PT. XL Axiata Tbk.

Corporate Presentation

For the Financial Year Ended 31 December 2020

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

FY 20 Key Highlights

XL axiata

- **Solid Revenue Growth:** Despite intense competition and Covid-19 impacts, XL Axiata managed to grow service revenue +6% YoY.
- **Sustained Profitability:** EBITDA rose +31% YoY* and XL Axiata remained profitable in 2020.
- **Data-Centric Operator:** 92% of service revenue from data with smartphone penetration at 89%, highest in the industry.
- **Strong Cash Generation:** FCF growth of +76% YoY due to improvement in EBITDA.
- **Outgrew The Industry:** Above market revenue growth for the fourth year in a row
- **Network Investment:** Continued network investment across Indonesia with 4G service now in 458 cities and areas & 54k 4G BTS.

**Including impact from IFRS 9,15 & 16 adoption in 2020*

FY 20 Updates

Core Strategy Focus

- **Operational Excellence**: Focus on Operational Excellence to drive digitalization of our business focused on automation & simplicity with increased AI based analytics.
- **Customer Intimacy**: Ensure that both brands achieve strong NPS within target segments through both a product and network effort.
- **Business Continuity:** Business continuity maintained through the New Normal Way of Working.

Repurposed 3G Capacity

- **Decreasing 3G Usage:** 3G traffic is less than 10% of total data traffic due to an accelerated shift to 4G in 2020.
- **Reallocating capacity to 4G:** Repurposing our network for 4G by reallocating 3G capacity to 4G.
- **One-off Accelerated Depreciation:** Reducing the useful life of 3G assets in-line with this to make asset base more reflective of underlying usage. This will result in depreciation savings which will benefit future profitability.

Opportunities

- **Industry Consolidation:** Consolidation in the industry will improve industry dynamics.
- **Structural Demand:** Digital way of working, school and daily life creates structural long-term demand for Data.
- **Home:** Increased demand for fixed broadband (FTTH) services.
- **Ex-Java:** Strong momentum in ex-Java which XL Axiata will capitalize on with continued investment.

Risks

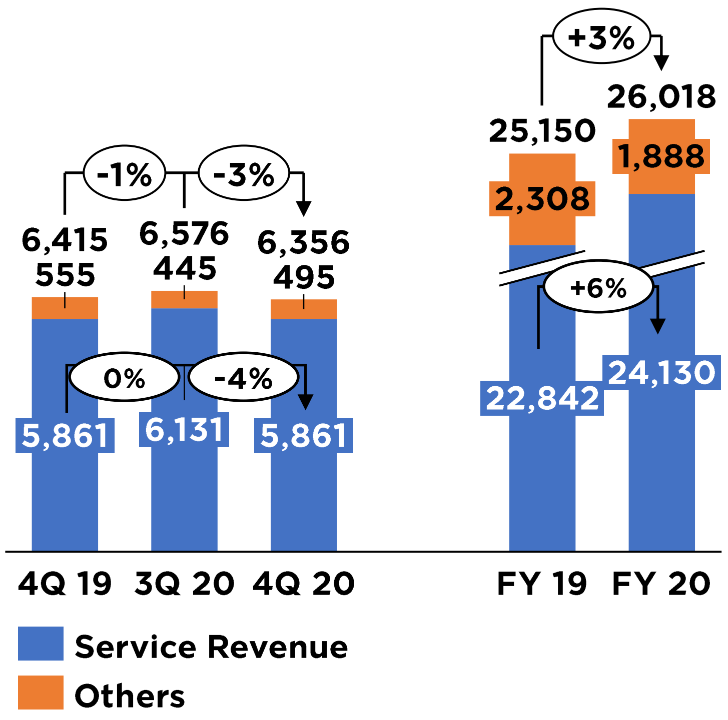
- **Intense Competition**: Increased competitive intensity since Q4 of 2020 will affect industry growth going into 2021.
- **Covid-19 impact:** Instead of recovery in 1H, likely that economic environment may only start to improve from 2H of 2021.

Financial Performance

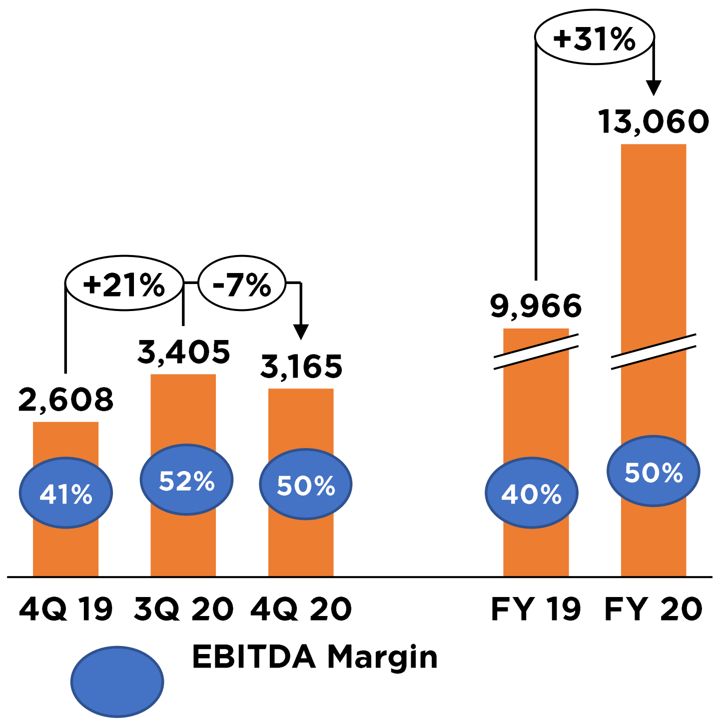
Financial Performance

Good performance in 2020 despite challenges with service revenue increase of 6% YoY driven by Data; EBITDA increase of 31% YoY and profitability maintained

