3Q16 Results Presentation

18 October 2016

Forward looking statements – Important note

This presentation and the following discussion may contain forward looking statements by M1 Limited ("M1") relating to financial trends for future periods

Some of the statements contained in this presentation or arising from this discussion which are not of historical facts are statements of future expectations with respect to financial conditions, results of operations and businesses, and related plans and objectives. Such forward looking statements are based on M1's current views and assumptions including, but not limited to, prevailing economic and market conditions and currently available information. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of M1. In particular, such statements should not be regarded as a forecast or projection of future performance of M1. It should be noted that the actual performance or achievements of M1 may vary significantly from such statements.

Overview

Financial highlights for 9 months 2016

- Service revenue was S$605m
- EBITDA margin at 39.7% of service revenue
- Net profit after tax declined 12.6% YoY to S$118m

Performance highlights for 3Q16

- Mobile customer base increased 15,000 QoQ to 1.99m
- Mobile data revenue was 54.2% of service revenue
- Fibre customer base grew 7,000 QoQ to 152,000
- Fibre revenue increased to 13.7% of service revenue

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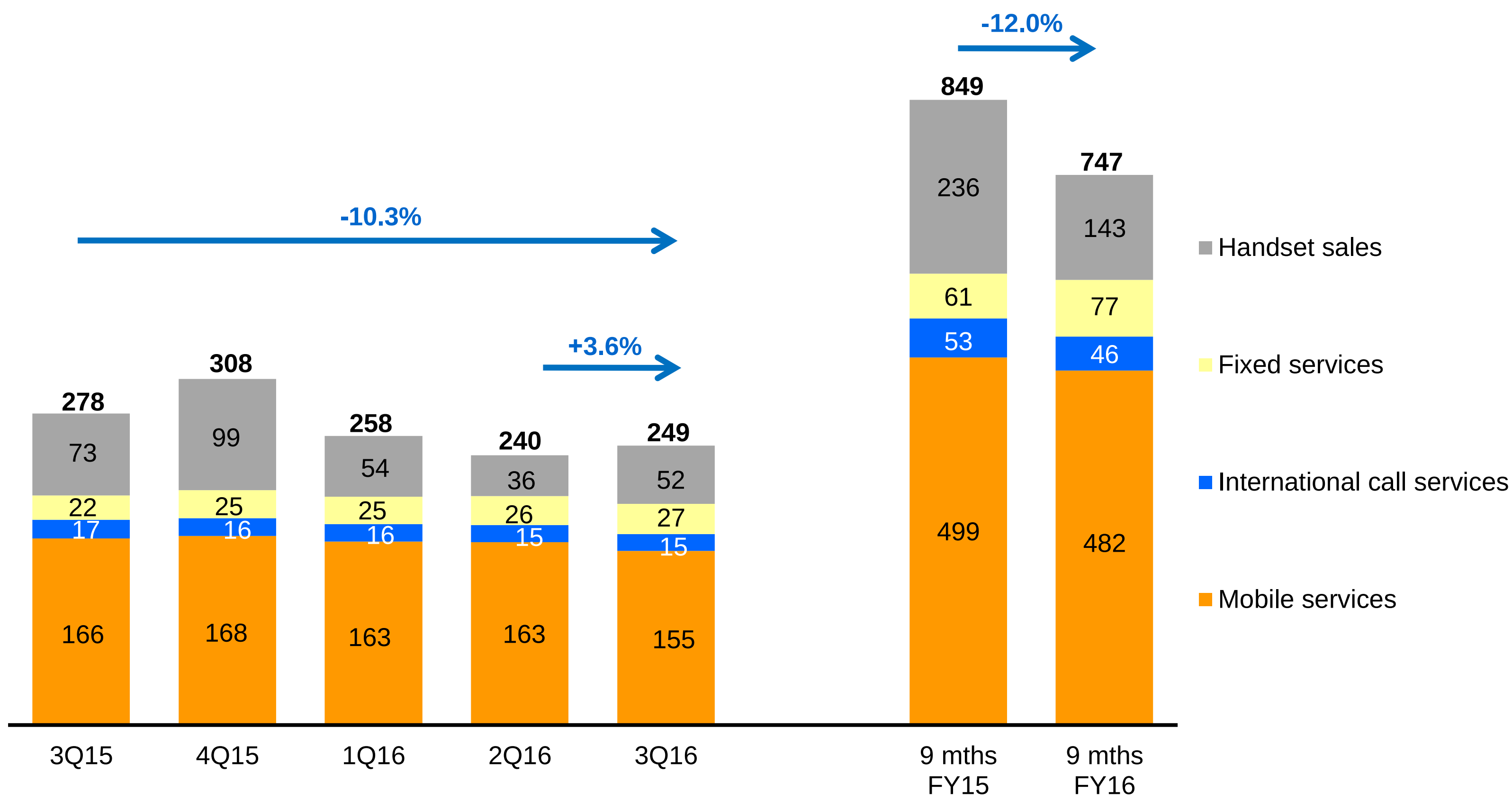
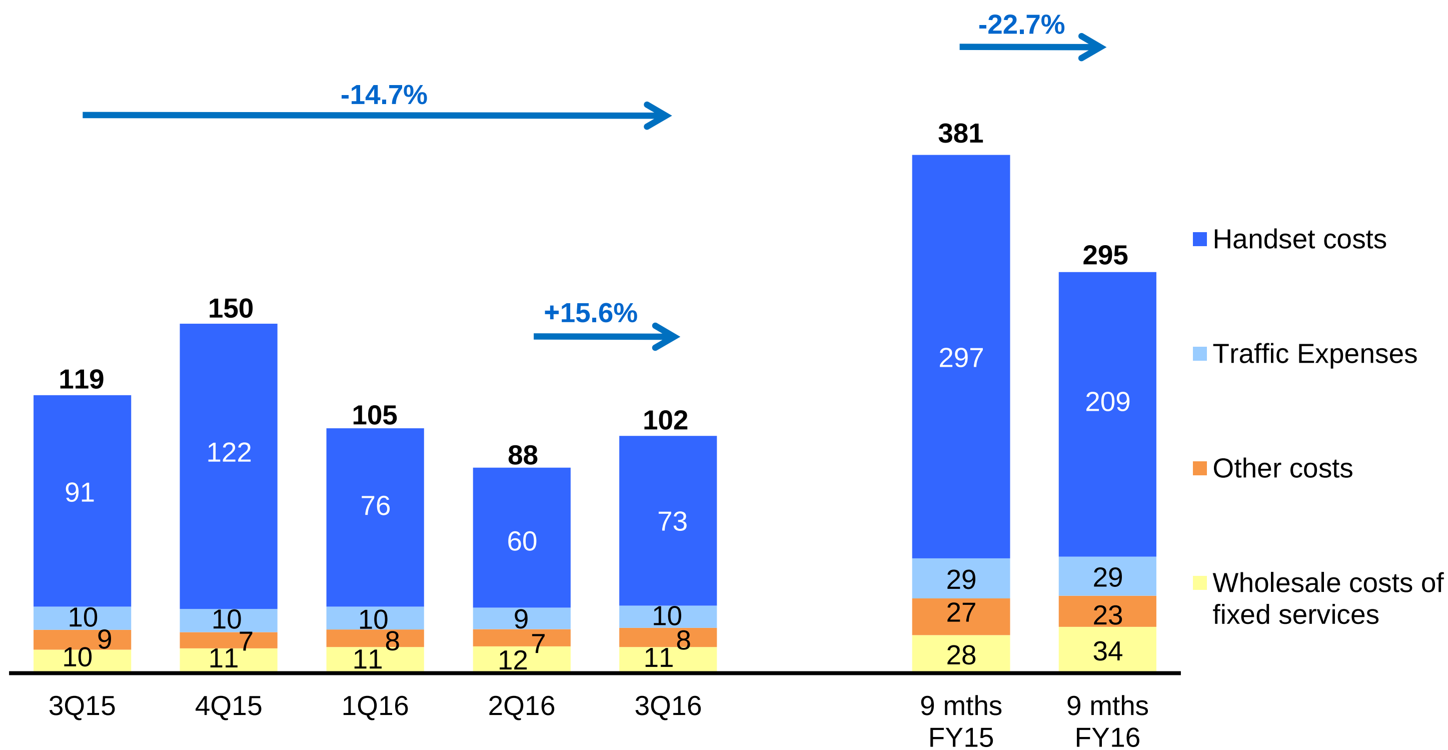
Operating revenue (S$m)

