

GENERAL ANNOUNCEMENT::BUSINESS UPDATE FOR THE FIRST QUARTER ENDED 30 JUNE 2022

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Attachments

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Business Update For The First Quarter Ended 30 June 2022

Singapore, 24 August 2022 – Singtel reported its business update for the first quarter ended 30 June 2022.

Key highlights for the first quarter

- Net profit was up 41%, lifted by improved operational performance and exceptional gains from Airtel and dilution of the Group's effective shareholding in Australia Tower Network
- Underlying net profit increased 11%
- Post-tax contributions from regional associates jumped 12% with continued strong performance by Airtel
- Operating revenue and EBITDA were down 5.6% and 2.0% respectively due to absence of contributions from NBN migration and Amobee¹ as well as a 4% depreciation of the Australian Dollar
- On an underlying basis², operating revenue and EBITDA would have increased 4.1% and 5.4% respectively with roaming rebound across Singapore and Australia

	Quarter		YOY	
	30 Jun 2022 S\$ m	30 Jun 2021 S\$ m	Chge %	Chge in cc ⁽²⁾ %
Operating revenue	3,584	3,798	-5.6	-3.5
<i>Underlying operating revenue ⁽²⁾</i>	<i>3,584</i>	<i>3,519</i>	<i>1.8</i>	<i>4.1</i>
EBITDA	977	997	-2.0	0.4
<i>Underlying EBITDA ⁽²⁾</i>	<i>977</i>	<i>949</i>	<i>2.9</i>	<i>5.4</i>
EBIT (before associates' contributions)	328	312	5.2	6.4
<i>Underlying EBIT ⁽²⁾</i>	<i>328</i>	<i>280</i>	<i>17.1</i>	<i>18.5</i>
Share of regional associates' post-tax profits	411	366	12.2	14.1
Underlying net profit	499	451	10.7	12.5
Net profit	628	445	41.3	43.4

Notes:

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding quarter ended 30 June 2021.

(2) Excluded Optus' NBN migration revenue and contributions from Amobee.

¹ Amobee was classified as a 'subsidiary held for sale' as at 31 March 2022 and ceased to be consolidated on a line-by-line basis from 1 April 2022.

² In constant currency basis and excluding contributions from NBN migration and Amobee.

Message from Group CEO, Mr Yuen Kuan Moon

“This set of positive results reflects the progress made on our strategic reset designed to strengthen our core, unlock the value of our assets and grow new digital businesses. Our growth engine and ICT arm NCS booked S\$600 million in new projects across various sectors and we’ve made the requisite investments to strengthen its capabilities and competitive edge to deliver long-term growth. ICT revenue from data centres and cyber security grew on the back of increased digitalisation while the easing of border controls revived roaming revenues across both our consumer and enterprise businesses. With Singtel delivering the first 5G standalone network to fully cover Singapore in August, and Optus achieving the fastest 5G speeds in Australia, we’ve further reinforced our 5G leadership and will leverage this critical asset to drive growth.

Looking ahead, we expect the operating environment to remain challenging amid rising inflation and interest rates, and as continuing geopolitical tensions further impact global supply chains. We will need to stay nimble and contend with these realities should they put further pressure on our costs and bottomlines.”

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GROUP SUMMARY INCOME STATEMENT

For The First Quarter Ended 30 June 2022

	Quarter		YOY	
	30 Jun 2022 S\$ m	30 Jun 2021 S\$ m	Chge %	Chge in cc ⁽¹⁾ %
Operating revenue	3,584	3,798	-5.6	-3.5
EBITDA	977	997	-2.0	0.4
- EBITDA margin	27.3%	26.2%		
Share of associates' pre-tax profits	572	533	7.3	9.0
EBITDA and share of associates' pre-tax profits	1,550	1,530	1.3	3.4
Depreciation & amortisation	(650)	(685)	-5.2	-2.4
EBIT	900	845	6.5	8.0
Net finance expense	(114)	(97)	17.5	19.7
Taxation	(284)	(294)	-3.5	-2.7
Minority interests	(3)	(3)	3.4	3.4
Underlying net profit	499	451	10.7	12.5
Exceptional items (post-tax)	129	(6)	nm	nm
Net profit	628	445	41.3	43.4

"nm" denotes not meaningful.

Note:

(1) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/ or regional currencies from the corresponding quarter ended 30 June 2021.

CHANGE IN SEGMENT REPORTING

With effect from 1 April 2022, the Group's segment reports have been changed to reflect the new organisation structure. The results for the comparative quarters have been restated on the same basis (see **Appendix 1**).