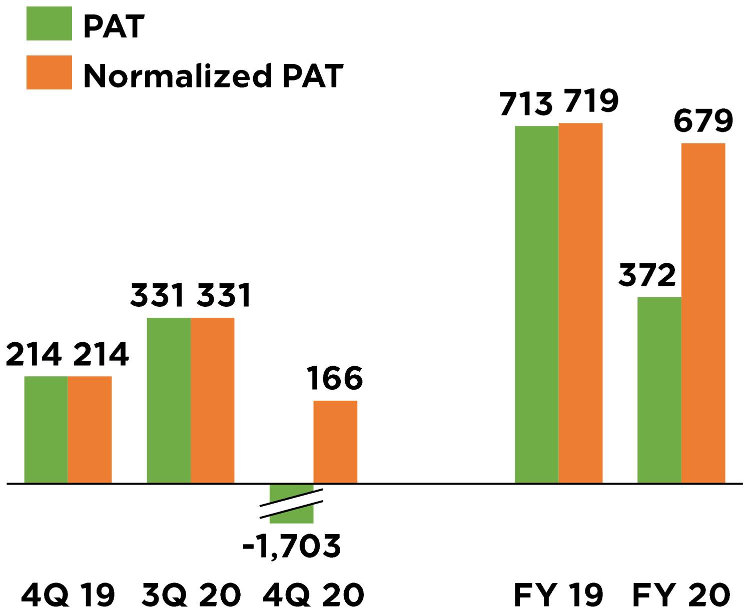
Revenue (IDR bn)



EBITDA (IDR bn)



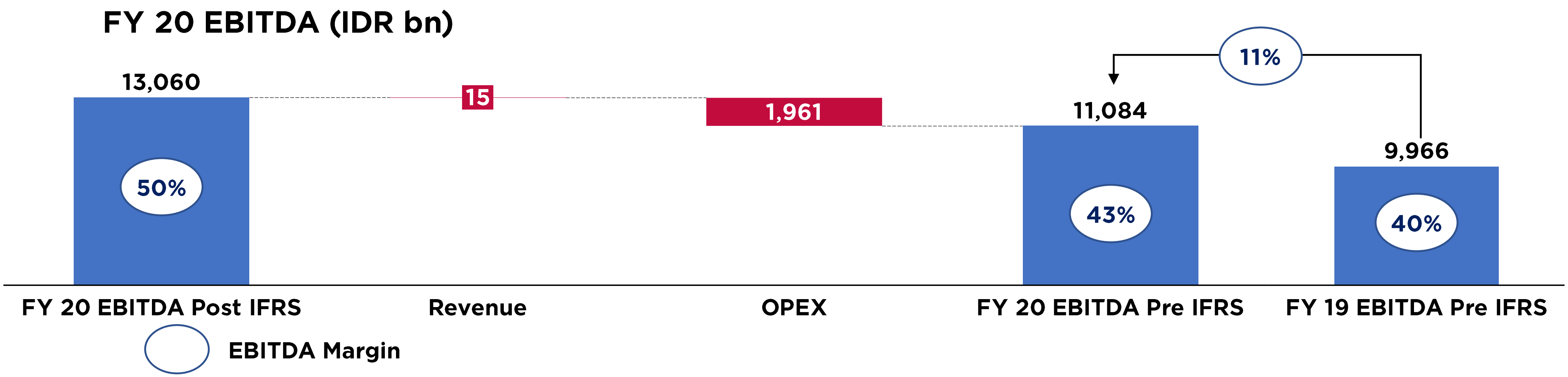
PAT & Normalized PAT (IDR bn)

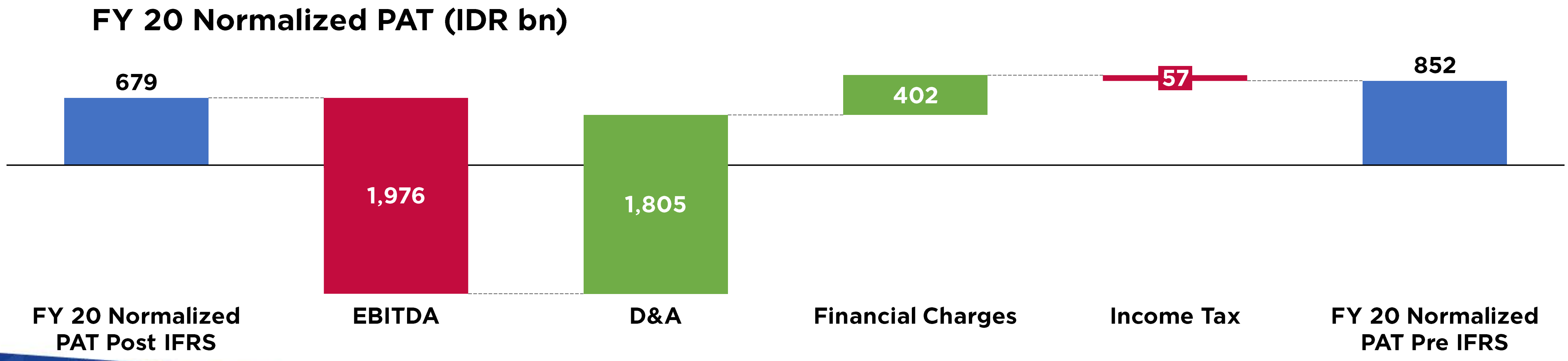


Normalized Items (net of tax):