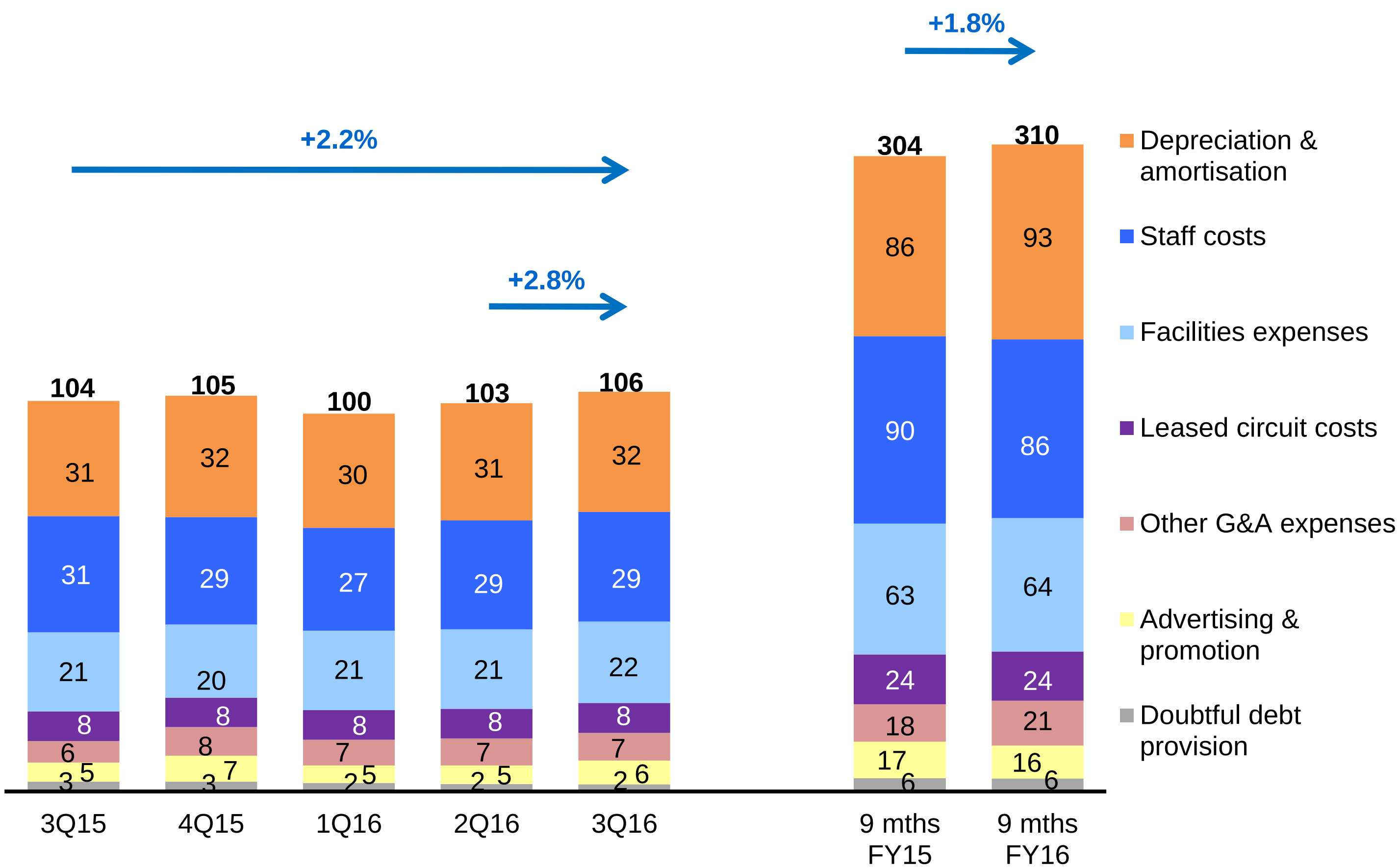
	3Q15	4Q15	1Q16	2Q16	3Q16	9 mths FY15	9 mths FY16
Service revenue (S$m)	205	209	203	204	**197**	613	605