BUSINESS SEGMENTS INCOME STATEMENT **For The First Quarter Ended 30 June 2022**

	Quarter		YOY	
	30 Jun 2022 S\$ m	30 Jun 2021 ⁽²⁾ S\$ m	Chge %	Chge in cc ⁽¹⁾ %
Operating revenue				
Optus	1,944	2,024	-4.0	**
Singapore Consumer	428	414	3.4	3.4
Group Enterprise ⁽²⁾⁽³⁾	613	612	0.1	0.1
NCS-originated	598	500	19.6	19.6
Singtel-originated ⁽⁴⁾	-	28	nm	nm
NCS ⁽³⁾	598	528	13.2	13.2
Trustwave ⁽³⁾	44	98	-54.7	-56.2
Less: Intercompany eliminations ⁽⁵⁾	(43)	(114)	-62.4	-62.4
	3,584	3,562	0.6	2.9
Amobee ⁽⁶⁾	-	236	nm	nm
Group	3,584	3,798	-5.6	-3.5
Optus underlying operating revenue ⁽⁷⁾	1,944	1,981	-1.9	2.2
Group underlying operating revenue ⁽⁸⁾	3,584	3,519	1.8	4.1
EBITDA				
Optus	531	542	-2.0	2.1
Singapore Consumer	166	149	11.7	11.7
Group Enterprise ⁽²⁾⁽³⁾	274	271	1.0	1.0
NCS ⁽³⁾	70	84	-17.2	-17.2
Trustwave ⁽³⁾	(29)	(24)	17.2	14.8
Corporate	(29)	(28)	3.9	3.9
Less: Intercompany eliminations ⁽⁵⁾	(5)	(1)	477.8	477.8
	977	992	-1.5	0.8
Amobee ⁽⁶⁾	-	5	nm	nm
Group	977	997	-2.0	0.4
Optus underlying EBITDA ⁽⁷⁾	531	499	6.4	10.8
Group underlying EBITDA ⁽⁸⁾	977	949	2.9	5.4
EBIT (before associates' contributions)				
Optus	85	67	27.8	32.5
Singapore Consumer	91	74	23.0	23.0
Group Enterprise ⁽²⁾⁽³⁾	183	183	0.1	0.1
NCS ⁽³⁾	48	63	-24.6	-24.6
Trustwave ⁽³⁾	(33)	(33)	1.5	-0.6
Corporate	(40)	(30)	33.2	33.2
Less: Intercompany eliminations ⁽⁵⁾	(6)	(1)	@	@
	328	323	1.5	2.8
Amobee ⁽⁶⁾	-	(11)	nm	nm
Group	328	312	5.2	6.4
Optus underlying EBIT ⁽⁷⁾	85	24	257.6	267.7
Group underlying EBIT ⁽⁸⁾	328	280	17.1	18.5

*** denotes less than +/-0.05%, "@" denotes more than +/-500% and "nm" denotes not meaningful.

Notes:

- (1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding quarter ended 30 June 2021.
- (2) Segment results have been restated to be consistent with the organisation chart in FY2023.
- (3) Based on statutory view, which include revenue earned as a vendor to the other entities in the Singtel Group.
- (4) Singtel-originated business ceased from 1 October 2021.
- (5) Comprised eliminations of intercompany transactions between Group Enterprise, NCS and Trustwave.
- (6) Amobee was classified as a 'subsidiary held for sale' as at 31 March 2022 and ceased to be consolidated on a line-by-line basis from 1 April 2022.
- (7) Excluded Optus' NBN migration revenue (Q1 FY2023: nil, Q1 FY2022: A\$42 million).
- (8) Excluded Optus' NBN migration revenue (Q1 FY2023: nil, Q1 FY2022: A\$42 million) and results of Amobee.

REVIEW OF GROUP OPERATING PERFORMANCE**For The First Quarter Ended 30 June 2022**

The Group's operating revenue and EBITDA in the first quarter ended 30 June 2022 were down 5.6% and 2.0% respectively due to the absence of NBN migration revenue and contributions from Amobee which was classified as a 'subsidiary held for sale' in March 2022, as well as a 4% depreciation of the Australian Dollar. However, EBIT (excluding associates' contributions) rose 5.2% as Amobee's EBIT loss was no longer consolidated and depreciation charges fell after the sale of Australia Tower Network ("ATN") in November 2021. On an underlying basis³, operating revenue and EBITDA would have grown 4.1% and 5.4% respectively mainly driven by Optus and Singapore Consumer on the back of a roaming rebound from the broader relaxation of COVID-19 restrictions.

Excluding NBN migration revenue, Optus' operating revenue and EBITDA increased 2.2% and 11% respectively despite challenging market conditions arising from competitive pricing and weaker consumer confidence. NBN migration revenue was A\$42 million in the last corresponding June quarter, while no revenue was recorded in the current quarter. Mobile service revenue grew 2.4%, driven by continued Choice plan penetration as well as higher roaming and prepaid mobile revenues from the continued recovery in international travel, offsetting the decline in insurance revenue as Optus concluded its exit of the business. Satellite revenue was higher on increased equipment sales. Mobile equipment sales fell due to lower volume.

In Singapore Consumer, both operating revenue and EBITDA returned to growth following an increase in the number of travellers with the easing of border controls. Operating revenue was up 3.4% arising from higher mobile service, fixed broadband and equipment sales but this was partially offset by lower TV revenue. Mobile service revenue grew a strong 9.4% and outperformed competition on increased roaming and lower amortisation of equipment subsidies, offsetting the declines in prepaid mobile and voice. Prepaid mobile revenue declined as intense price competition continued. Fixed broadband revenue was up as a result of higher equipment sales and an increased mix of higher speed fibre plans. EBITDA increased 12% reflecting the higher operating revenue and lower TV content cost.