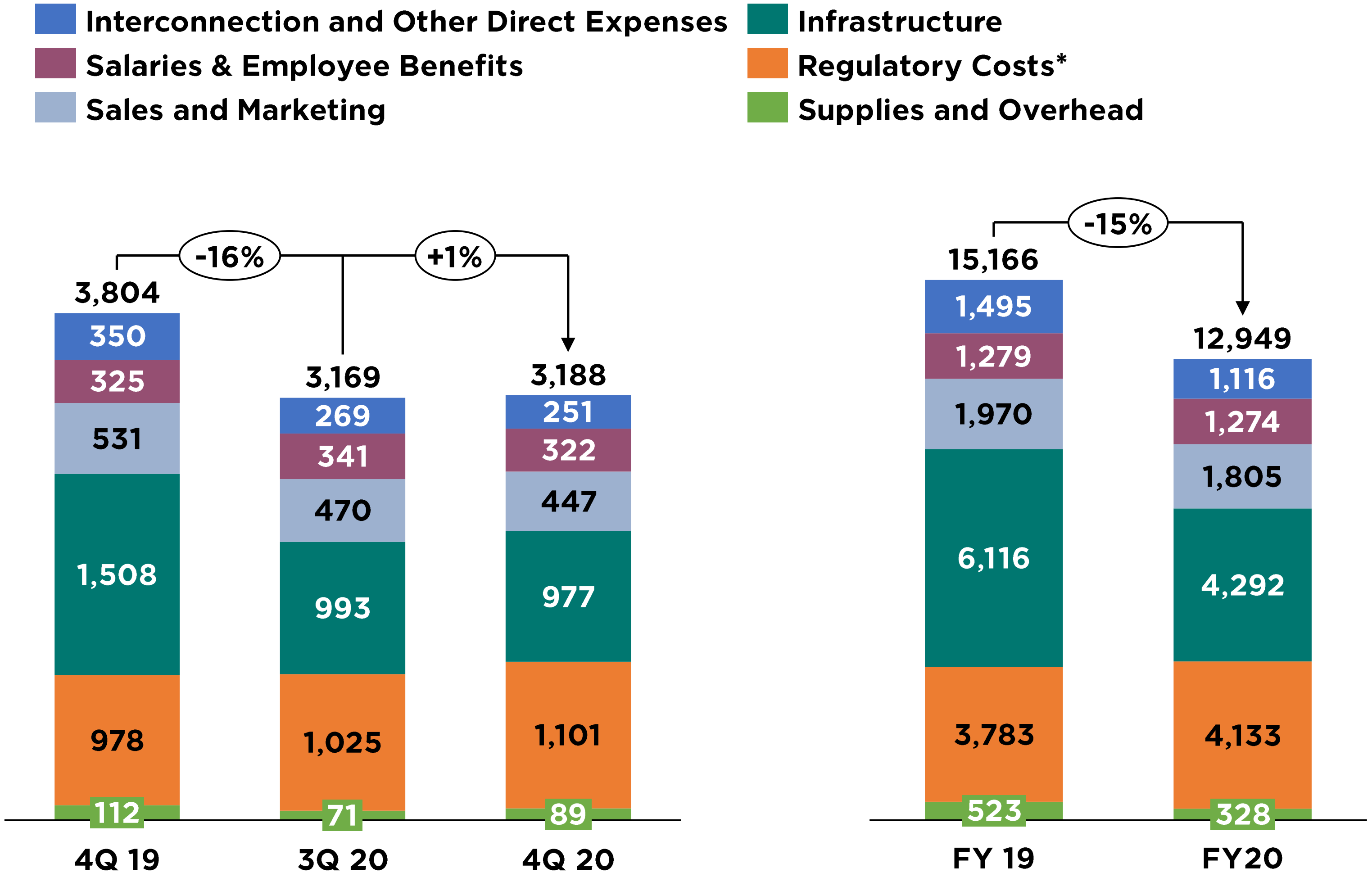
4Q 19: IDR9bn forex loss & IDR9bn data center gain
3Q 20: IDR9bn forex loss & IDR9bn tower gain
4Q 20: IDR2bn forex loss; IDR1,934bn acc. depn.; IDR70bn picocell gain; IDR14bn data center gain & IDR17bn tower loss.
FY 19: IDR13bn forex loss & IDR6bn data center gain
FY 20: IDR6bn forex gain; IDR1,537bn tower gain; IDR1,934bn acc. depn.; IDR70bn picocell gain & IDR14bn data center gain.

Reconciliation of Post to Pre IFRS 9, 15, 16





Operating Expenses



FY 20 Operating Expenses declined 15% YoY due to:

