



# PT XL Axiata Tbk

## 2Q 2023 Results Presentation

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"IDR" shall mean Indonesian Rupiah. Any discrepancies between individual amounts and totals are due to rounding.

# Key Highlights



**Continued to deliver solid fundamentals –**  
Revenue growth of +12%, EBITDA +14%, NPAT 12% YoY

**Substantial push on Convergence - Penetration** now reaching **56%**,  
while continuing to **capture the underpenetrated market of FBB**,  
growing **XL Home subscribers** by **50% YoY** to **154k**

**Strong Operational performance –** Increase in quality subscribers to  
**58 Mio** and **higher blended ARPU** of **IDR 42k**, grabbing on the  
momentum of price reparation

**Digitalization** well on progress with MyXL and AXISNet  
monthly active users now at **27 Mio**





# Journey to Convergence and New Business Lines

Focusing on pockets of growth, gaining strong business and revamping organization, leading to convergence and beyond...

Building **strong foundation** to become the **Leading Converged Operator in Indonesia** through converged Organization, IT, Network, Distribution

Leading the convergence movement by introducing the **first convergence service** in Indonesia, **XL Satu**



Building **strong, better quality mobile base**, beginning with **family segment**, capturing more **quality subscribers** and push price reparation



Significantly growing XL Home to **seize pockets of growth** in the underpenetrated **FBB** market



Creating **suite of bundled products** to push customer acquisition

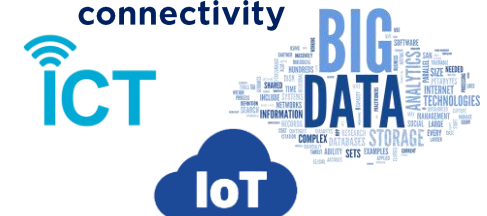


Strengthening of **Converged Organization, IT and Architecture**, ready for a faster Convergence play

Undergo **Structural Transformation** to **accelerate in the growth FBB and FMC**



Expansion of new revenue streams to **new business lines** - beginning to see **substantial growth** in the Enterprise segment, largely from the line of **beyond connectivity**



# Strengthening Convergence Features

Speeding up Convergence play through converged Organization, Network and IT Architecture

## Organization

Transforming the whole organization towards convergence with:

- Customer Facing units to serve multiple business lines from previously separate business lines
- Centralized function support to accelerate Go To Market

## Network

Optimize investment and build network towards convergence.

## IT Architecture

Preparing IT towards convergence by creating converged:

- Touchpoints
- Product
- Billing, aimed to address aspirations of:
- Personalized digital experience
- Omnichannel sales and distribution



# Advancing on Structural Transformation

Paving the way for faster FBB penetration

## Fueling growth ambitions in FBB and FMC

### ➤ Accelerate Rollout of Home Passes

Partnership with Link Net to accelerate roll out and deliver home passes to capture underpenetrated market.

### ➤ Creation of Serve Co and Fiber Co

Delaying Link Net into Fiber Co and XL as Serve Co to allow greater focus, accelerated scalability and creation of two strong assets to **drive synergy** and accelerate capture of fixed market. Finalization of deal still on track to be completed by end of 2023.

## Signing of Fiber to the Home Network Development and Operation Agreement with Link Net for additional 1 million new home passes

