



Optus

Michael Venter, Interim CEO & CFO Optus

Investor Day | 29 August 2024

It starts with yes



Network

Superfast 5G

Speed caps apply



Value

Bonus Data

On first 3 recharges



Features

**Unlimited
Data Day**

5G: 5G available in selected areas and on selected plans. Actual speeds may vary. Check website for coverage. Price Match: T&Cs and exclusions apply. Check website for offer details.

yes OPTUS

Optus Overview

Market presence



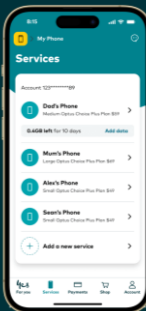
Provide customers with more than 11 million services across Australia each day



Australian household brand



Large Retail Network



#1 rated Australian telco app

Infrastructure



Network coverage to 98.5% of the Australian Population



Australia's fastest 5G for download speeds¹
(end June 2024)



32k km national fibre network, 4 international subsea cables



5 Satellites providing ANZ coverage

Impact



\$18b annual contribution to Australian economy²



c. 6.3k employees

31%

Mobile Customer Share
(Consumer + Enterprise)
31 Dec 2023



c. \$8.1bn Revenue
c. \$2.1bn EBITDA

1. Opensignal - Mobile Network Experience Report April 2024

2. Venture insights research

Australian market | Challenging macro environment driving price sensitivity and competition



Macro environment

Customers will continue to be price sensitive



Economic indicators

Cost of living pressures driving reduced household spending



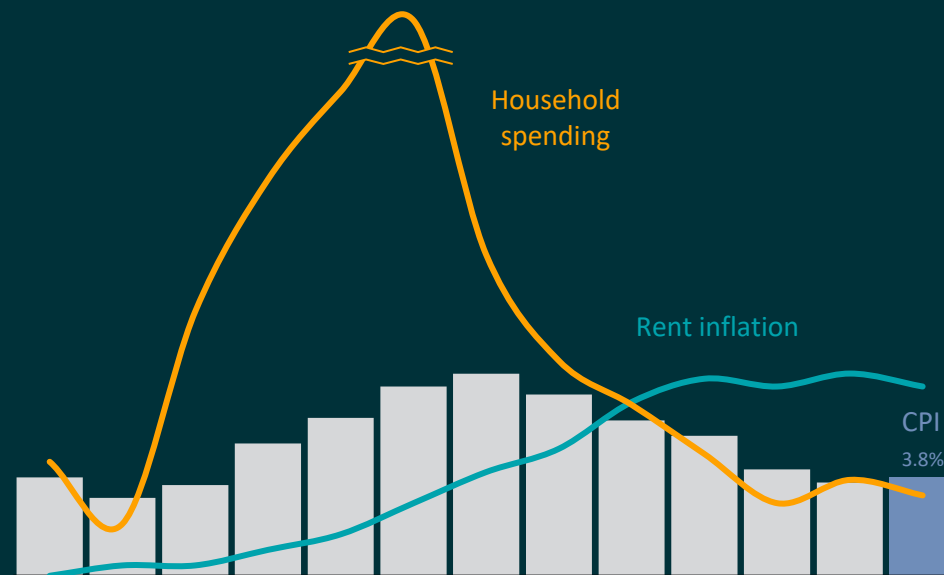
Competition

Increased price-led competition to challenge profitability



Jun '21 Jun '22 Jun '23 Jun '24

Source: Westpac Consumer Sentiment Index, NAB Monthly Business Survey



Jun '21 Jun '22 Jun '23 Jun '24

Source: ABS



nbn SAU presents opportunity for highly competitive nbn offers on high-speed plans

TPG launches time limited price-beat guarantee on high speed nbn products

Non-Telcos continue to create a degree of price disruption via bundling

iinet offers fibre plans on Vision network at significant discounts to nbn equivalents

Starlink announces more affordable alternative to nbn skymuster



FINANCIAL REVIEW

Australia's cost-of-living crisis has reached a critical juncture



Cost of living crisis: rent affordability hits 17 year low in Australia



As the cost-of-living crisis takes its toll on Australians, some are looking outside the box for solutions