Cost of sales (S$m)



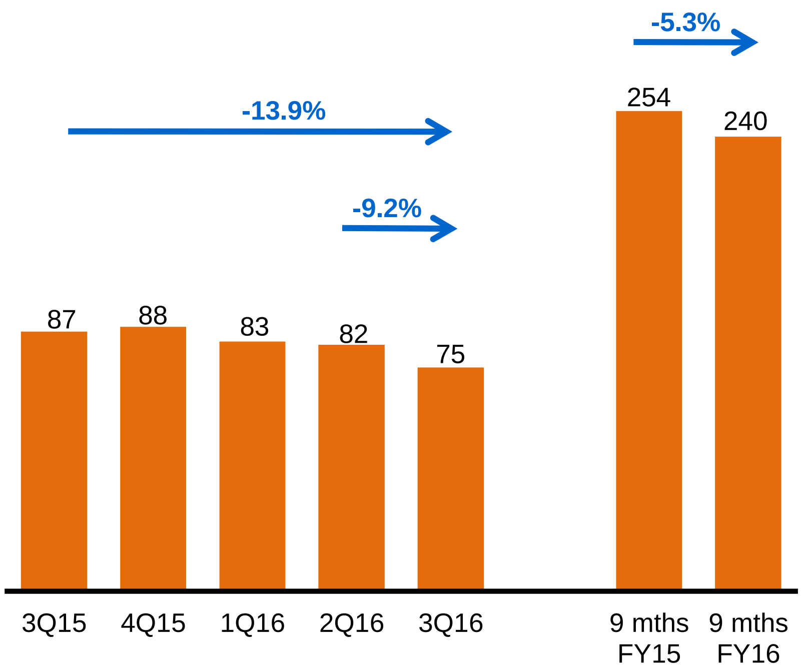
Other operating expenses (S$m)



EBITDA & net profit after tax

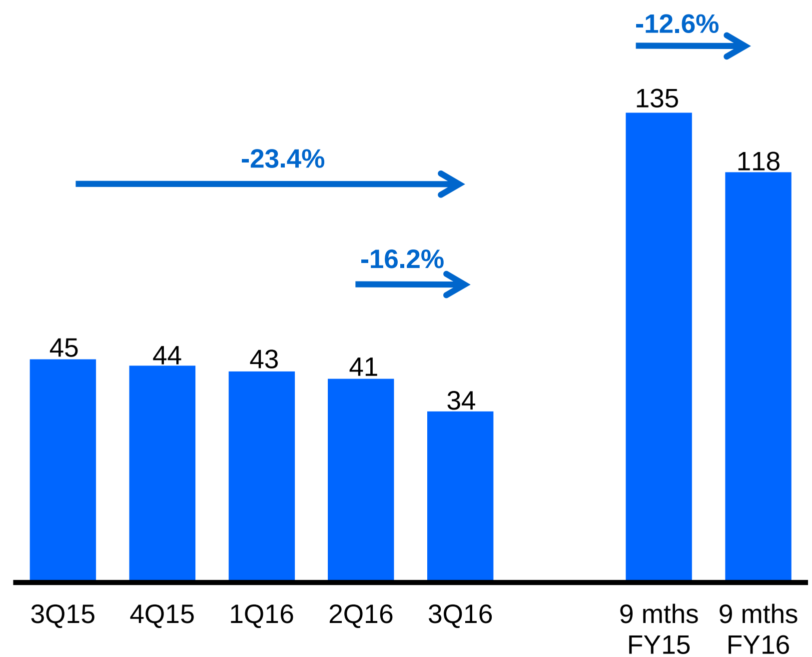
EBITDA (S$m) & margin
on service revenue

	3Q15	4Q15	1Q16	2Q16	3Q16	9 mths FY15	9 mths FY16
EBITDA margin (on service revenue)	42.3%	42.2%	40.9%	40.3%	**37.8%**	41.4%	39.7%



Profit after tax (S$m) & margin
on service revenue

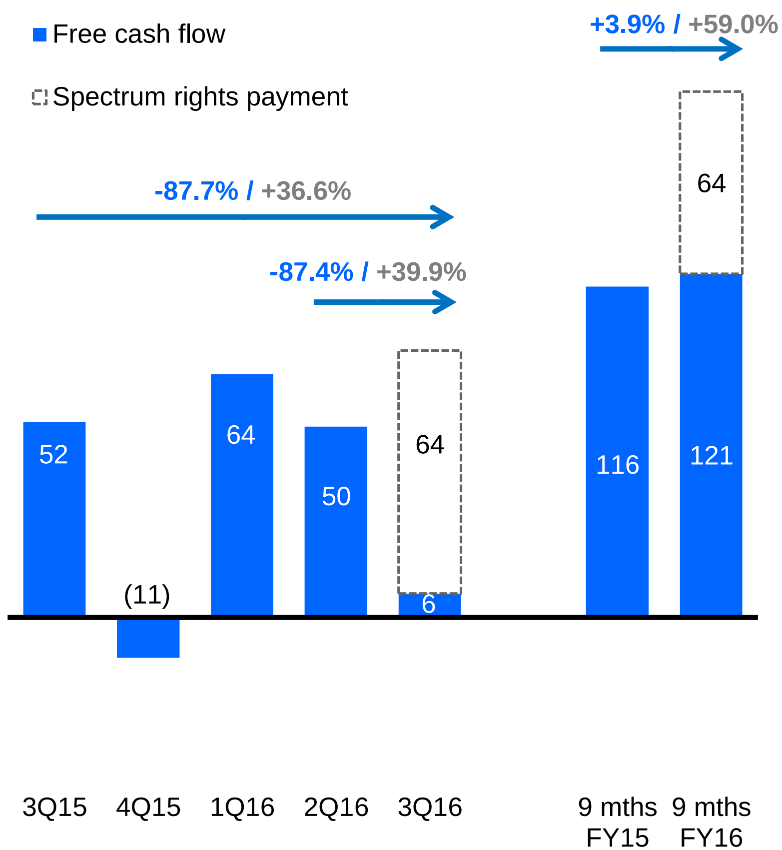
	3Q15	4Q15	1Q16	2Q16	3Q16	9 mths FY15	9 mths FY16
PAT margin (on service revenue)	21.9%	20.8%	20.9%	20.1%	**17.4%**	22.0%	19.5%