Group Enterprise recorded a resilient set of results as both operating revenue and EBITDA remained stable despite higher utility expenses. The increase in roaming and ICT revenues especially from data centre and cybersecurity services was offset by declines in equipment sales, voice and data and Internet. Data and Internet revenue was impacted by competitive pricing pressure and lower volume as a result of businesses consolidating their networks, and project delays caused by continued supply disruptions.

³ In constant currency basis and excluding contributions from NBN migration and Amobee.

NCS' operating revenue was up 13% and would have grown 20% excluding the transfer of certain customer contracts to Singtel. The strong performance was driven by broad-based growth across almost all lines of business as well as contributions from businesses acquired in the last six months. Digital, Cloud, Platforms and Cyber revenue was up 23% year-on-year, contributing 48% of total operating revenue (Q1 FY2022: 47% contribution). EBITDA declined 17% due to investment in capabilities and higher staff wages to support business growth amid a highly competitive labour market. EBITDA in the June quarter last year was also boosted by a writeback of project loss which was not repeated this quarter. NCS' bookings amounted to S\$600 million for the quarter with a pipeline of projects in various sectors.

Trustwave's EBITDA losses were 17% higher following the divestment of its payment card industry compliance business in October 2021 and the transfer of its Asia Pacific business to Singtel, NCS and Optus with effect from 1 April 2022.

Associates' pre-tax operating profit contribution grew a strong 7.3%, mainly boosted by Airtel although this was partly offset by the weaker performance of Telkomsel and AIS.

Net finance expense increased 18% due mainly to a revaluation loss from a derivative asset.

Consequently, the Group's underlying net profit rose 11% to S\$499 million in the current quarter.

Net exceptional items comprised mainly the recognition of an additional gain on disposal of ATN following the dilution of the Group's effective shareholding in ATN from 30% to 18% in May 2022 as well as the Group's share of Airtel's net exceptional gains.

Including exceptional items, net profit was up 41% to S\$628 million.

SHARE OF RESULTS OF REGIONAL ASSOCIATES

	Quarter		YOY	
	30 Jun 2022 S\$ m	30 Jun 2021 S\$ m	Chge %	Chge in cc ⁽¹⁾ %
Pre-tax contributions ⁽²⁾				
Telkomsel ⁽³⁾	228	241	-5.4	-7.5
AIS	73	85	-15.0	-9.8
Intouch ⁽⁴⁾	25	26	-3.1	2.5
Globe	95	99	-3.3	2.1
Bharti Telecom ("BTL")/ Airtel ⁽³⁾⁽⁵⁾				
- India and South Asia	73	(15)	nm	nm
- Africa	86	78	10.0	11.0
Airtel	159	64	149.7	153.9
BTL	(3)	*	nm	nm
	156	64	145.6	149.8
Regional associates	577	514	12.2	13.9
Post-tax contributions ⁽²⁾				
Telkomsel ⁽³⁾	175	186	-6.1	-8.1
AIS	59	70	-15.6	-10.5
Intouch ⁽⁴⁾	20	21	-3.3	2.6
Globe	74	74	-0.1	5.6
BTL/ Airtel ⁽³⁾⁽⁵⁾				
- India and South Asia	52	(13)	nm	nm
- Africa	34	29	18.5	18.4
Airtel	86	16	448.4	462.4
BTL	(3)	*	nm	nm
	84	16	431.8	445.7
Regional associates	411	366	12.2	14.1

"*" denotes less than +/-S\$0.5 million and "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 quarter ended 30 June 2021.
- (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 25.0% (30 June 2021: 21.2%) in Intouch which has an equity interest of 40.4% (30 June 2021: 40.5%) in AIS.
- (5) Singtel holds an equity interest of 49.4% in BTL and an effective equity interest of 31.7% in Airtel.

In constant currency terms, post-tax contributions from the regional associates were up 14% due mainly to higher contributions from Airtel and Globe, but these were partly offset by the weaker performance of Telkomsel and AIS.

Airtel continued to perform strongly in India on the back of higher mobile ARPU from tariff hikes and robust 4G customer additions during the year. Airtel Business' revenue grew by double digits while Homes revenue was boosted by solid net customer additions. The earnings growth was partly negated by weaker equity accounted profit from Indus Towers as a result of higher debt provisions. In Africa, growth across voice, data and mobile money was partly offset by higher foreign exchange losses from the revaluation of its foreign currency-denominated liabilities and adverse impact from the mandatory SIM registration in Nigeria.

Globe's profit growth was fuelled by higher revenue as the economy recovered following the lifting of COVID-19 restrictions as well as higher equity accounted profits from its digital financial services joint venture, Mynt. However, its profit contribution was eroded by a 6% depreciation of the Philippine Peso.

In Indonesia, Telkomsel's operating revenue rose as higher data revenue from price up partially offset the accelerated decline in its legacy business. With higher operating expenses to support digital growth and increased depreciation and interest charges, its profit declined from the last corresponding quarter.

AIS reported service revenue growth and lower depreciation charges due to fully depreciated 3G network assets but these were offset by higher network, marketing and content costs and foreign exchange losses. Its profit contribution was further reduced as a result of a 6% depreciation of the Thai Baht.