XL Satu Fiber now available in **63 cities** across Indonesia



**10 additional cities** going live very soon





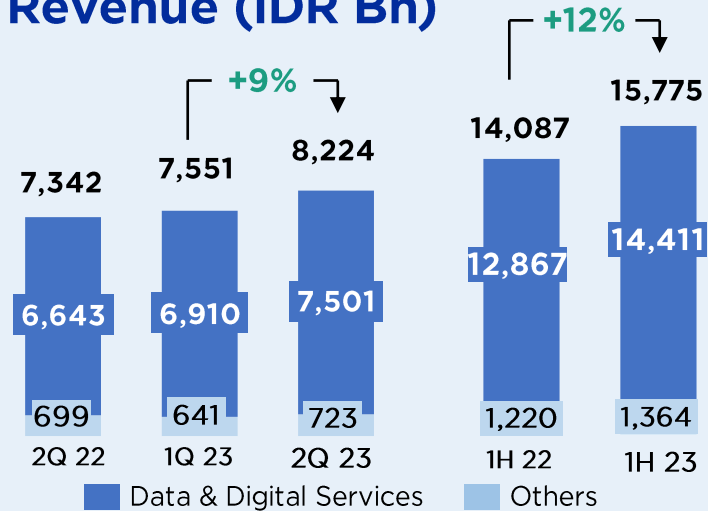
# Financial and Operational Performance

# Rising Revenues and Improved Margin

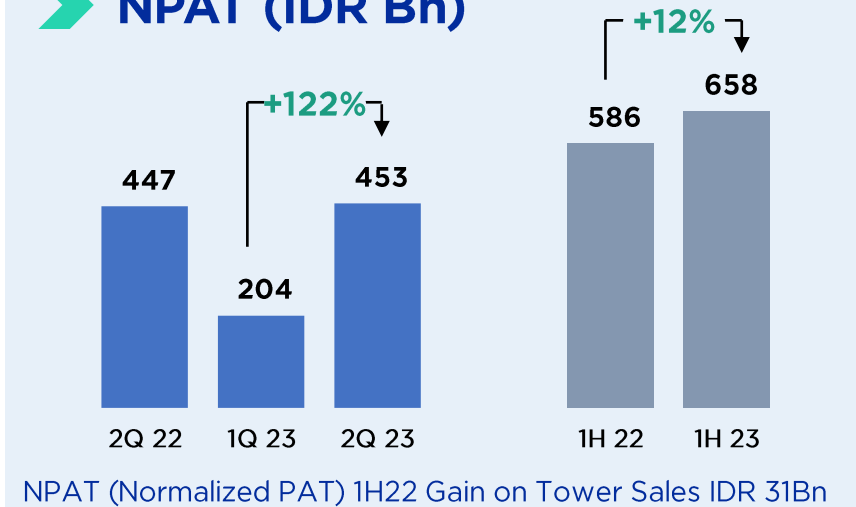
Strong double-digit growth in Revenue, EBITDA and NPAT with expansion of EBITDA margin to 49%



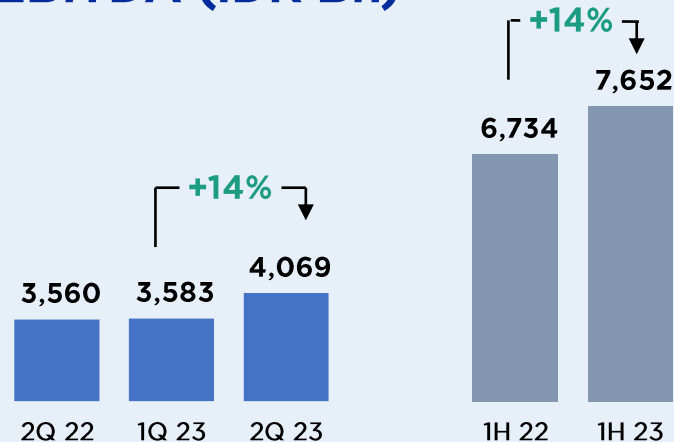
## ➤ Revenue (IDR Bn)



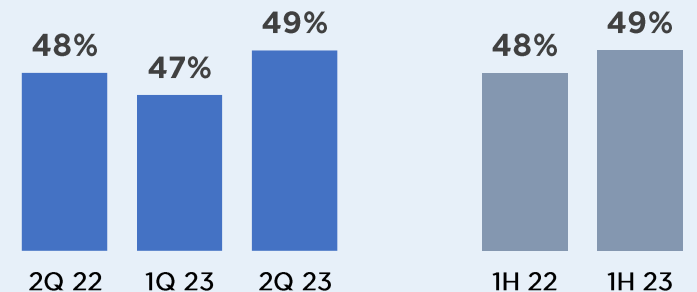
## ➤ NPAT (IDR Bn)



