PT. XL Axiata Tbk.

Corporate Presentation

For 9M ended 30 September 2020

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

9M 20 Key Highlights

- **Strong Service Revenue Growth:** Despite challenges from increased competition and Covid-19, XL Axiata managed to increase service revenue by +8% YoY.
- **Sustained Profitability:** EBITDA rose by 34% YoY while XL Axiata remained in a net profit position in 9M 20.
- **Data-Centric Operator:** 92% of service revenue from data with smartphone penetration at 88%, highest in the industry.
- **Strong FCF Generation:** Strong +162% increase in 9M 20 FCF generation due to strong growth in EBITDA.
- **Network:** Continued network investment across Indonesia with 4G service now in 458 cities and areas & 53k 4G BTS.
- **Digitization:** Continued digitization of business operations; digital distribution channels & apps.

9M 20 Updates

Covid-19 Response

- **Customer-focused:** Providing affordable Data packages and reinforcing our digital channels through CVM & unique offers; supporting our customers through this tough period.
- **Network Optimization:** Capacity & Quality of Service (QOS) Management to handle increase in Data traffic.
- **Support Our Community:** Total contribution of Rp113bn in the form of free digital access; PPE equipment and others.

New Initiatives

- **SAP4HANA:** First telco in South East Asia to implement SAP4HANA Cloud streamlining our internal data & processes & increased productivity.
- **myXL revamp:** Simplified and easier to use improving customer experience & personalized offerings.
- **Live.On:** Digital brand launched to fulfill needs of a fast-growing customer segment – sophisticated Digital users.

Opportunities

- **Structural Demand for Data:** Digital way of working, school and daily life creates structural long-term demand for Data.
- **Home:** Increased demand for fixed broadband (FTTH) services due to more remote working & school.
- **Digital:** Accelerated shift to Digital, with more purchases through online channels.

Risks

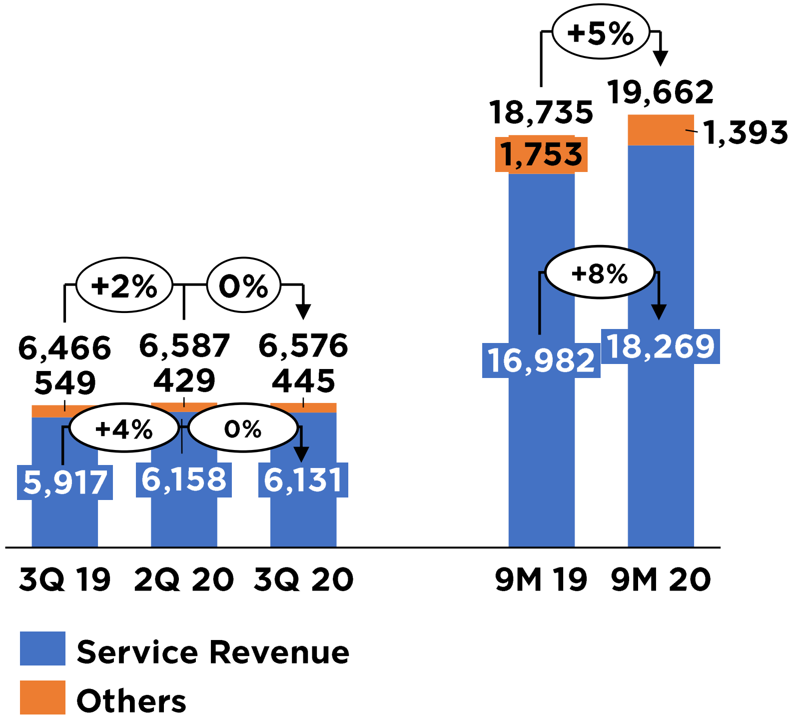
- **Competition:** Intense competition in the market affecting industry growth.
- **U-shaped recovery**: Continued impact from Covid-19 increasing likelihood of a U-shaped (lower for longer) economic recovery instead of a V-shaped (quick rebound) economic recovery.