EXCEPTIONAL ITEMS ⁽¹⁾

	Quarter		YOY Chge %
	30 Jun 2022 S\$ m	30 Jun 2021 S\$ m	
Release of deferred gain on disposal of ATN	84	-	nm
Staff restructuring costs	(2)	(8)	-78.3
Others ⁽²⁾	(2)	(16)	-84.7
	80	(24)	nm
Tax credit on exceptional items	1	6	-88.5
Group exceptional items (post-tax)	81	(18)	nm
Share of Airtel's one-off items	49	3	@
Share of Telkomsel's one-off items	-	9	nm
Share of associates' exceptional items (post-tax)	49	12	312.7
Net exceptional gains/ (losses)	129	(6)	nm

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

Notes:

- (1) Exceptional items are material non-recurring items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.
- (2) Comprised mainly stamp duty and other fees related to the restructuring of tower infrastructure assets in Australia in Q1 FY2022.

The net exceptional gains this quarter comprised mainly S\$84 million from the release of the deferred gain⁴ on disposal of stake in ATN following the dilution of the Group's effective shareholding in ATN from 30% to 18% in May 2022.

The Group also recorded its share of net exceptional gain from Airtel. Airtel's one-off items included a fair value gain on revaluation of its foreign currency convertible bonds⁵ and recognition of a deferred tax credit in Africa.

⁴ The Group deferred 30% of the gain arising from the disposal of towers from the Group to ATN following the sale of its 70% stake in ATN in November 2021. The deferred gain is amortised over 20 years. The unamortised deferred gain is to be released to the Group's income statement when equity stake in ATN is reduced.

⁵ This is recorded in equity by Airtel in accordance with Indian Accounting Standards. Singtel records the share of such gain or loss in income statement under International Financial Reporting Standards.

APPENDIX 1 – FY2022 QUARTERLY SEGMENTS RESULTS (RESTATED)

With effect from 1 April 2022, the Group's segment reporting has been changed to reflect the new organisation structure. The results for the comparative quarters have been restated on the same basis.

The segments are as follows -

Optus offers mobile, equipment sales, fixed voice and data, satellite, managed services, ICT, cloud computing and cybersecurity in Australia.

Singapore Consumer offers mobile, fixed broadband, voice, pay television, content and digital services, as well as equipment sales in Singapore.

Group Enterprise provides ICT, mobile, equipment sales, fixed voice and data, satellite, managed services, cloud computing and cyber security. Australia Enterprise, which was previously under Group Enterprise, is reported under Optus from 1 April 2022.

NCS offers ICT (including cybersecurity) and IT services, as well as professional consulting in Singapore, Australia and in the region.

Trustwave provides cybersecurity services in the U.S.

Amobee offers digital media and advertising services.

Corporate comprises the costs of Group functions not allocated to the business segments.

APPENDIX 1 – FY2022 QUARTERLY SEGMENTS RESULTS (RESTATED)

	Quarter				Year
	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	31 Mar 2022
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m
Operating revenue					
Optus	2,024	1,938	1,981	1,872	7,814
Singapore Consumer	414	453	482	414	1,764
Group Enterprise ⁽¹⁾	612	633	650	628	2,522
NCS ⁽¹⁾	528	579	559	695	2,361
Trustwave ⁽¹⁾	98	101	87	82	368
Amobee	236	254	251	181	922
Less: Intercompany eliminations ⁽²⁾	(114)	(103)	(96)	(99)	(412)
Group	3,798	3,855	3,913	3,774	15,339
<i>Optus underlying operating revenue ⁽³⁾</i>	<i>1,981</i>	<i>1,929</i>	<i>1,974</i>	<i>1,861</i>	<i>7,745</i>
<i>Group underlying operating revenue ⁽⁴⁾</i>	<i>3,519</i>	<i>3,592</i>	<i>3,655</i>	<i>3,581</i>	<i>14,347</i>
EBITDA					
Optus	542	507	558	454	2,061
Singapore Consumer	149	149	156	128	582
Group Enterprise ⁽¹⁾	271	271	284	265	1,091
NCS ⁽¹⁾	84	63	71	83	302
Trustwave ⁽¹⁾	(24)	(26)	(35)	(30)	(116)
Amobee	5	2	*	(11)	(4)
Corporate	(28)	(34)	(40)	(38)	(141)
Less: Intercompany eliminations ⁽²⁾	(1)	(1)	(5)	(2)	(8)
Group	997	932	990	849	3,767
<i>Optus underlying EBITDA ⁽³⁾</i>	<i>499</i>	<i>498</i>	<i>551</i>	<i>443</i>	<i>1,991</i>
<i>Group underlying EBITDA ⁽⁴⁾</i>	<i>949</i>	<i>920</i>	<i>983</i>	<i>849</i>	<i>3,701</i>
EBIT (before associates' contributions)					
Optus	67	43	97	5	211
Singapore Consumer	74	79	85	43	281
Group Enterprise ⁽¹⁾	183	182	191	170	725
NCS ⁽¹⁾	63	42	50	59	214
Trustwave ⁽¹⁾	(33)	(34)	(42)	(36)	(145)
Amobee	(11)	(14)	(17)	(28)	(70)
Corporate	(30)	(35)	(46)	(49)	(161)
Less: Intercompany eliminations ⁽²⁾	(1)	(1)	(4)	(3)	(10)
Group	312	261	313	159	1,045
<i>Optus underlying EBIT ⁽³⁾</i>	<i>24</i>	<i>34</i>	<i>90</i>	<i>(6)</i>	<i>141</i>
<i>Group underlying EBIT ⁽⁴⁾</i>	<i>280</i>	<i>266</i>	<i>324</i>	<i>176</i>	<i>1,045</i>

Notes:

(1) Based on statutory view, which include revenue earned as a vendor to the other entities in the Singtel Group.