FY25 priorities deliver resiliency with growth

Resiliency



Signed Multi-Operator Core Network agreement with TPG Telecom



OPENSIGNAL

Recognised by Opensignal for Fastest 5G mobile, six years in a row



Emphasis on Digital First Sales/Service



Efficient network capex deployment ~A\$1bn



Decommissioning of Legacy IT ~82 systems

Growth



Strong enterprise performance with major wins



Exclusive broadcast of 2024 EUROS and COPA AMERICA



Evolve Product Integration Strategy & New CVM



Increased focus on customer retention



Network Infrastructure & Backbone Expansion, Modernisation & Optimisation

Simplification & Efficiency



Continued tracking of wide cost out initiatives



Accelerate AI & Automation



Simplification of Products and technology stack



Optimised 5G Rollout and Radio Modernisation

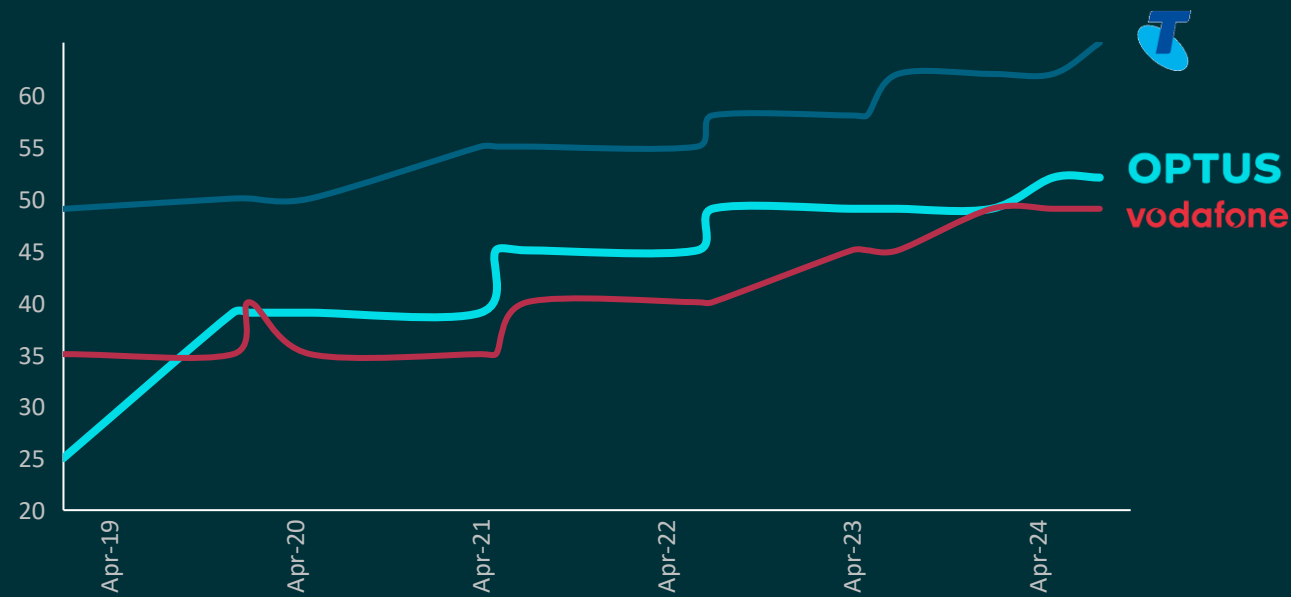


Reduction of EB Vendors to 16 (from over 100)

Postpaid ARPU rising, but Tier 2 competition and pricing pressures create headwinds