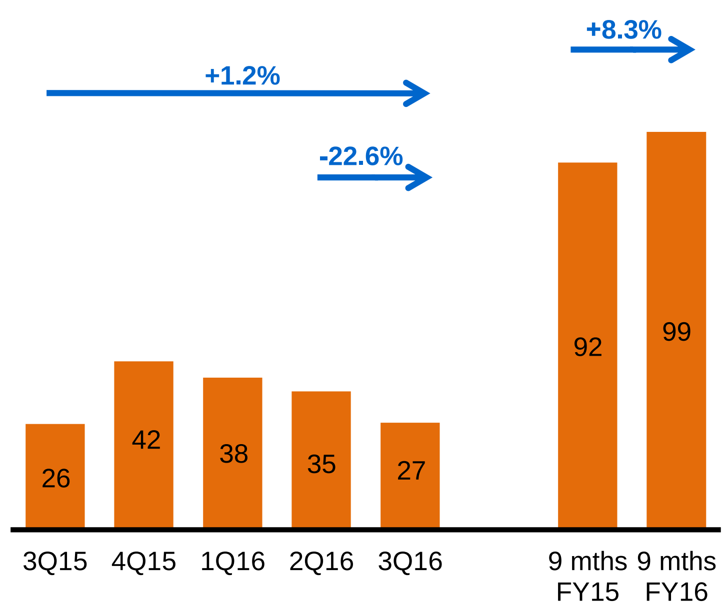
Cash flows & Capex

Operating and free cash flows (S$m)

	3Q15	4Q15	1Q16	2Q16	3Q16	9 mths FY15	9 mths FY16
Operating cash flow	78	31	102	85	**98**	208	285



Capex (S$m)



Financial leverage

S$m	9 months ended FY2015	FY2016	Change
Cash & cash equivalents	26.1	**9.7**	-62.9%
Net debt	325.0	**391.6**	20.5%
Net assets	368.8	**371.1**	0.6%
Net debt/equity (x)	0.9	**1.1**	19.8%
Net debt/EBITDA (x)	1.0	**1.2**	24.8%
EBITDA/Interest (x)	73.9	**54.1**	-26.9%
Net assets per share (cents)	39.4	**39.9**	1.4%
EPS - diluted (cents)	14.4	**12.6**	-12.0%

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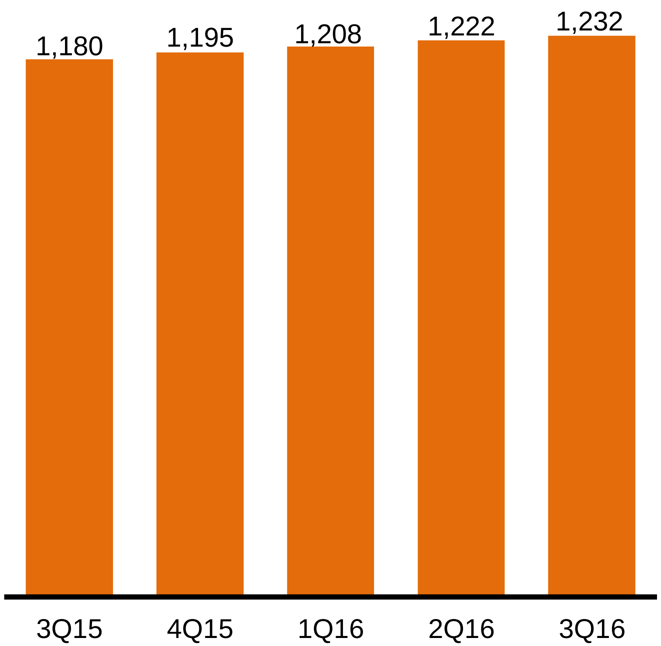
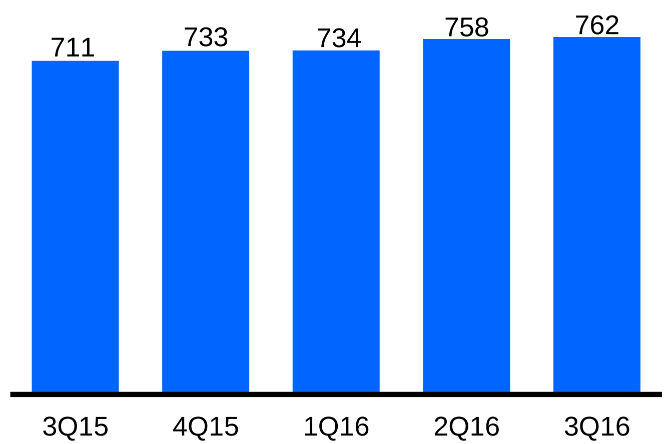
Mobile customers

Postpaid customer base ('000)