(2) Comprised eliminations of intercompany transactions between Group Enterprise, NCS and Trustwave.

(3) Excluded Optus' NBN migration revenue.

(4) Excluded Optus' NBN migration revenue and results of Amobee.

APPENDIX 2 – KEY PRODUCT INFORMATION

SINGAPORE PRODUCT DRIVERS

	Quarter			YOY Chge %
	30 Jun 2022	31 Mar 2022	30 Jun 2021	
Mobile				
Mobile revenue (S\$'M) ⁽¹⁾	430	413	404	6.5
Mobile service revenue (S\$'M) ⁽²⁾	309	282	279	10.6
Number of mobile customers (000s)				
Prepaid	1,301	1,284	1,351	-3.7
Postpaid	2,856	2,845	2,791	2.3
Total	4,157	4,129	4,142	0.4
Average revenue per customer per month ⁽³⁾⁽⁴⁾ (S\$ per month)				
Prepaid	13	13	14	-3.7
Postpaid	32	29	28	13.9
Blended	26	23	23	11.2
Data usage (GB per month) ⁽⁵⁾	9	9	8	18.5
Fixed Broadband				
Fixed broadband revenue (S\$'M) ⁽⁶⁾	121	119	119	1.6
Fixed broadband lines (000s)	660	658	653	1.1
Pay TV				
Singtel TV revenue (S\$'M)	44	46	51	-14.0
Residential TV customers (000s)	343	356	371	-7.6
Fixed Voice				
Fixed voice revenue (S\$'M)	55	56	61	-10.2

Notes:

(1) Comprised mobile service revenue, sales of mobile equipment and handset leasing.

(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 customers, calculated as the simple average of opening and closing number of customers.

(4) Average Revenue Per User (ARPU) includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.

(5) Data usage of postpaid smartphone customers from both Consumer and Enterprise segments.

(6) Comprised broadband service revenue and sales of equipment.

APPENDIX 2 – KEY PRODUCT INFORMATION**AUSTRALIA PRODUCT DRIVERS**

	Quarter			YOY Chge %
	30 Jun 2022	31 Mar 2022	30 Jun 2021	
Mobile				
Optus' mobile revenue (A\$'M) ⁽¹⁾	1,248	1,245	1,266	-1.4
Optus' mobile service revenue (A\$'M)	935	921	913	2.4
Number of mobile customers (000s)				
Prepaid	3,160	3,076	2,973	6.3
Postpaid	5,969	5,931	5,814	2.7
Connected devices ⁽²⁾	1,038	1,023	1,004	3.4
Total	10,166	10,030	9,791	3.8
Average revenue per customer per month ⁽³⁾ (A\$ per month)				
Prepaid	20	20	20	0.2
Postpaid	39	39	40	-1.2
Connected devices ⁽²⁾	15	14	14	3.3
Blended	31	31	31	-0.9
Data usage (GB per month) ⁽⁴⁾	13	12	12	8.0
Home				
Blended Home ARPU (A\$) ⁽⁵⁾	71	72	70	2.1
Home customers (000s) ⁽⁶⁾				
NBN	1,106	1,101	1,071	3.3
Fixed Wireless Access	207	205	215	-4.0
Others ⁽⁷⁾	1	6	33	-96.5
Total	1,314	1,312	1,319	-0.4
Optus Sport customers (000s)	1,002	1,010	969	3.4

Notes:

- (1) Comprised mobile service revenue (both outgoing and incoming), sales of equipment and handset leasing.
(2) Defined as data-only SIMs and include customers on both prepaid and postpaid plans.
(3) Based on average number of customers, calculated as the simple average of opening and closing number of customers.
(4) Based on postpaid handset monthly usage.
(5) Excluded NBN migration revenue.
(6) Referred to retail customers who take up broadband (including fixed/ 4G/ 5G internet) and/ or voice.
(7) These are customers on Hybrid Fiber Coaxial (HFC)/ Unbundled Local Loop (ULL).

APPENDIX 3 – CURRENCY TABLE**MAJOR CURRENCY AVERAGE EXCHANGE RATES**

	Quarter		YOY Chge %
	30 Jun 2022	30 Jun 2021	
Derived weighted average exchange rate for operating revenue :			
1 Australian Dollar ⁽¹⁾	0.985	1.026	-4.0
1 United States Dollar ⁽²⁾	1.377	1.332	3.4
1 Singapore Dollar buys:			
Indonesian Rupiah	10,526	10,753	-2.1
Indian Rupee	56.2	55.2	1.8
Thai Baht	24.9	23.5	6.0
Philippine Peso	38.3	36.1	6.1

Notes:

- (1) The monthly income statement of Optus is translated from Australian Dollar to Singapore Dollar based on the average exchange rate for the month. These rates represent the derived weighted average exchange rates for the Australian Dollar for the quarters.
- (2) The income statement of Trustwave is translated from United States Dollar to Singapore Dollar based on these derived weighted average exchanges rates for the quarters.