Financial Performance

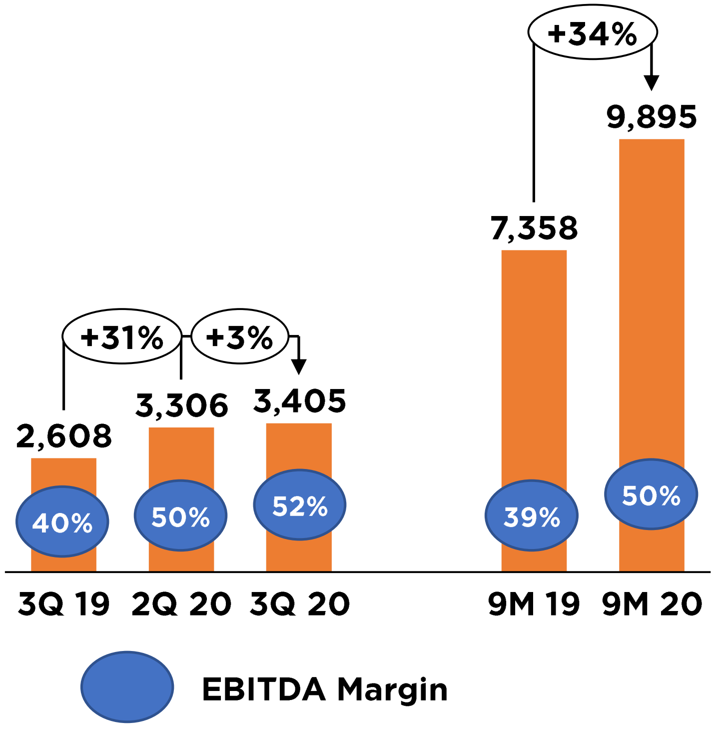
Financial Performance

Strong 9M20 performance with strong growth in service revenue, increased EBITDA & continued net profit.

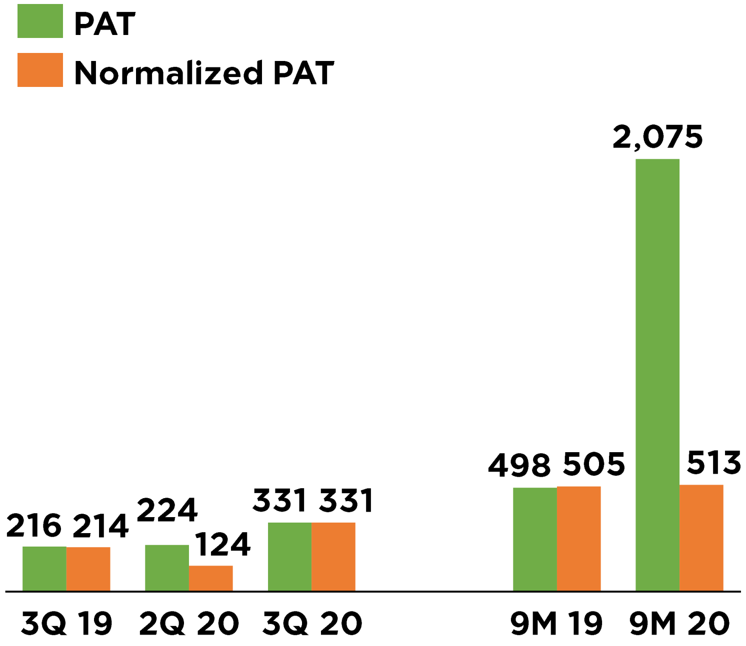
Revenue (IDR Bn)



EBITDA (IDR Bn)



