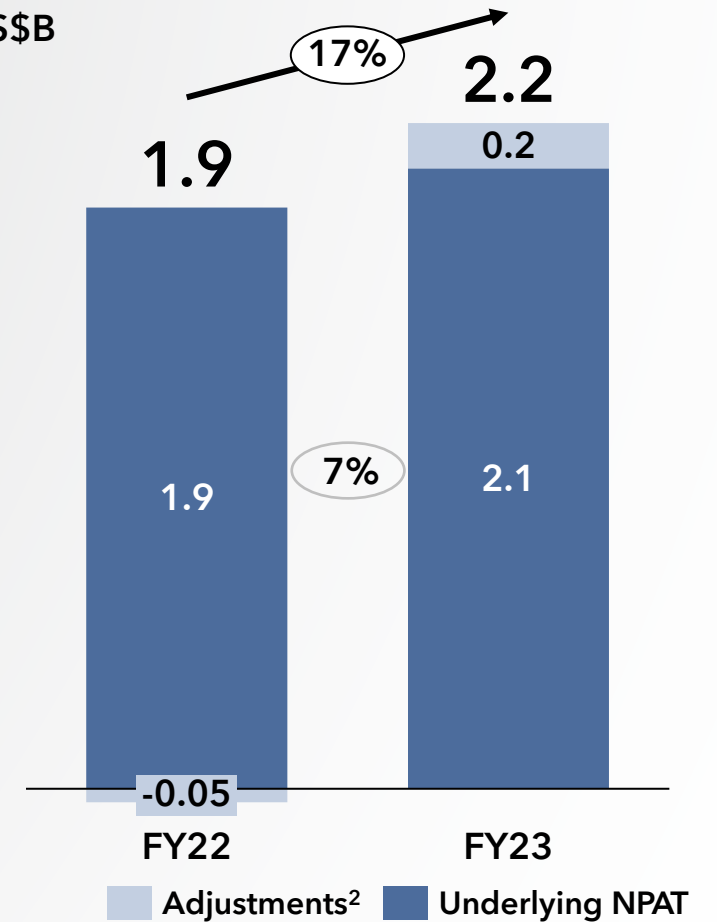
Regional associates' PBT

S\$B



Adjusted² underlying NPAT

S\$B



1. Excluding NBN migration revenue.

2. Adjusted for forex movements, Amobee losses in FY22, NBN migration revenue & fair value gain/ (loss).