Business Update

First quarter ended 30 June 2022

24 August 2022



Q1 financial highlights

Operating revenue

S\$3,584m

▼ 6% (▲ 4%¹)

EBITDA

S\$977m

▼ 2% (▲ 5%¹)

EBIT
(ex associates' contribution)

S\$328m

▲ 5% (▲ 18%¹)

Regional associates' PBT

S\$577m

▲ 12% (▲ 14%¹)

Underlying net profit

S\$499m

▲ 11%

Net profit²

S\$628m

▲ 41%

Positive start to the year with improved operating performances from Optus, SG Consumer & Airtel

1. In constant currency basis & excluding NBN migration & Amobee in prior comparative period (PCP) Q1FY22.

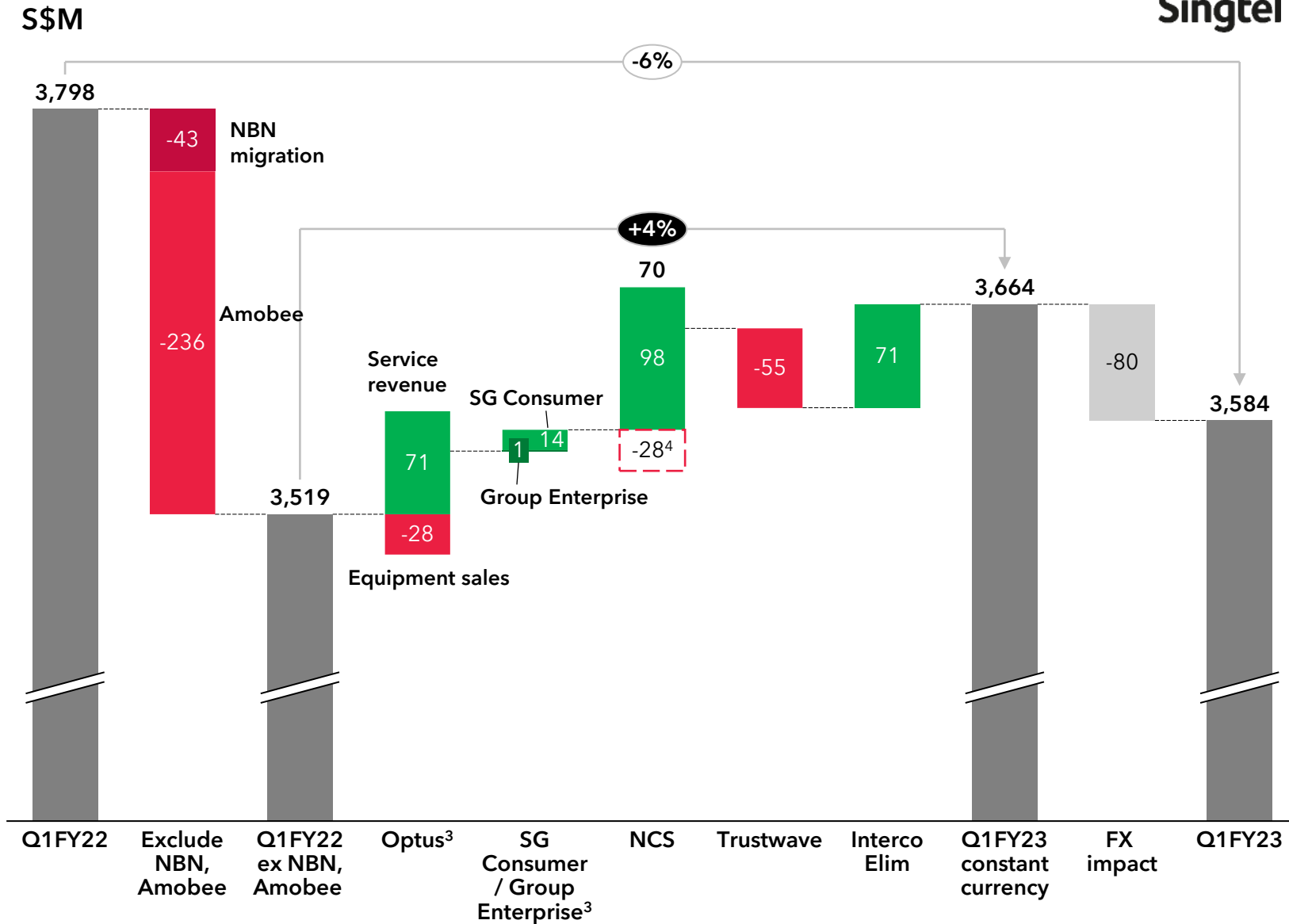
2. Includes exceptional gains of S\$129m mainly due to release of deferred gain on disposal of stake in ATN & share of net exceptional gain from Airtel.