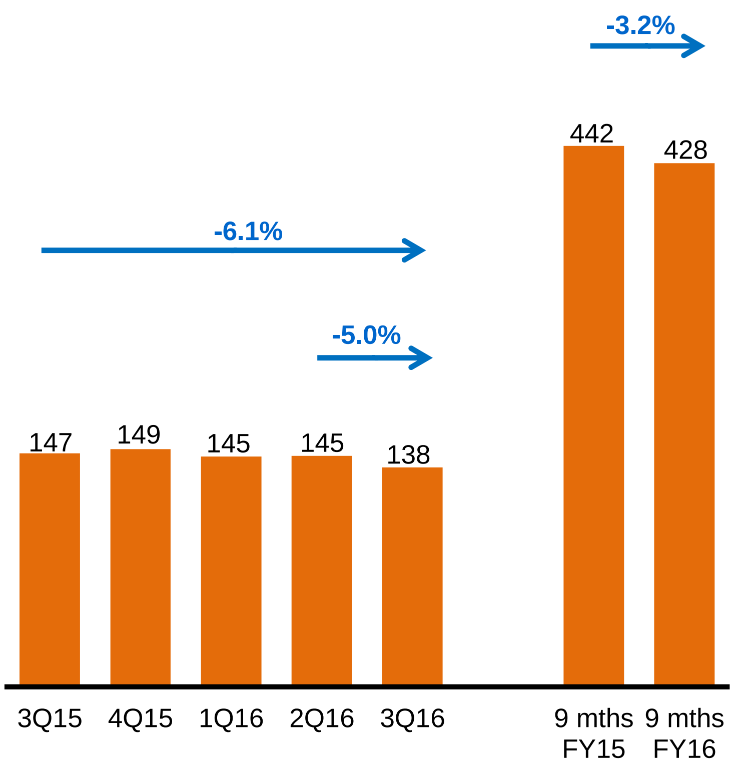


Prepaid customer base ('000)

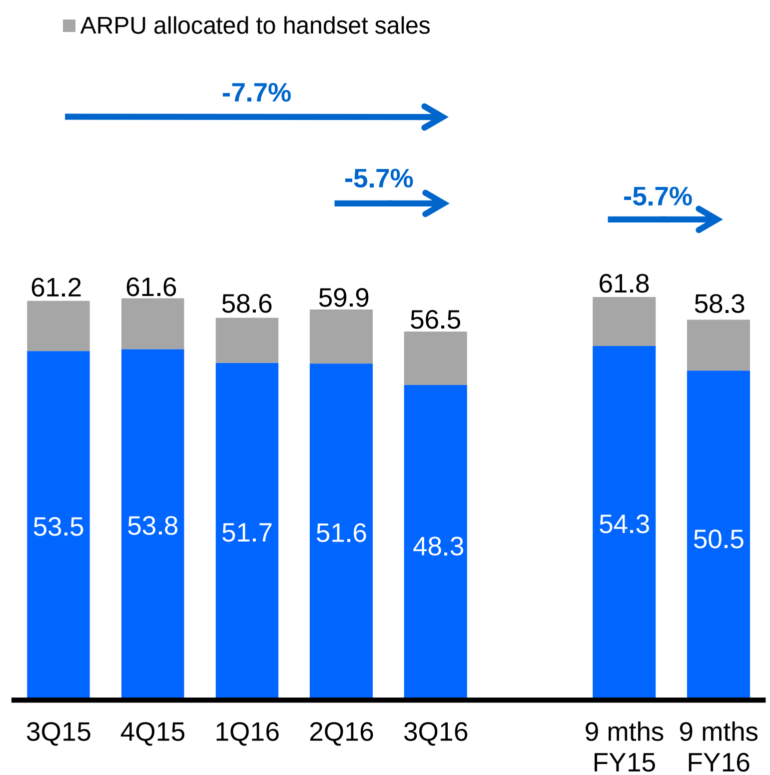


Postpaid mobile

Postpaid mobile revenue (S$m)

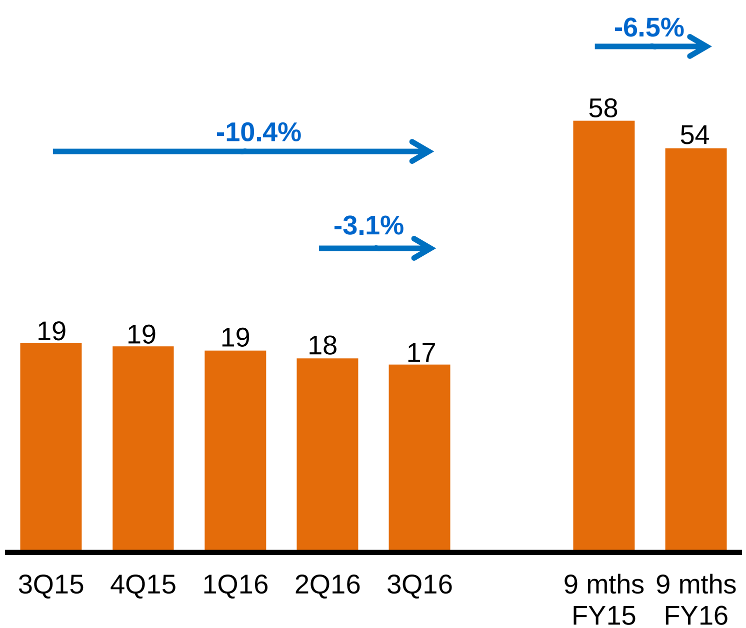


Postpaid monthly ARPU (S$)