## ➤ EBITDA (IDR Bn)



## ➤ EBITDA Margin

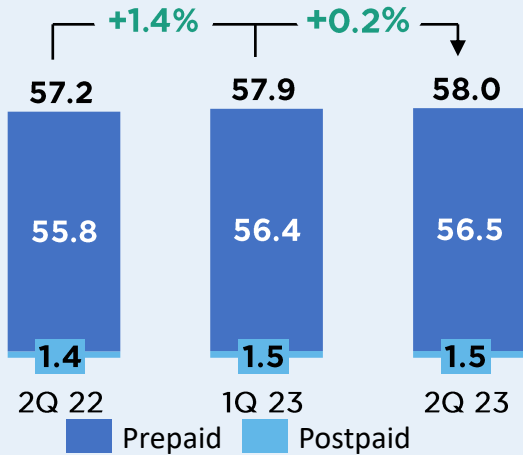




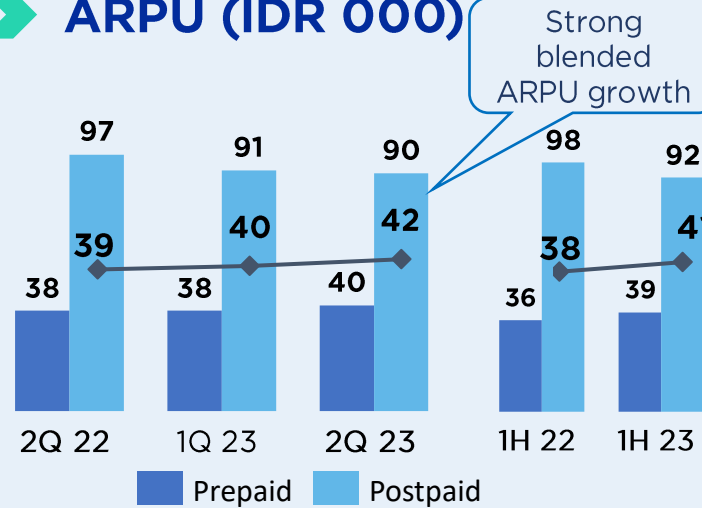
# Uptrend in Operational Indicators

Increase in quality subscribers and uptick in traffic results with better ARPU - Strong traction for Convergence penetration

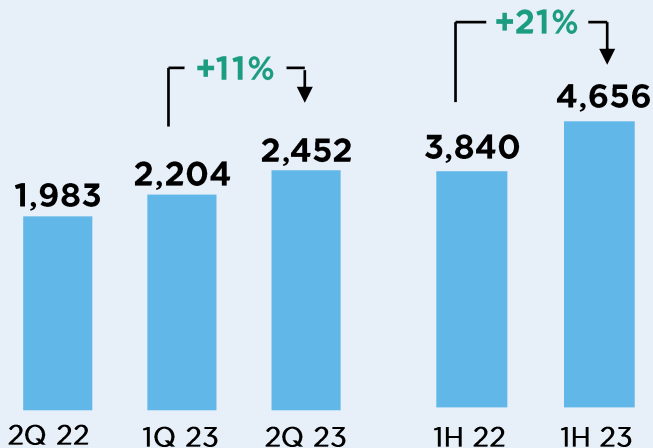
## Subscribers (Mn)