Revenue

\$3,584m

▼ 6% (▲ 4%¹)

- Strong rebound in international roaming in SG & AU
- Growing penetration of ARPU-accretive Optus Choice plans & satellite equipment sales offset decline in equipment sales in AU
- Robust NCS revenue growth & contribution from recent acquisitions
- Deconsolidation of Amobee² & absence of AU NBN migration revenue



1. In constant currency basis & excluding NBN migration & Amobee in PCP.

2. Amobee ceased to be consolidated on a line-by-line basis from 1 April 2022.

3. From 1 April 2022, Australia Enterprise, which was previously under Group Enterprise, is reported under Optus. PCP results have been restated on the same basis.

4. Singtel-originated revenue ceased from 1 October 2021.

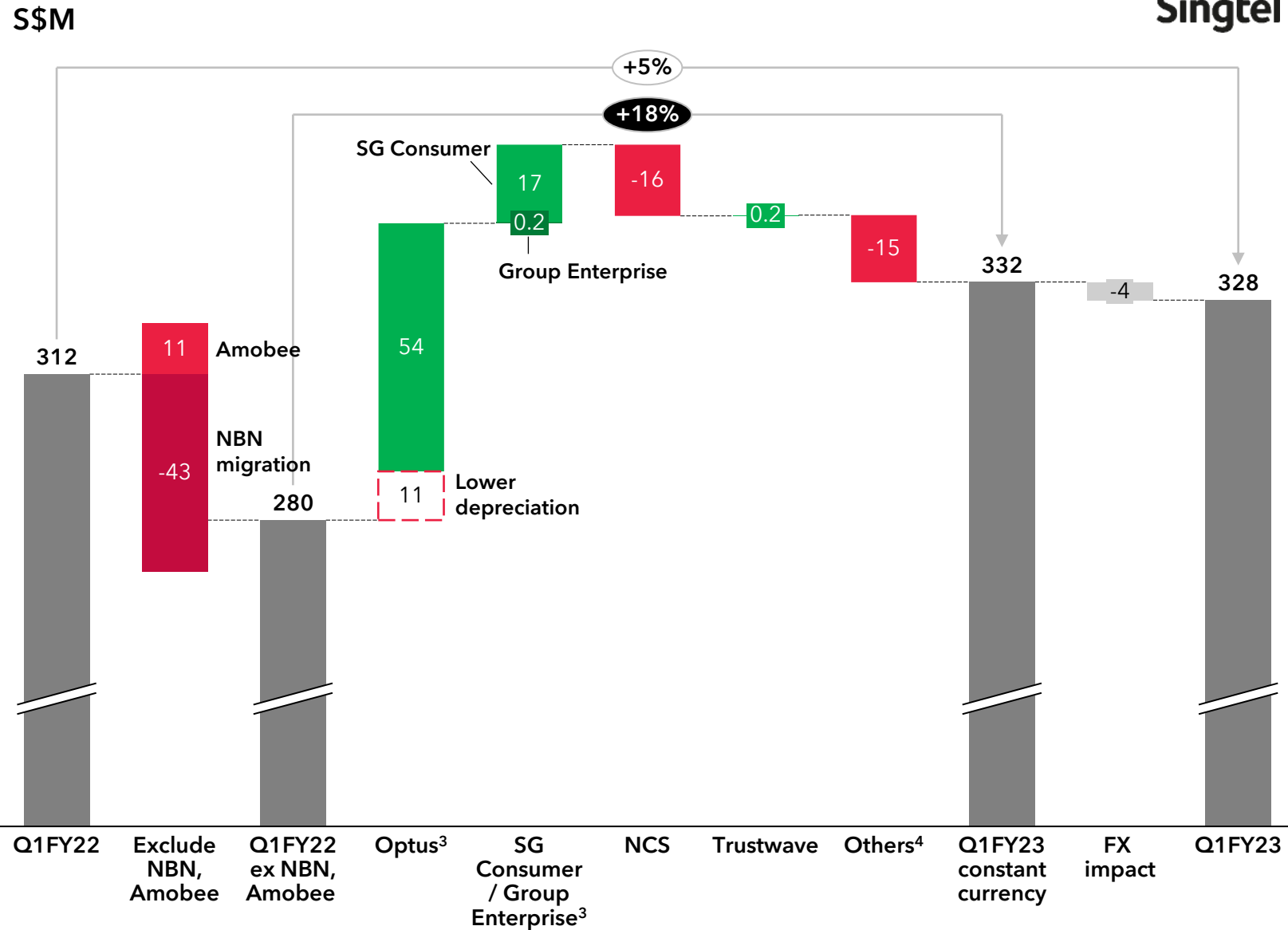
EBIT

(ex associates' contribution)

\$328m

▲ 5% (▲ 18%¹)

- Improved mobile performance & satellite equipment sales in AU; reduced depreciation after transfer of ATN towers
- Recovery in international roaming & lower content costs in SG
- Investment in NCS' capabilities, higher wages amid tight labour market & writeback of project losses last year
- Deconsolidation of Amobee² & absence of AU NBN migration revenue



1. In constant currency basis & excluding NBN migration & Amobee in PCP.

2. Amobee ceased to be consolidated on a line-by-line basis from 1 April 2022.

3. From 1 April 2022, Australia Enterprise, which was previously under Group Enterprise, is reported under Optus. PCP results have been restated on the same basis.