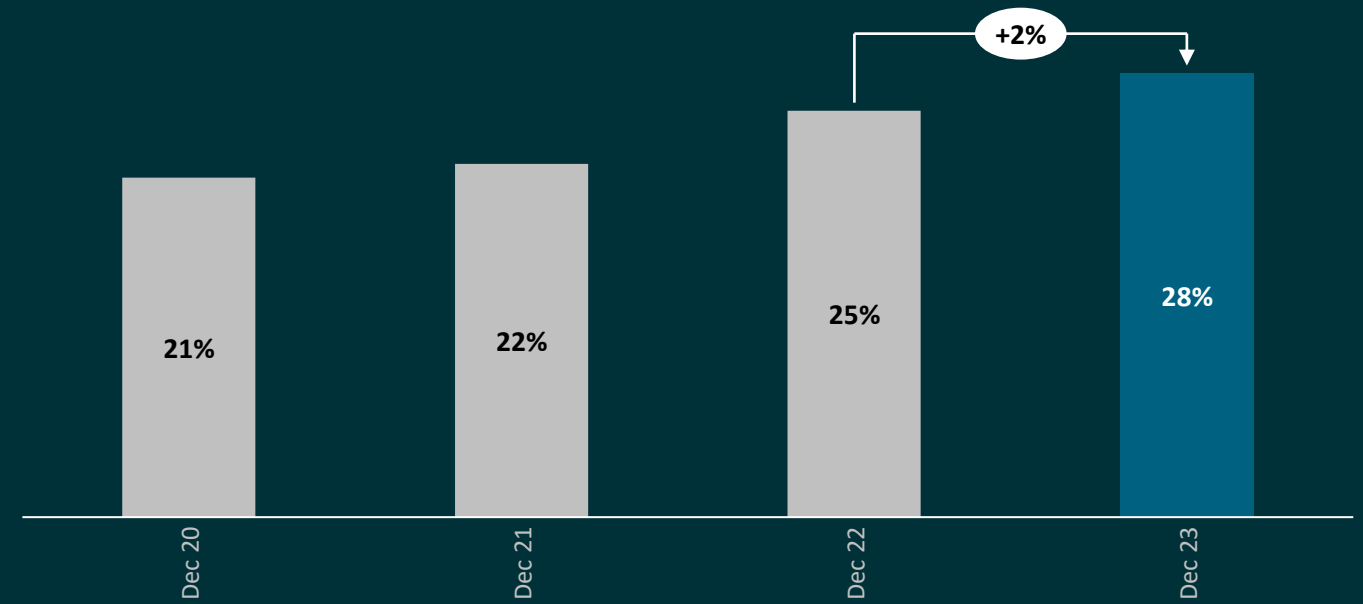
MNO Postpaid Pricing (\$)

Postpaid Entry (Monthly)



Accelerating shift to Tier 2

Tier 2s as % of Mobile Market SIOs



Tier 1 v Tier 2 entry price (July 24)

	Telstra	OPTUS	ALDI mobile
Coverage	99.5%	98.5%	98.8%
Postpaid Entry Price	\$62	\$52	\$19
Prepaid Entry Price	\$35	\$35	

Highly competitive Tier 2 Market

Enterprise & Business transformation enabling growth

FY24 transformation pulling through



- ✓ Rationalised vendors from >100 to 16 strategic partners
- ✓ Streamlined product catalogue from 253 to 137
- ✓ Bringing standard Enterprise products & services and a multi-channel strategy to Mid-Market SMEs