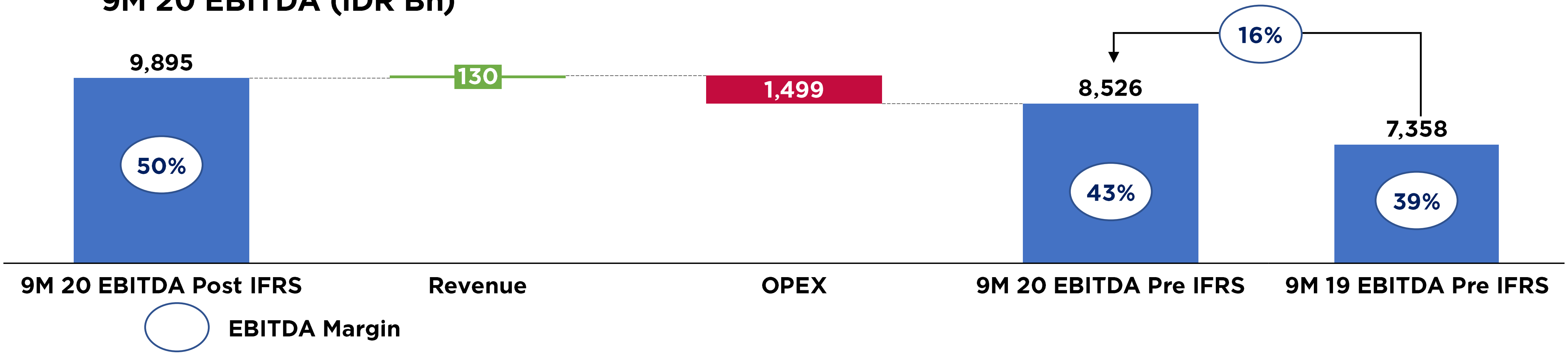
PAT & Normalized PAT (IDR Bn)



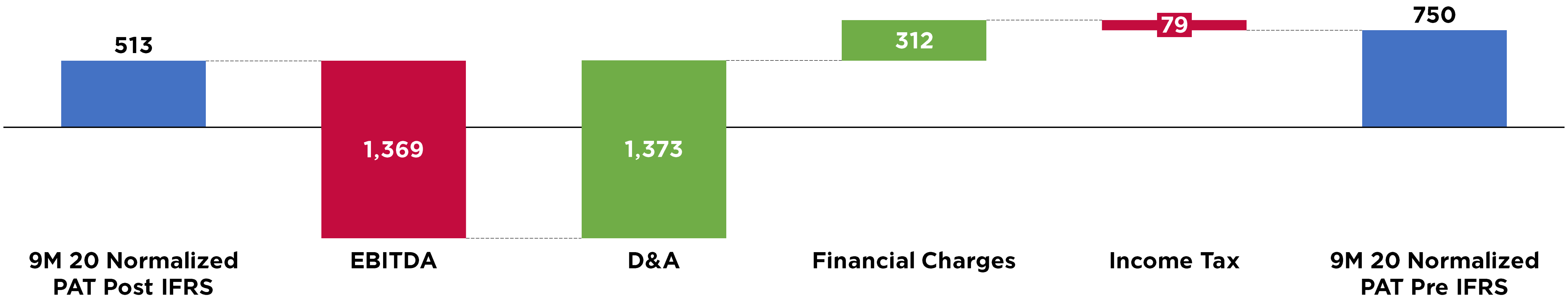
Normalized Items (net of tax):
3Q 19: IDR2bn forex gain
2Q 20: IDR15bn forex loss & IDR115bn tower gain
3Q 20: IDR9bn forex loss & IDR9bn tower gain
9M 19: IDR6bn forex loss
9M 20: IDR8bn forex gain & IDR1,554bn tower gain