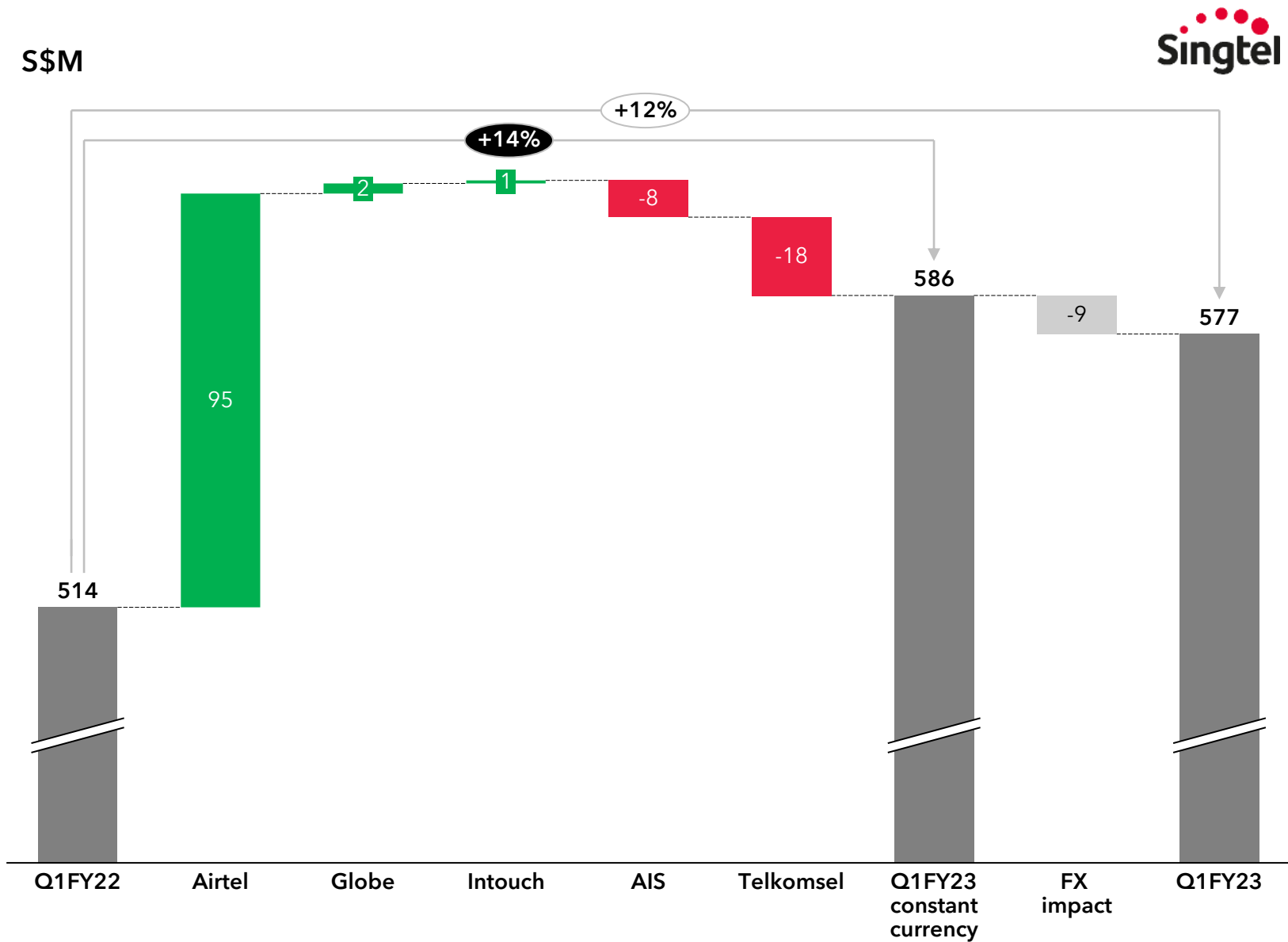
4. Includes intercompany eliminations & corporate costs.

Regional associates' pre-tax profits

\$577m

▲ 12% (▲ 14%¹)

- Strong performance by Airtel due to tariff hikes & robust 4G customer additions in India
- Increased content & marketing costs by AIS to drive 5G adoption & leverage rising economic activity
- Decline in Telkomsel's legacy revenues & increased investments to grow its digital business & extend network leadership
- Depreciation in Philippine Peso & Thai Baht



1. In constant currency basis.

Delivering to our strategic reset – Q1 highlights



Reinvigorate the core

Standalone 5G nationwide coverage in SG

Key wins for 5G MEC platform¹



New sub-brand in SG



Optus postpaid price lifts

Expanded SubHub offering



Capitalise on growth trends

Set up third strategic delivery centre in Vietnam



Formed Thai DC JVCo² & target to break ground for 1st DC in 2023



Reallocate capital, unlock value

Divesting Comcentre site for S\$1.6b

Sale of tower assets



Divesting for US\$239m



Ongoing review of remaining N. American ops



1. Multi-access edge computing platform, Paragon, Industry's first all-in-one 5G & edge cloud orchestration platform.
2. Shareholdings of Gulf, Singtel, AIS are 40%, 35% and 25% respectively.