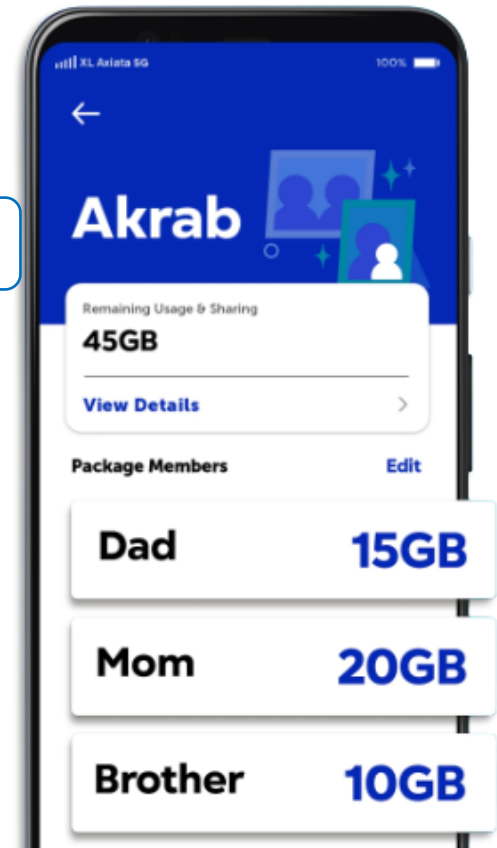
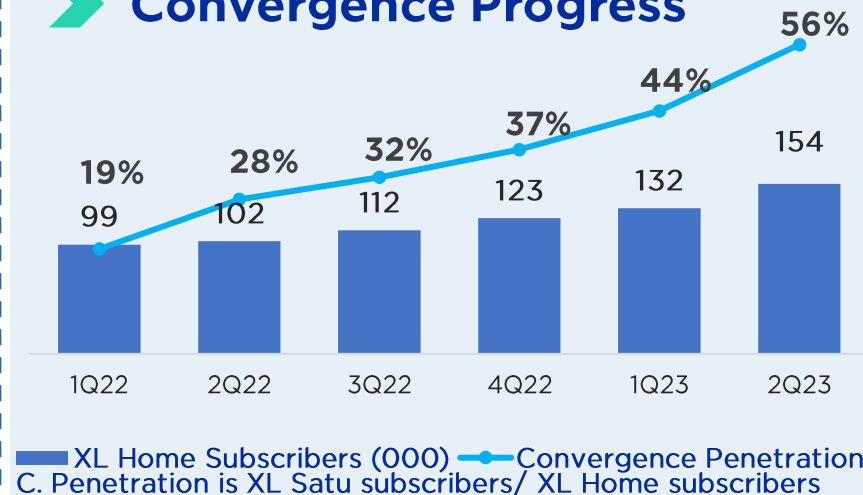
## ARPU (IDR 000)



## Traffic (PB)



## Convergence Progress

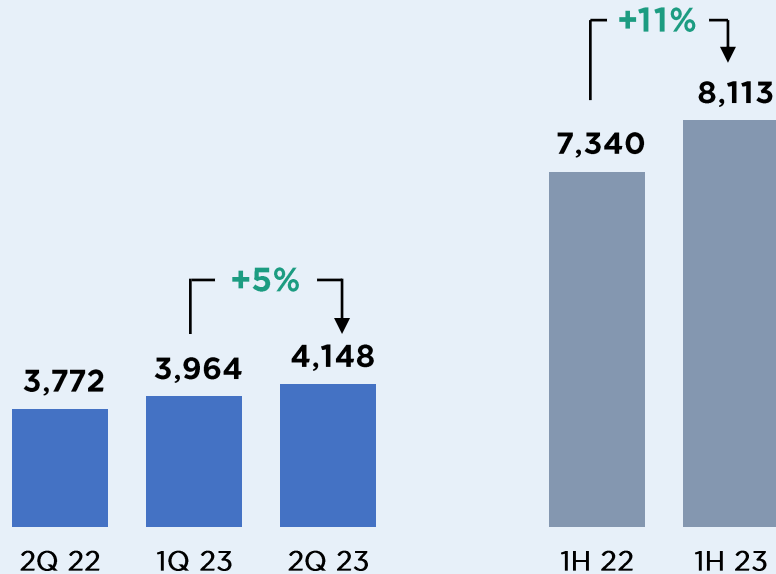


# Controlled Operating Expenses

Managing OPEX growth at 11% YoY, amid higher revenue growth of 12% YoY

- Increase in OPEX in line with network expansion to capture the Lebaran momentum and deliver improved experience in first half of 2023.

- Efforts on Digitalisation leads to lower Sales and Marketing cost YoY.