Reconciliation of Post to Pre IFRS 9, 15, 16

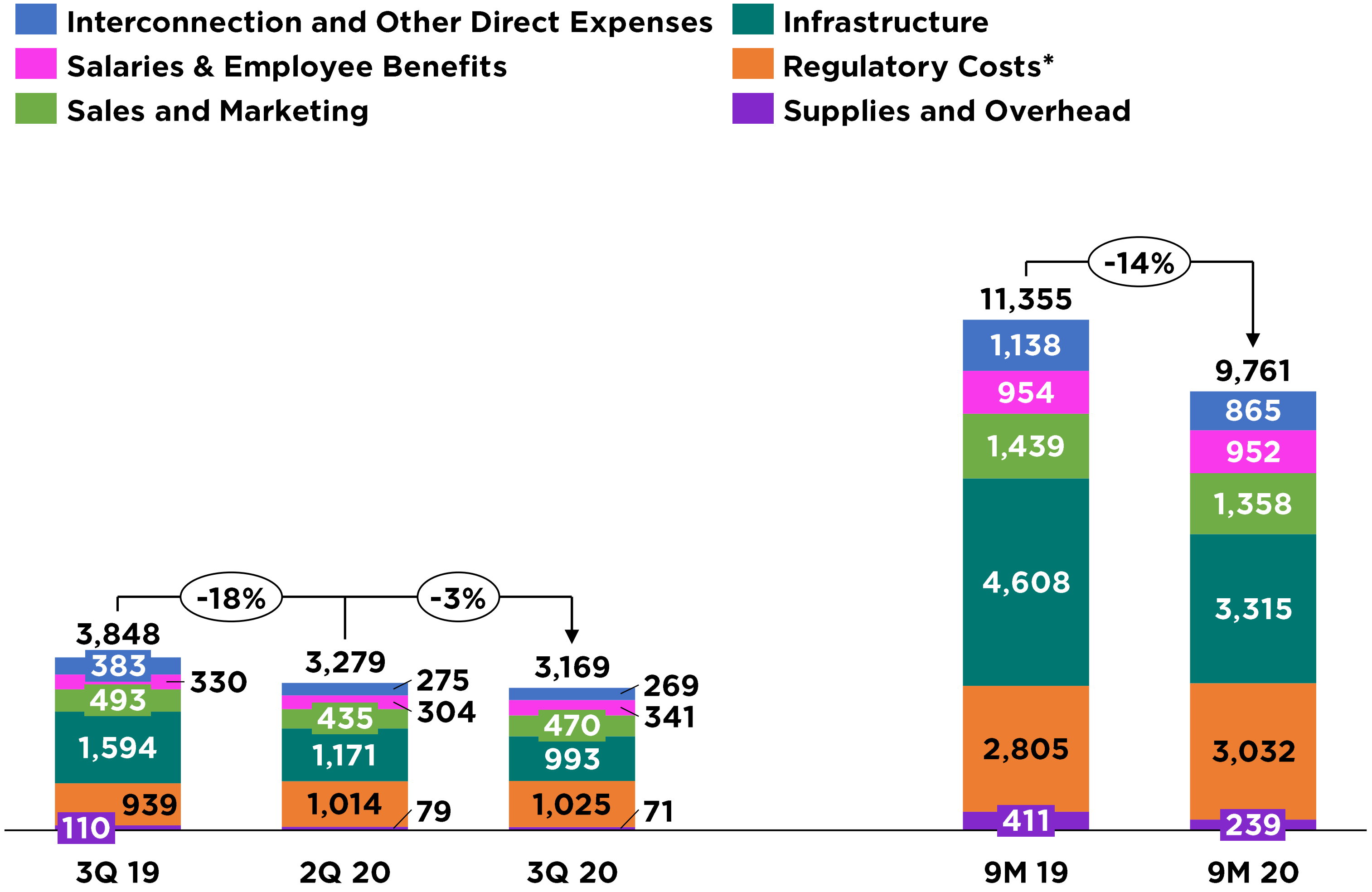
9M 20 EBITDA (IDR Bn)



9M 20 Normalized PAT (IDR Bn)



Operating Expenses



9M 20 Operating Expenses declined 14% YoY due to:

- Lower infrastructure expenses (-28% YoY) as a result of IFRS 16 adoption.
- Interconnect and Other Direct Expenses declined 24% YoY mainly due to lower interconnect as a result of declining voice traffic
- Sales & Marketing expenses declined 6% YoY due to the shift to digital.

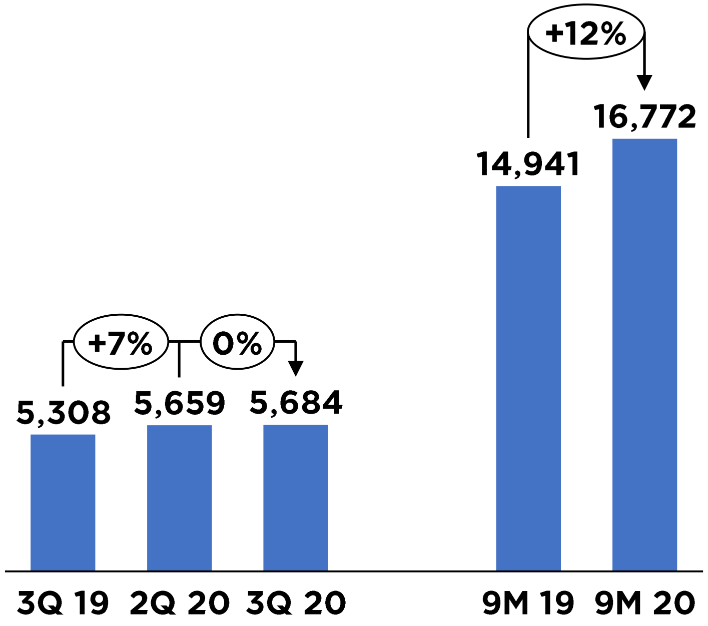
Regulatory Costs include USO & BHP costs previously included under other direct expenses.