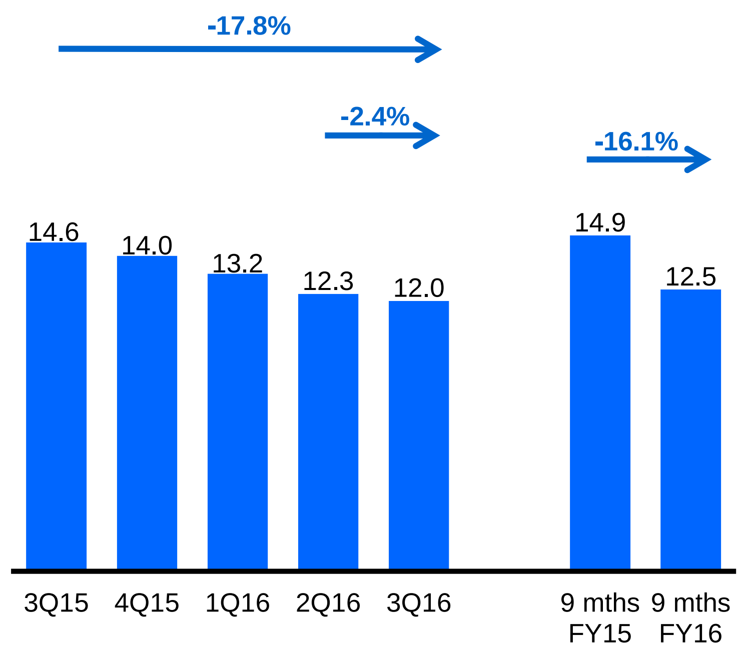


Prepaid mobile

Prepaid mobile revenue (S$m)

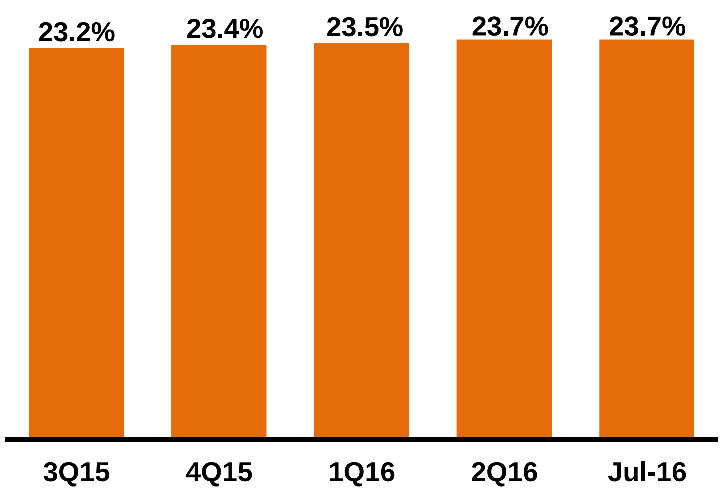


Prepaid monthly ARPU (S$)



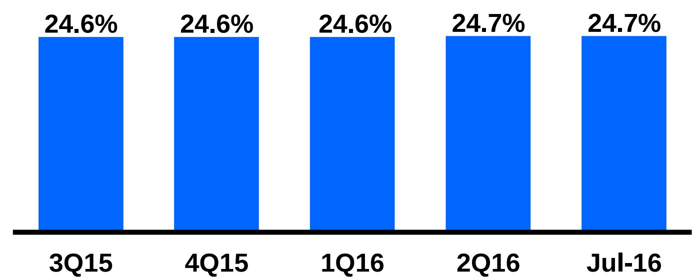
Mobile market share

Overall market share*

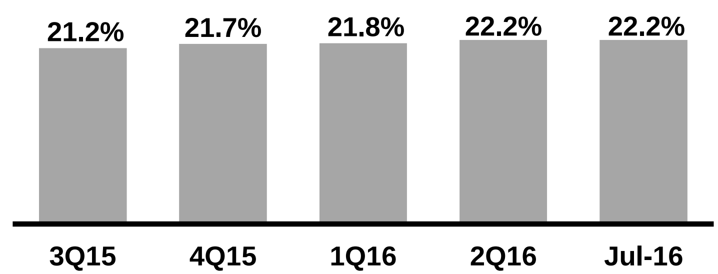


Postpaid & Prepaid market share*

Postpaid



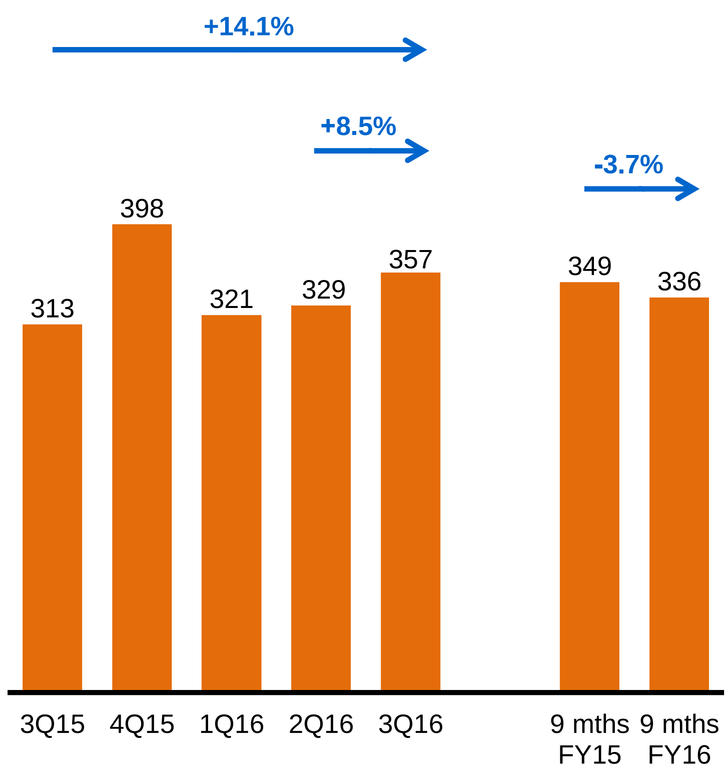
Prepaid



** - Based on published statistics available at the time of submission*

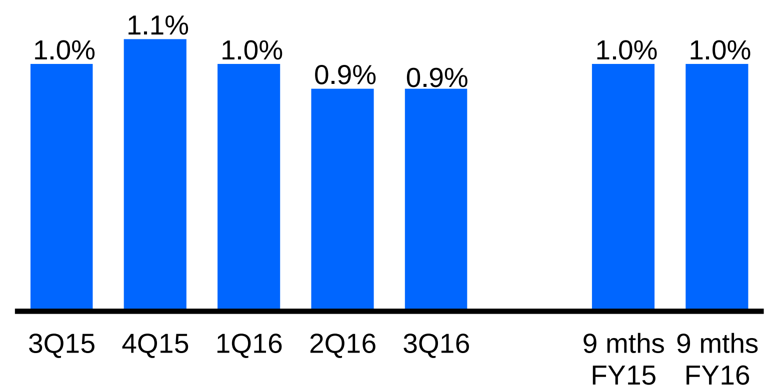
Postpaid mobile

Acquisition cost
per postpaid customer (S$)