FY25 Positive Momentum



Major Enterprise Customer Wins



Growing Share in Small Business



Big Acquisitions



Significant wins across all Enterprise segments



Profitable Contracts



Focused on EBITDA contribution



Mobile+ Strategy



Re-focus on mobile-led business



Simplified Services



Focus on cost



Small Business growth



Driving value through retail whilst enhancing digital capabilities



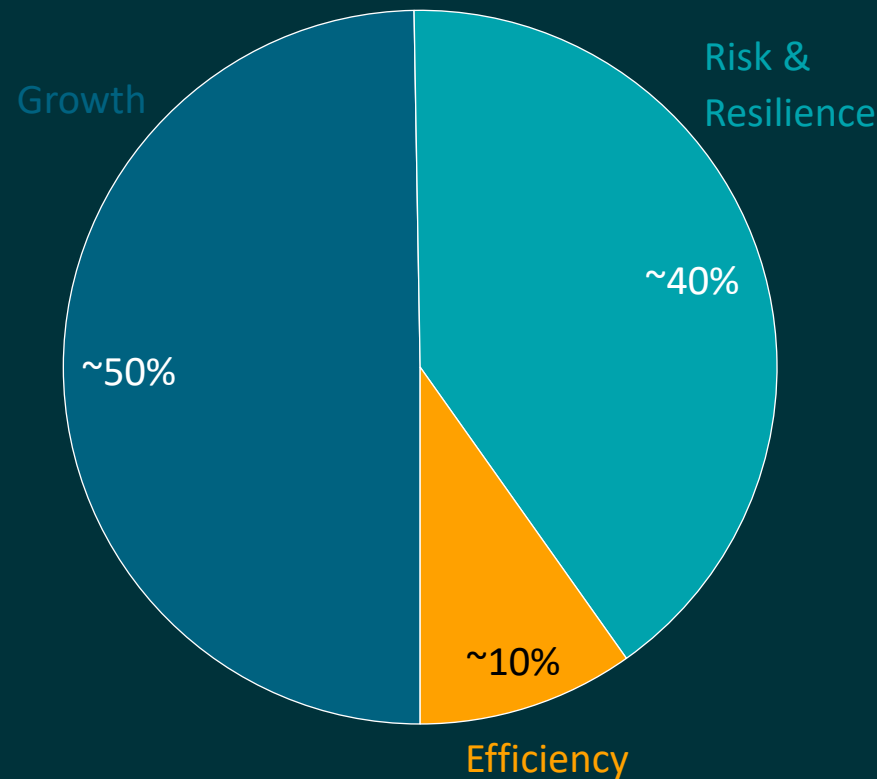
Spotlight: Services Australia

- ✓ 6yr contract with Services Australia for customer contact management solutions
- ✓ Largest contact centre operation in the southern hemisphere, handling over 1 billion online transactions and 55 million calls annually

“Optus is an Australian leader in integrated communications, supported by a network that spans throughout Australia”

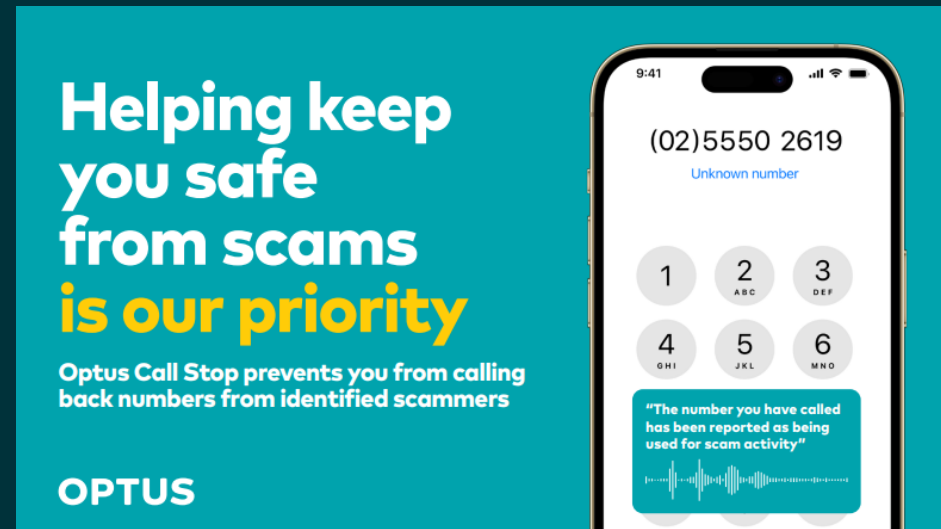
FY25 investments to deliver resiliency and growth