Performance Drivers

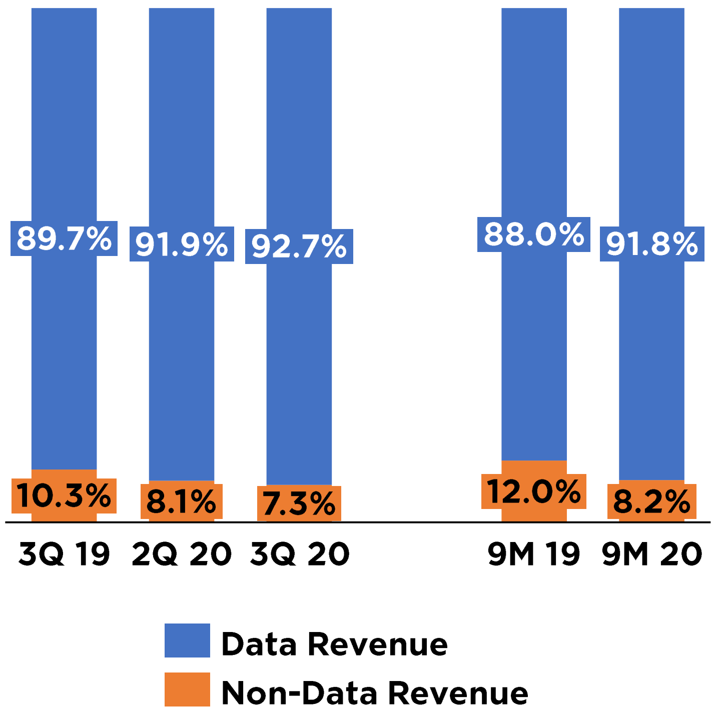
Data Revenue

Service Revenue increase driven by Data which contribution has increased to 92% in 9M 20

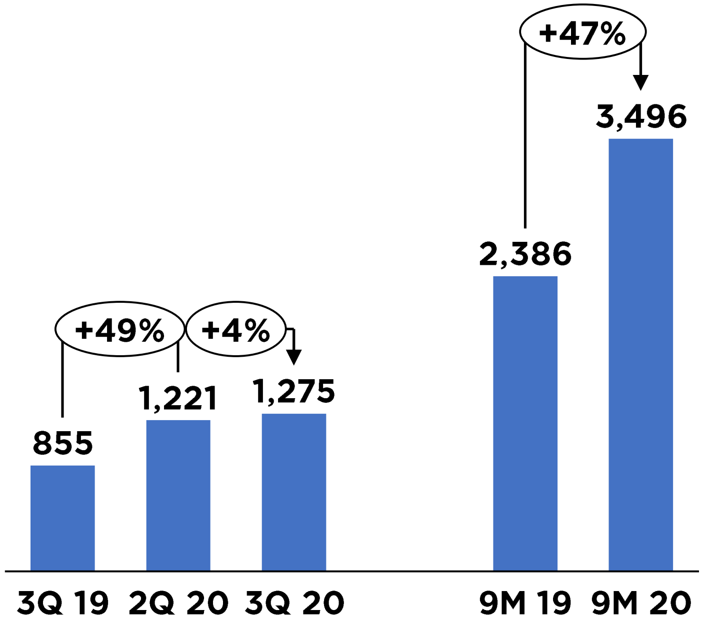
Data Revenue (IDR bn)