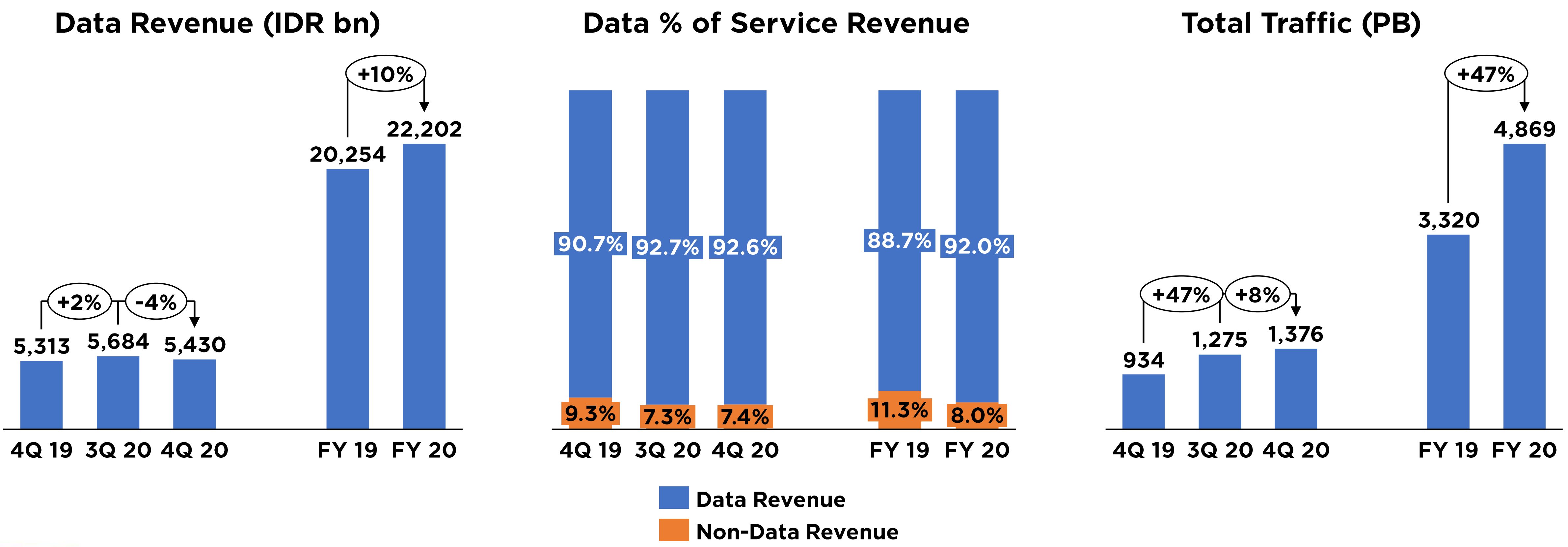
- Lower infrastructure expenses (-30% YoY) as a result of IFRS 16 adoption.
- Interconnect and Other Direct Expenses declined -25% YoY mainly due to lower interconnect as a result of declining legacy traffic
- Marketing expenses declined -8% YoY due to shifting of spending to digital.

*Regulatory Costs include USO & BHP costs previously included under other direct expenses.

Performance Drivers

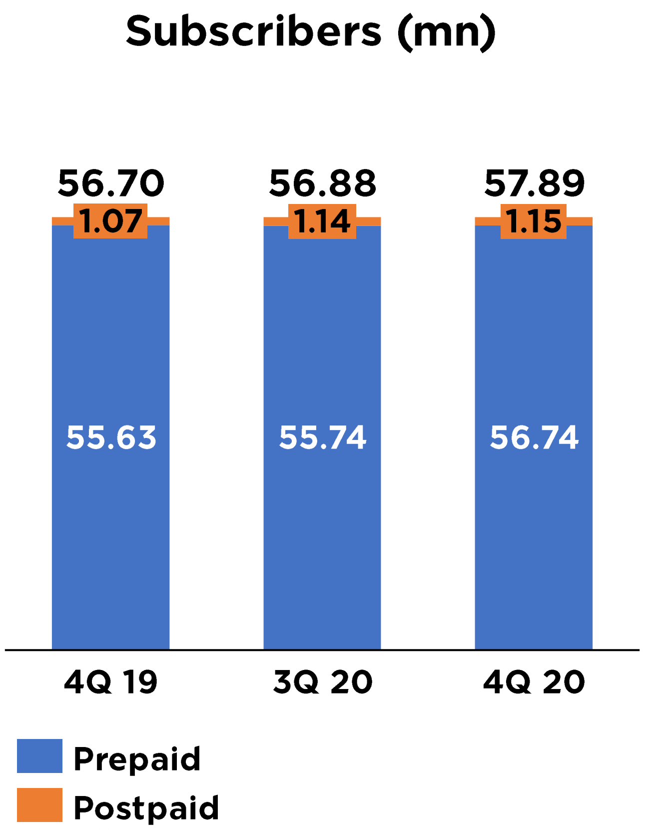
Data Revenue

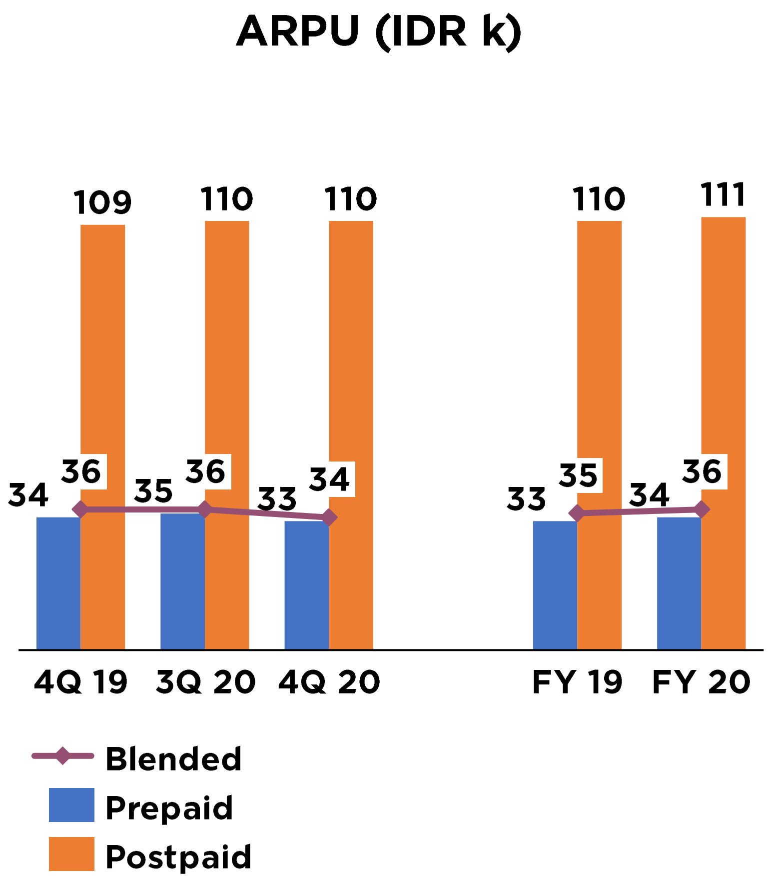
Data Revenue growth of 10% YoY with increased contribution to 92% of Service Revneue in FY 20