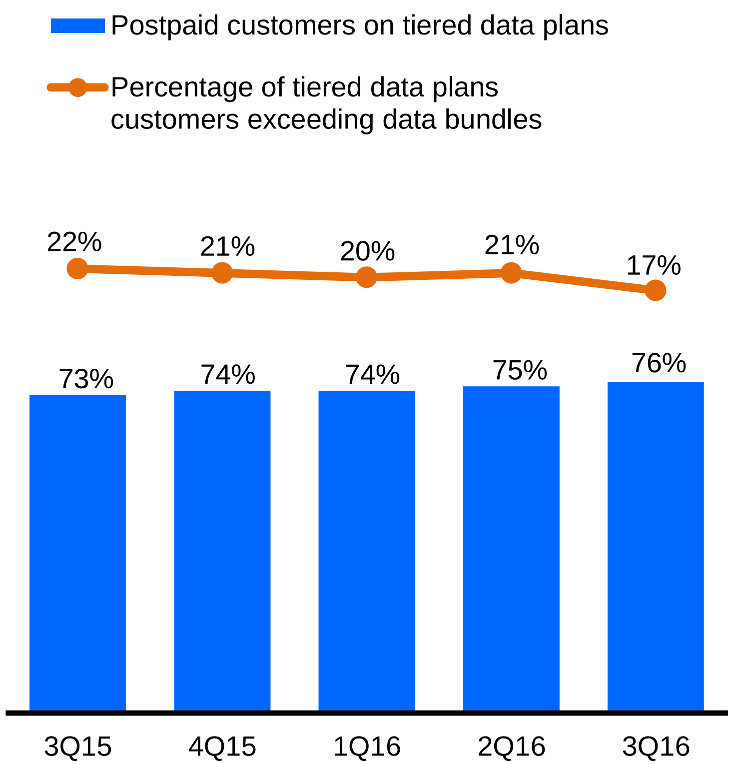
Note: Cash basis

Monthly churn rate (postpaid)