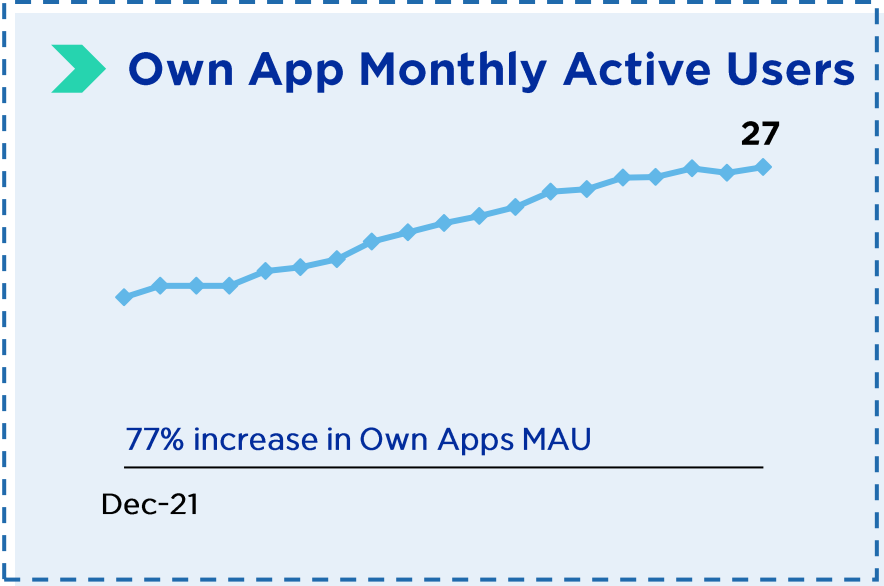
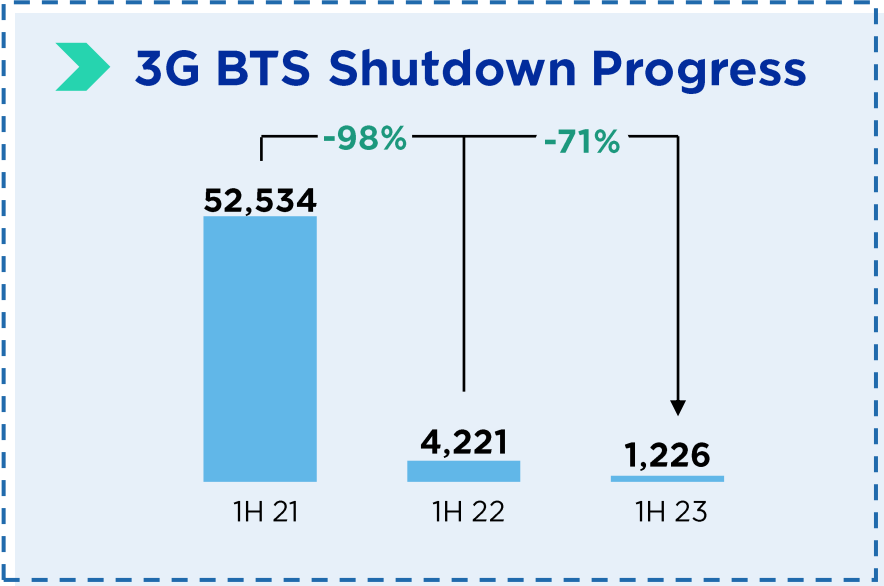
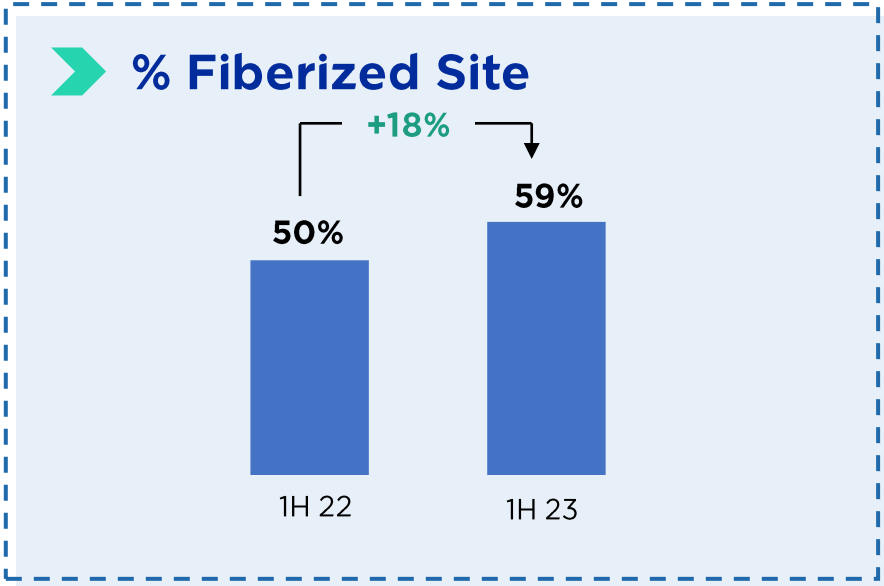