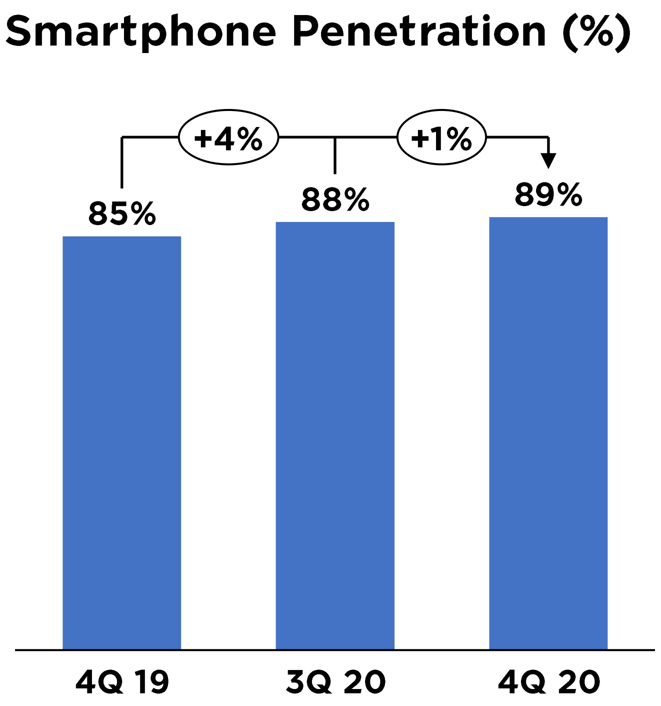


Customers

Subscribers rose in FY20 to 57.9m with blended ARPU increasing to Rp36k

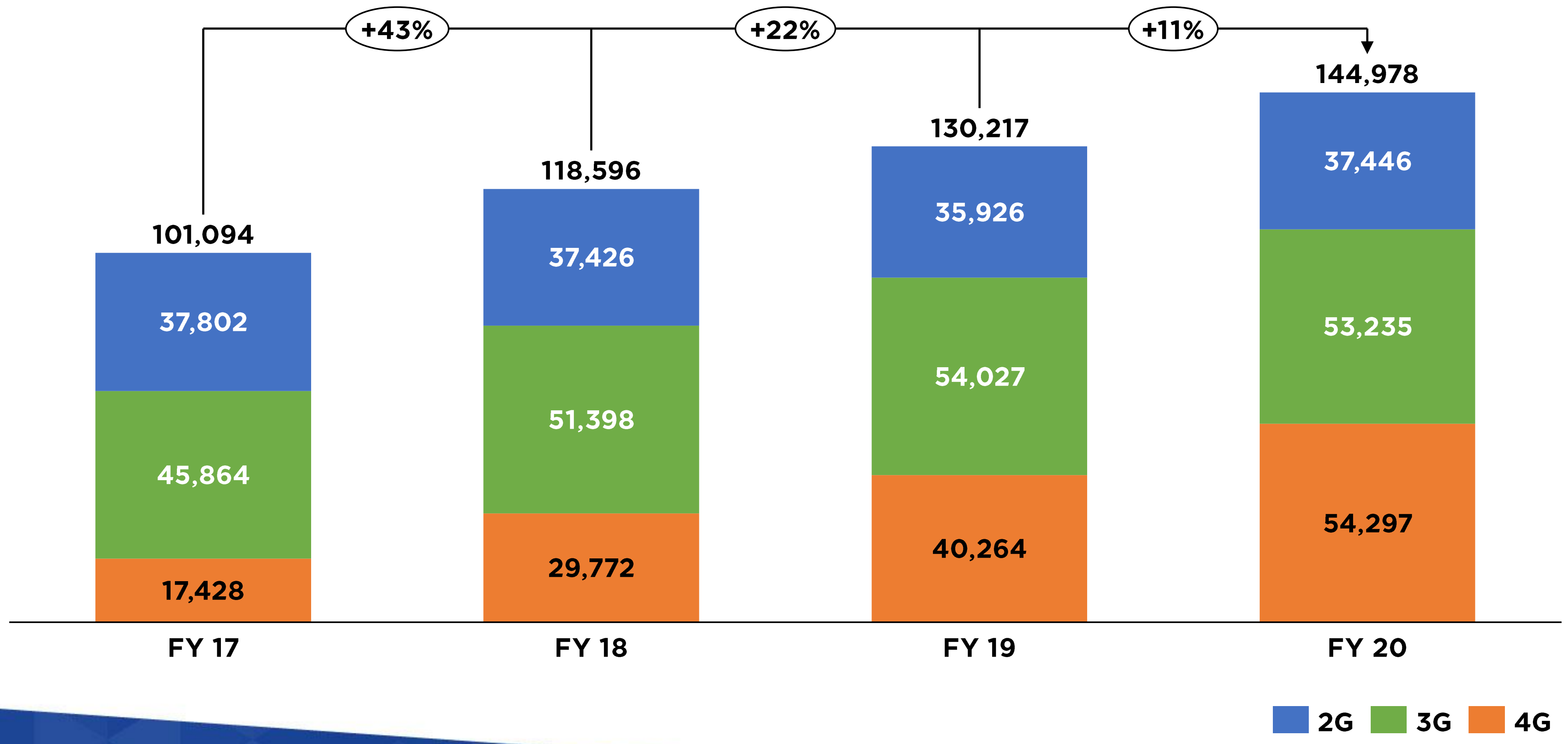






Base Stations

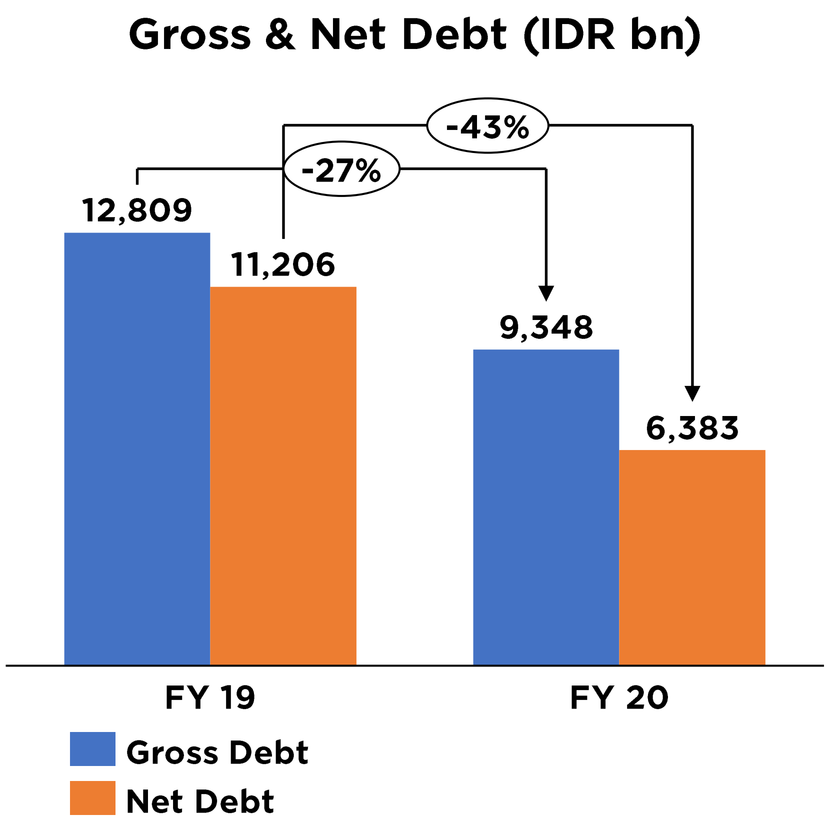
Network expansion continues with total BTS now above 144k with 4G coverage in 458 cities across Indonesia and more than 54k 4G BTS