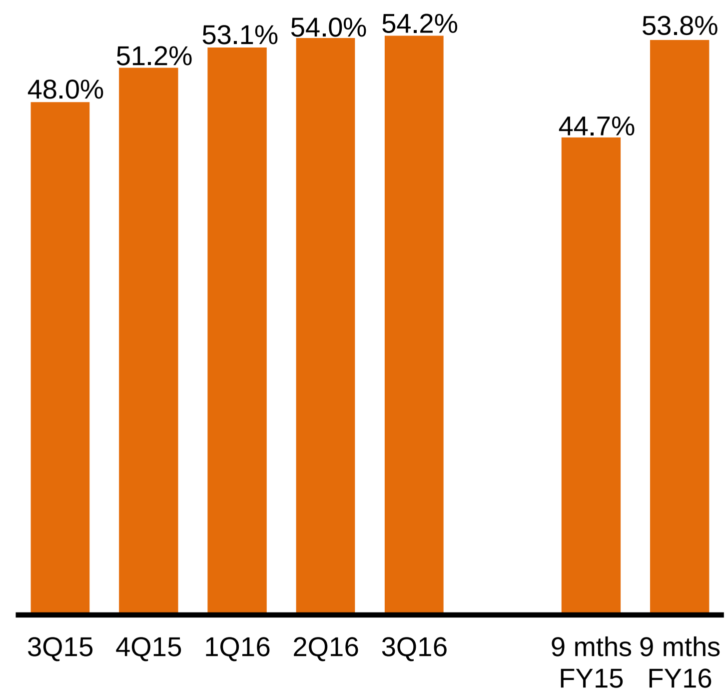


Tiered data plans & mobile data contribution

Tiered data plans

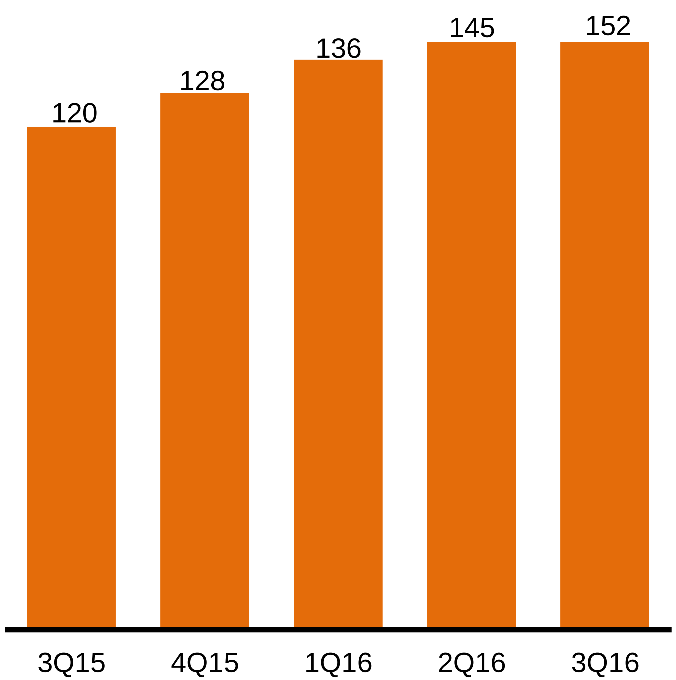


Data contribution to mobile service revenue

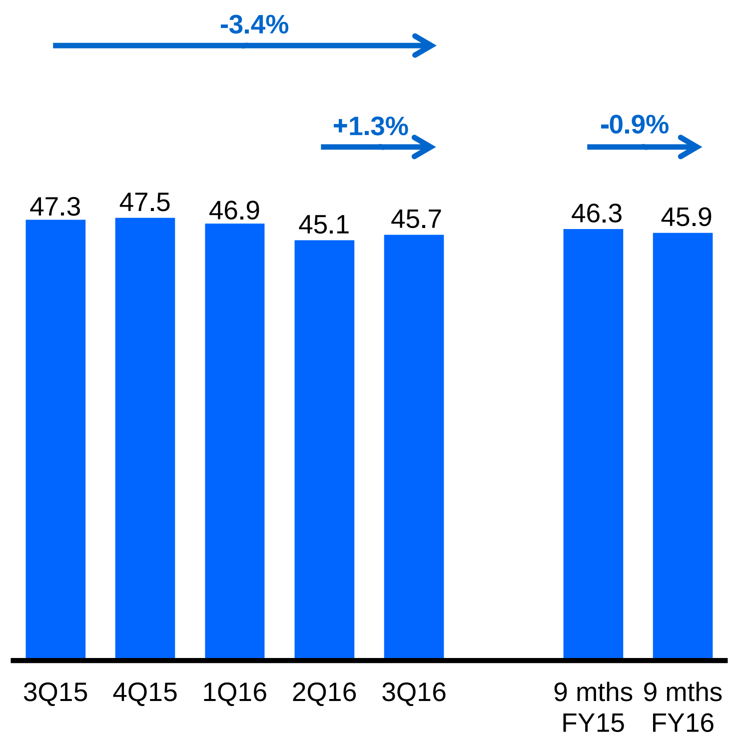


Fixed services

Fibre customer base ('000)

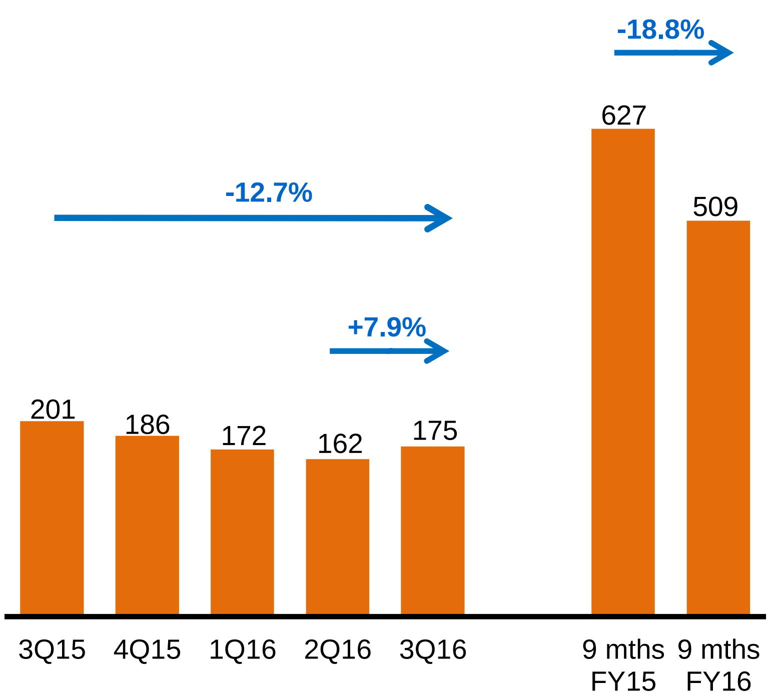


Fibre monthly ARPU (S$)

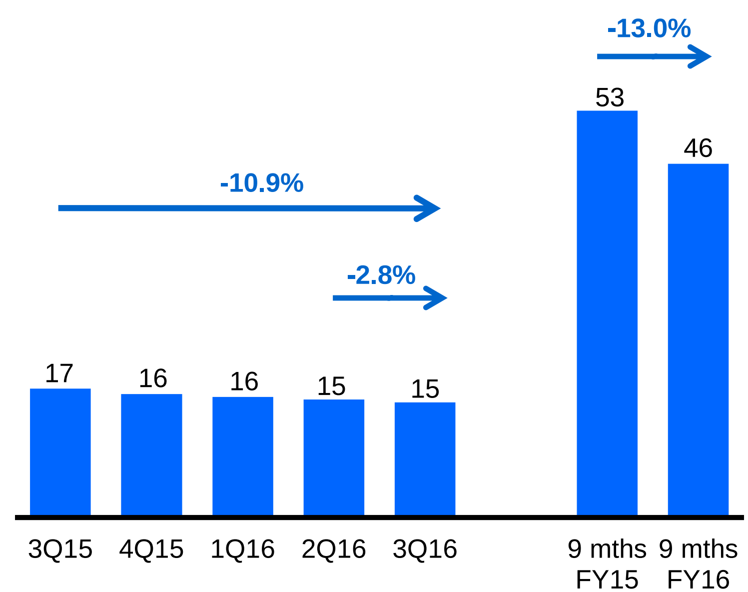


International call services

International retail minutes
(million mins)



International call services
revenue (S$m)



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Developments and outlook for 2016

Developments

- Increased marketing activities
  - To attract and retain customers
  - Upsized Data plan generates recurring revenue
- Capture internet-of-things (IoT) opportunities
  - Rollout of Singapore’s first nationwide commercial NB-IoT network
- Expand offerings beyond connectivity
  - Cyber security services
  - Data analytics
  - Digital solutions

Outlook

- Capex to be around S$140m
- Estimate decline in FY2016 net profit after tax to be around the year-to-date range

Thank you