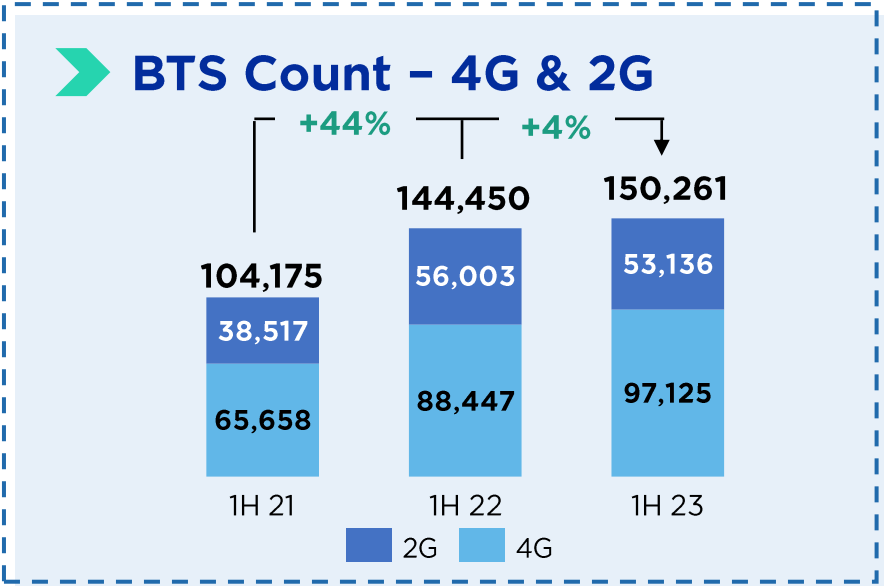
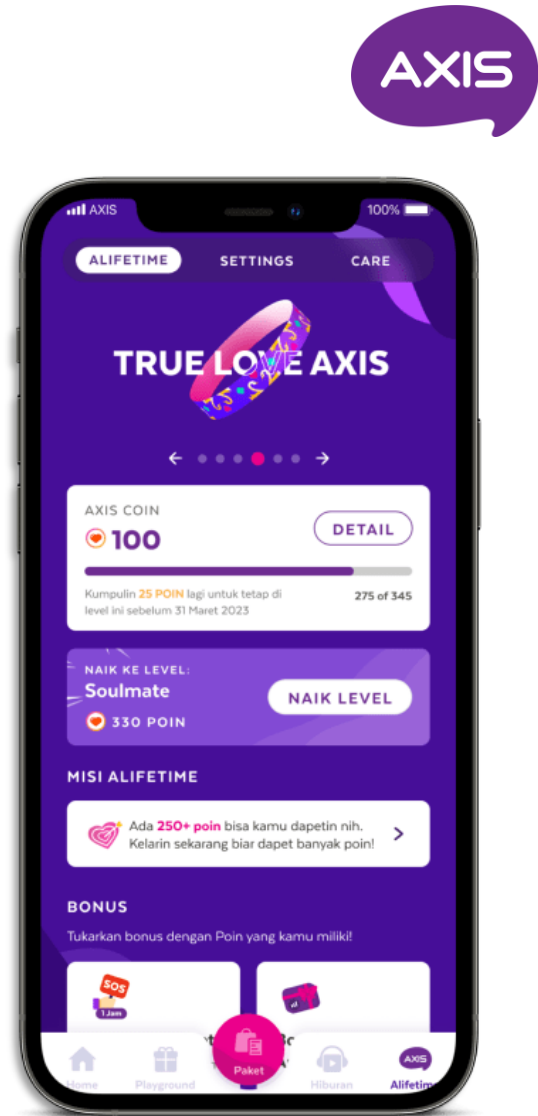