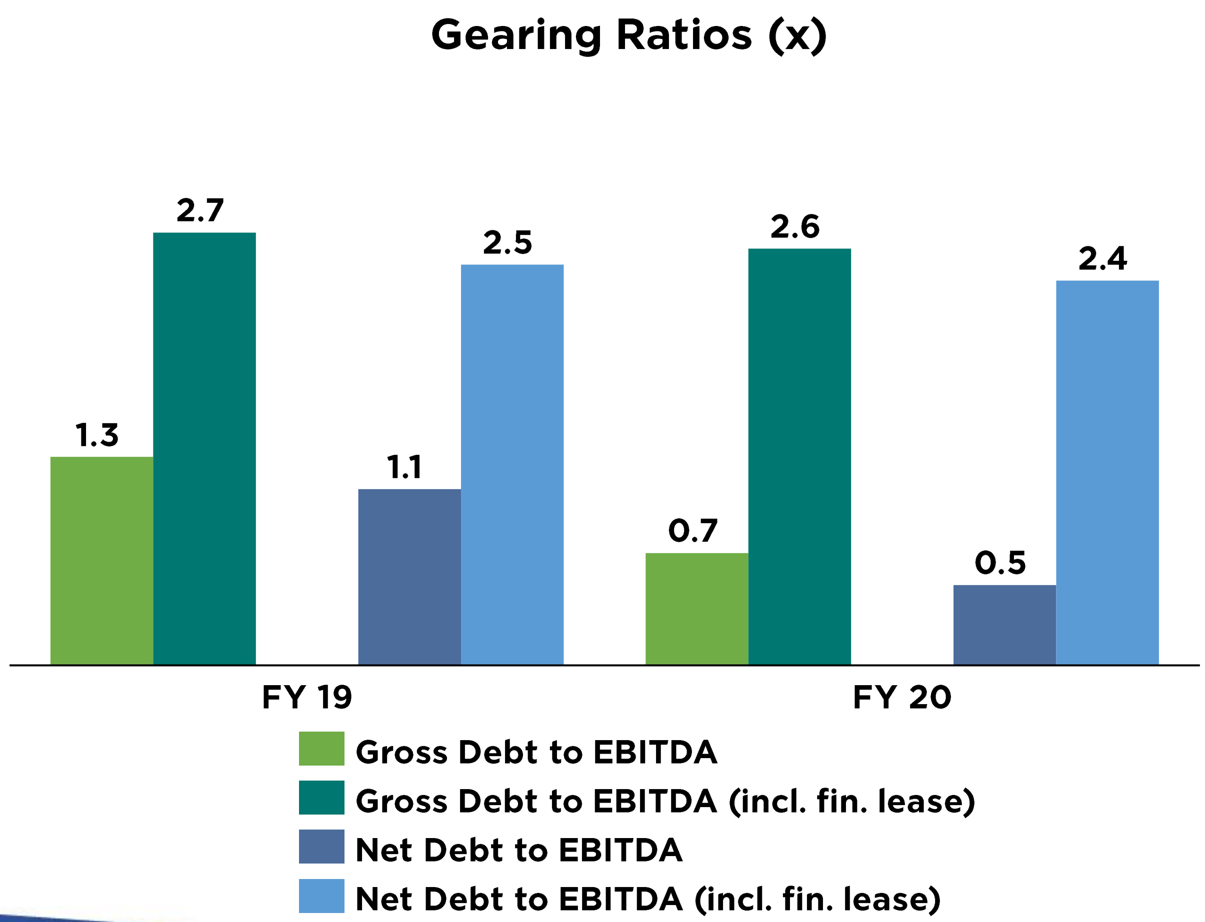


Financials

Balance Sheet

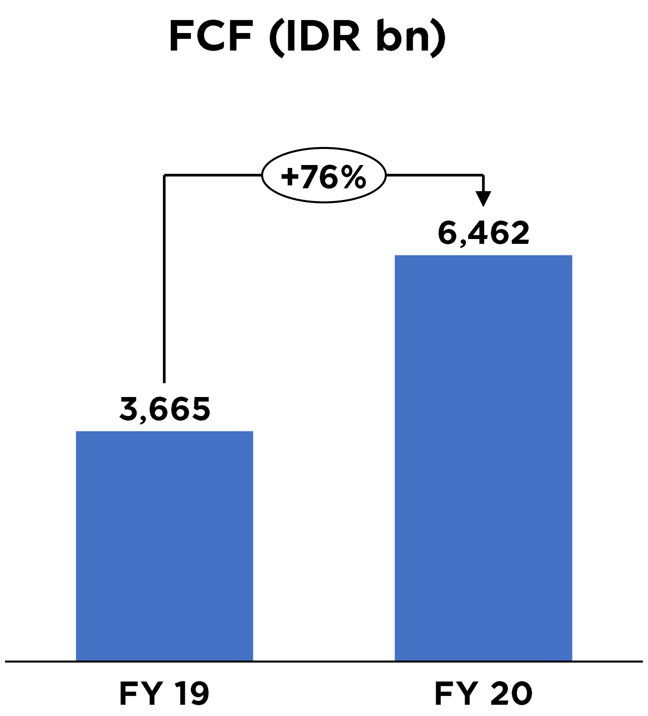
Balance Sheet remains healthy with higher cash balance due to tower proceeds while both gross and net debt to EBITDA improved.