Investing to increase Resiliency



FY25 Capital Investments \$1.5bn

Increasing customer's Digital Safety

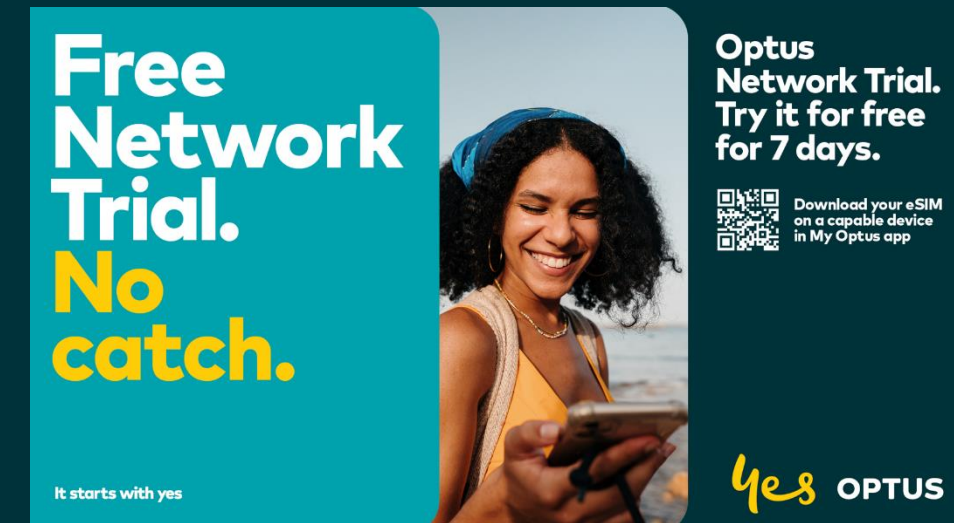


Call Stop in partnership with Australian Financial Crimes Exchange

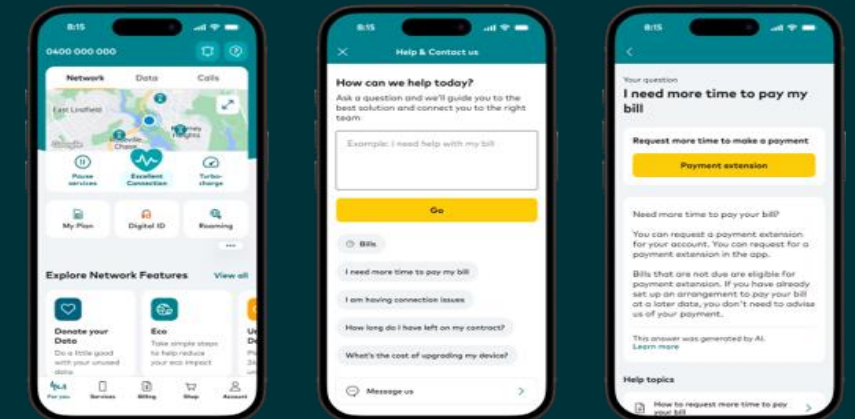


Westpac CallSafe - Australian first solution to keep its customers safe from scammers

Challenging through Innovation



Optus Network Trial aims to improve customer perception of network performance, rebuild brand trust and increase postpaid net adds



Embedding AI in MOA search to effortlessly guides customers through issue resolution


OPTUS

Innovative Network Sharing | Optus / TPG MOCN¹

Overview



 Enhances choice and competition in regional Australia

 Sustainable approach to developing infrastructure

Enables Growth



Accelerates Optus 5G regional roll out



Optus gains access to TPG spectrum increasing capacity and speed



Further monetise Optus' regional investment

Financial impact



Financially accretive² with capex savings and ROIC growth



~\$1.7bn revenue



~\$900m incremental free cash flow

1. MOCN = Multi Operator Core Network, subject to regulatory approval
2. Over initial contract term of 11 years

Our year ahead



Priorities

- Brand & reputation repair
- Stronger Postpaid environment supported by pricing increases
- Driving further efficiencies and growth through AI enablement



Challenges

- Consumer confidence/economic conditions, market slowing
- Tier 2s in mobile & home continue to grow market share; impact price repair
- Increasing Regulatory expectations \neq MNO profitability