Operating Expenses (IDR bn)	2Q 22	1Q 23	2Q 23	1H 22	1H 23
Interconnection and Other Direct Expenses	554	521	748	904	1,269
Labor Costs	272	331	368	568	699
Sales and Marketing	655	565	613	1,383	1,179
Infrastructure	1,070	1,335	1,138	2,080	2,473
Regulatory Costs	1,128	1,129	1,143	2,227	2,272
Supplies and Overhead	93	83	138	179	220
<b>Total</b>	<b>3,772</b>	<b>3,964</b>	<b>4,148</b>	<b>7,340</b>	<b>8,113</b>



# Smart Investments

Continuous expansion in network and digitalization to drive business and enhance customer experience





# Guidance



# FY 2023 Consolidated Guidance



**Revenue Growth**  
High Single Digit

**EBITDA Margin**  
around 49%

**Capex**  
around IDR 8 Tn



# Thank You

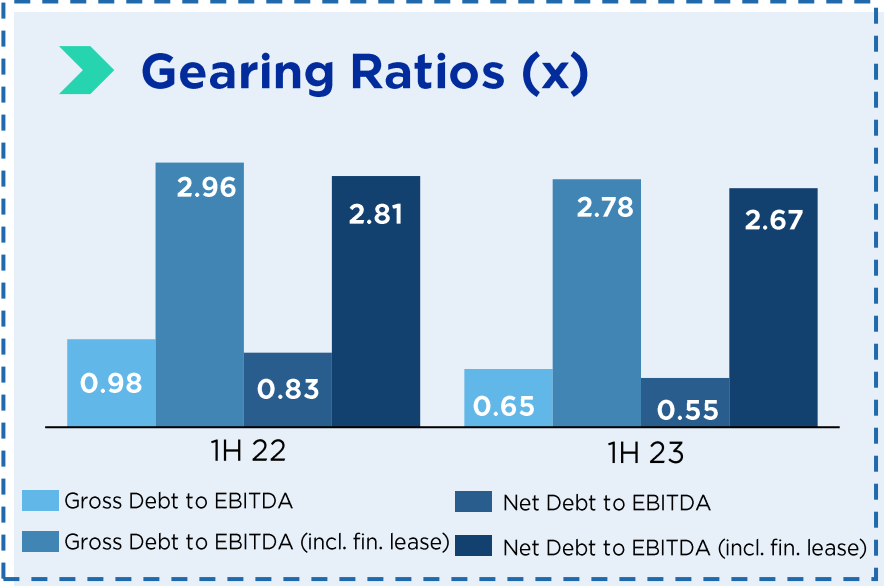
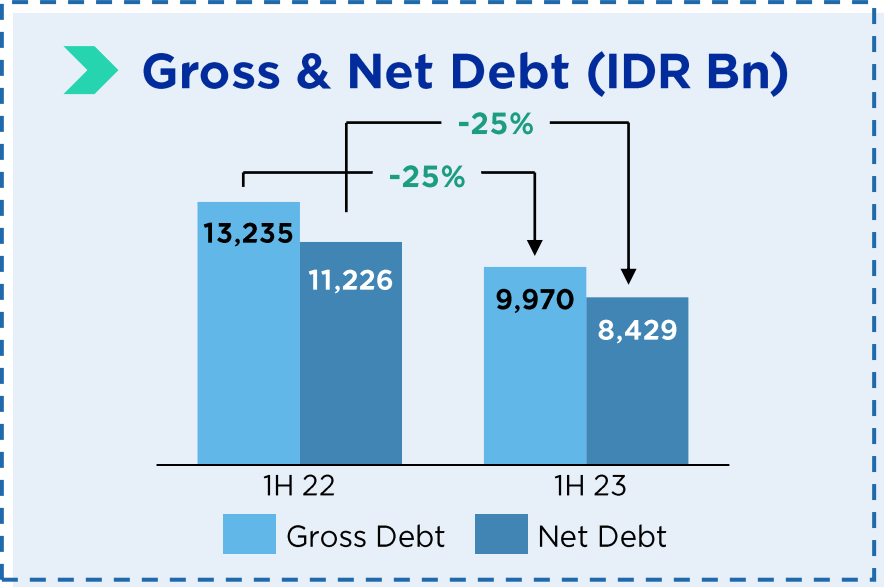
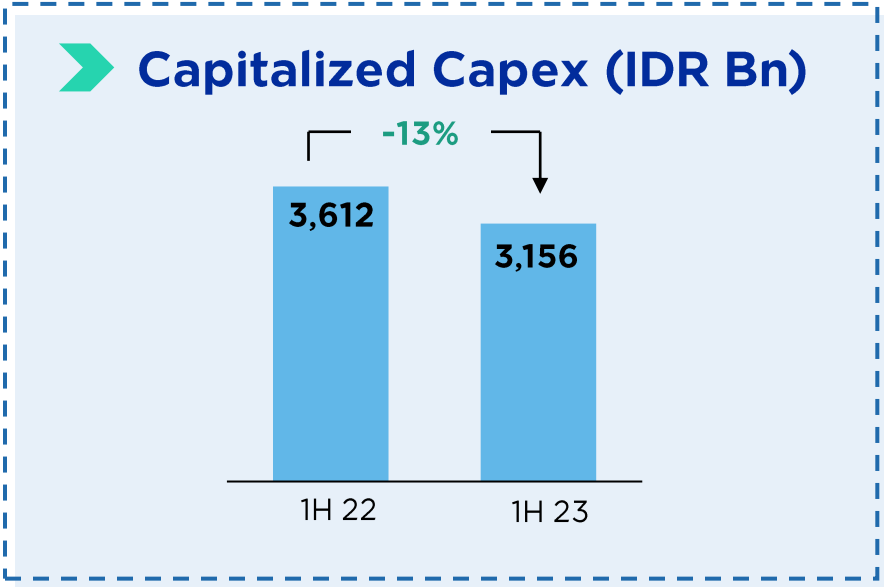
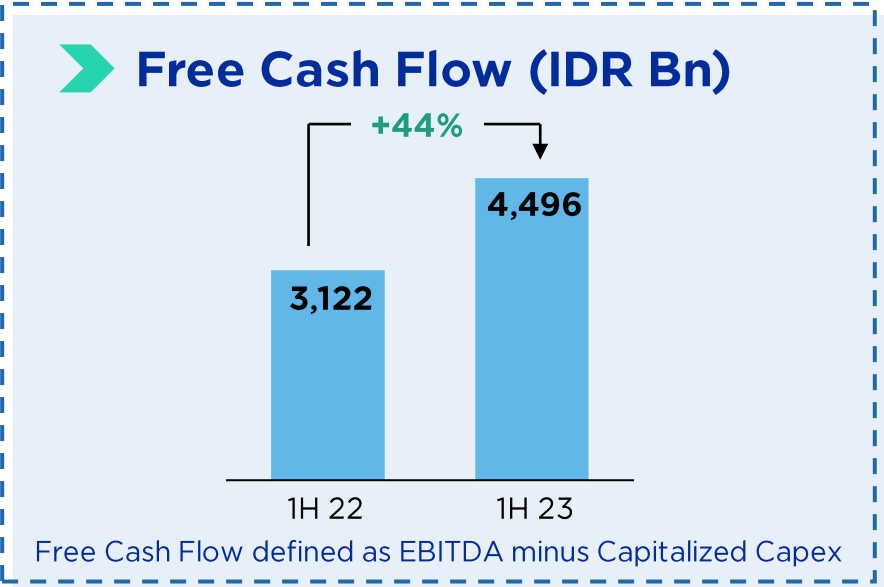