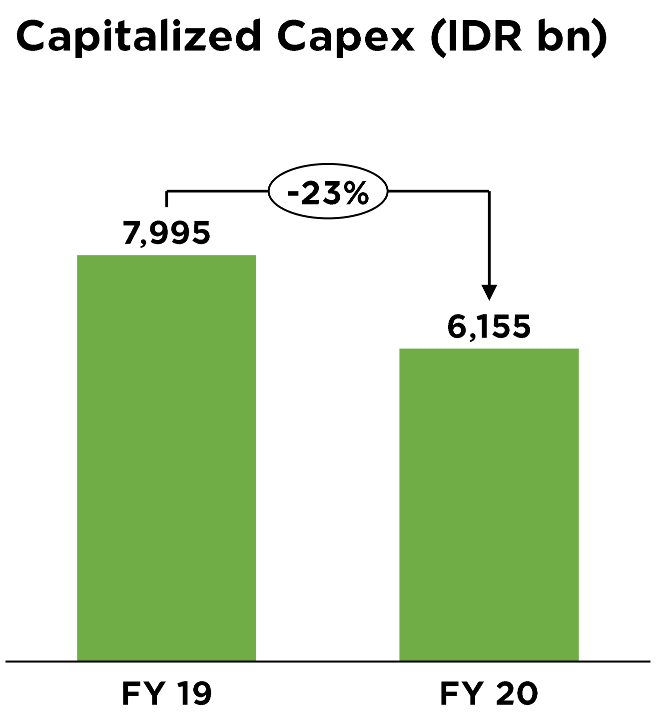


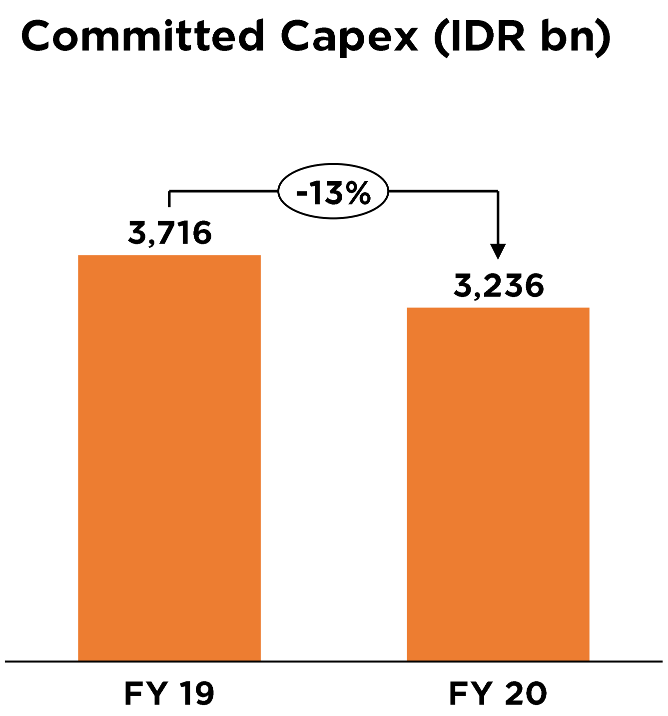


Cash Flow

Healthy FCF generation driven by improvement in EBITDA while capex lower due to Operational Excellence principles



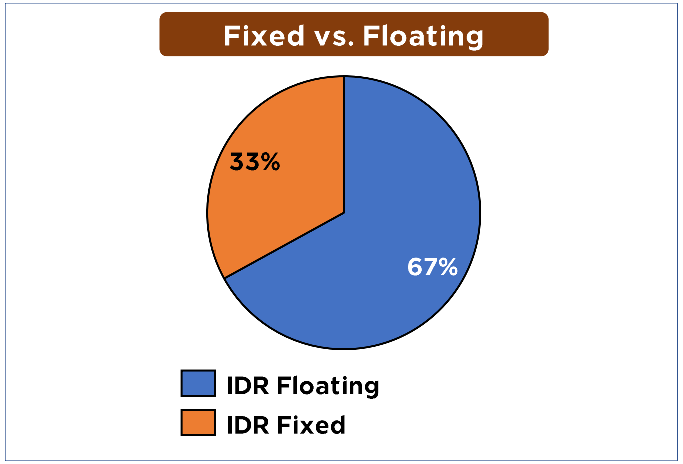


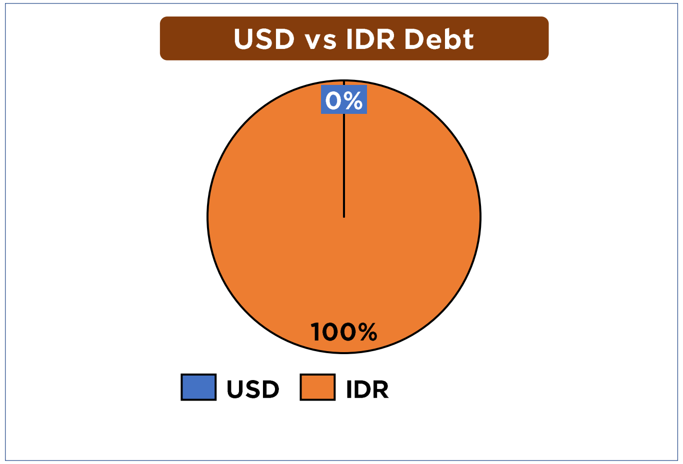


Borrowings Profile

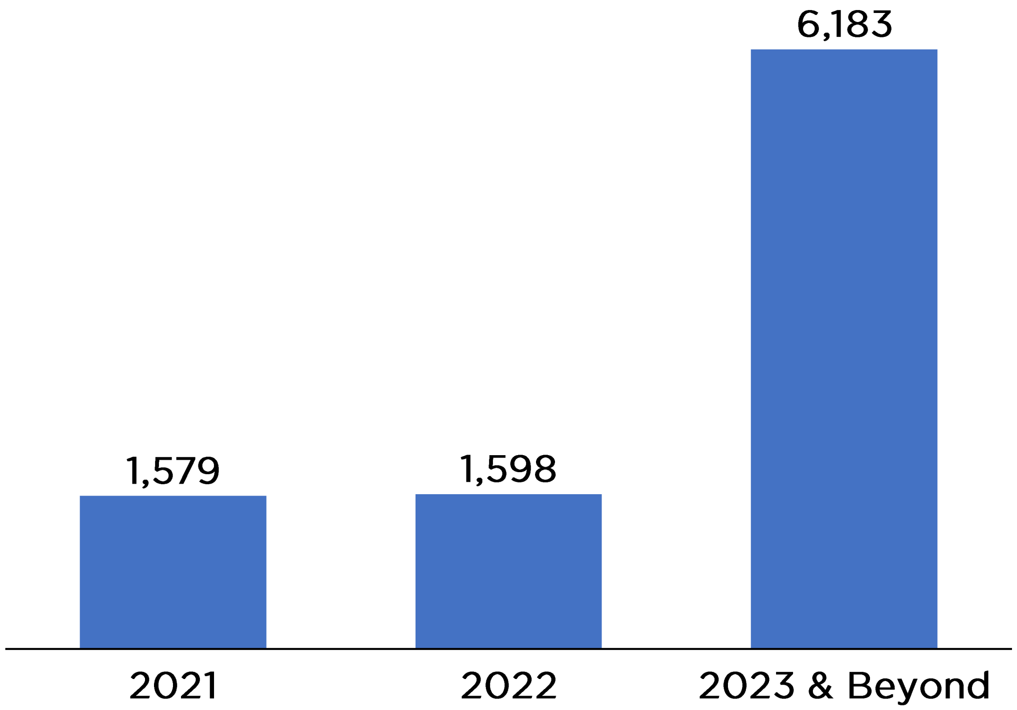
No USD denominated debt with 67% floating and manageable debt repayments over the next 2 years

Borrowings Profile





Maturities (IDR bn)



FY21 Consolidated Guidance

- **Revenue Growth:** In-line with market.
- **EBITDA Margins:** Low 50%
- **Capex:** Around Rp7.0tn.

Thank You!