# Appendix



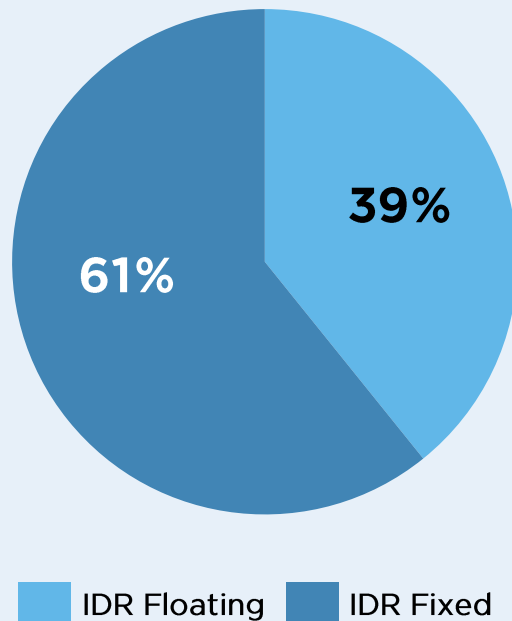
# Managing Healthy Cash Flow & Balance Sheet



# Improving Borrowings Profile

61% of borrowings are at fixed rate, maturities well spread out over coming years

## ➤ Interest Rate Profile



## ➤ Maturities (IDR Bn)