Data % of Service Revenue

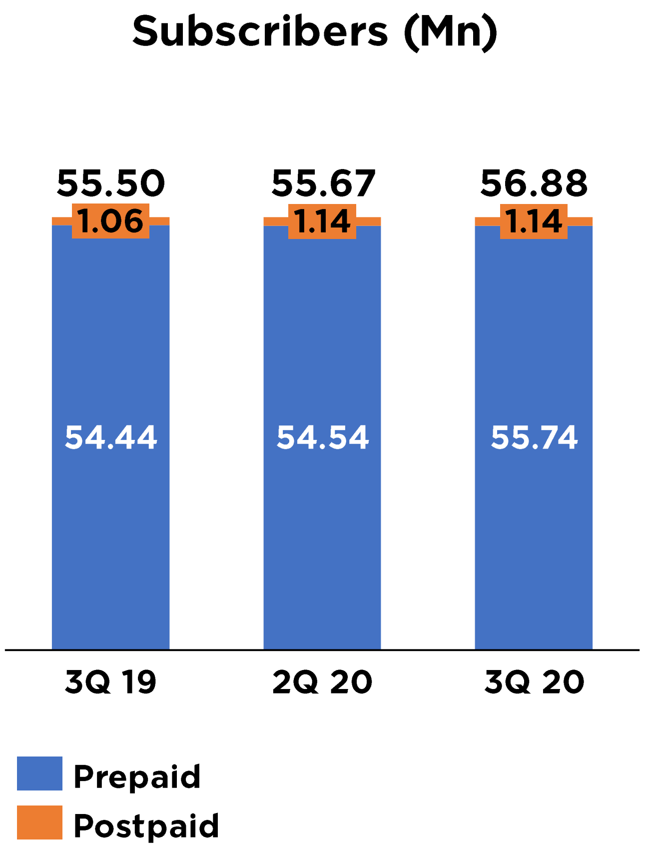


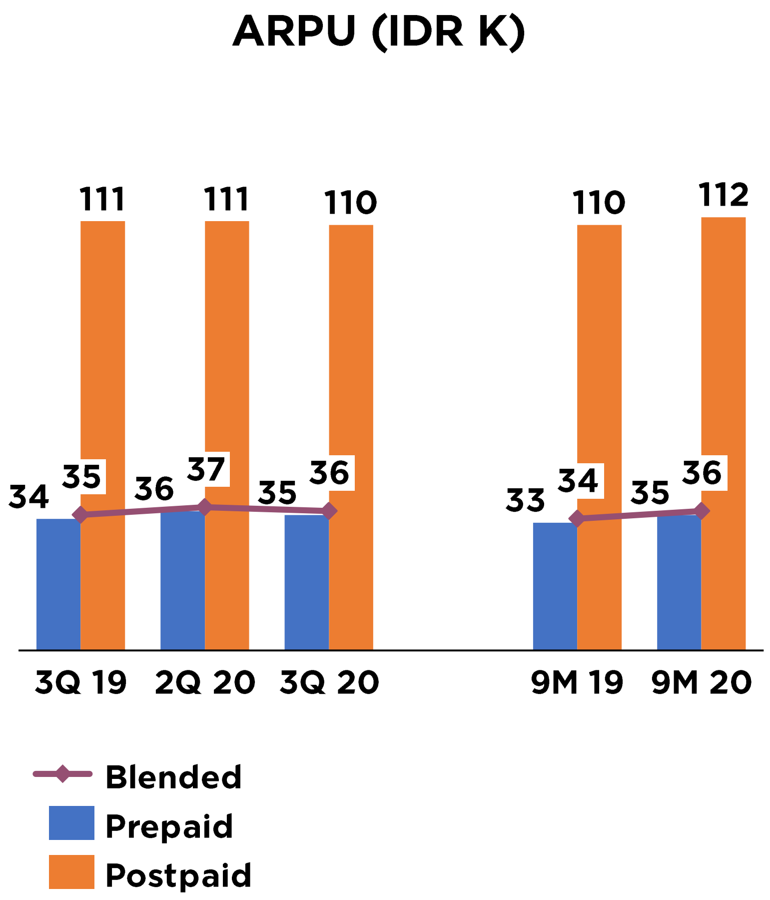
Total Traffic (PB)

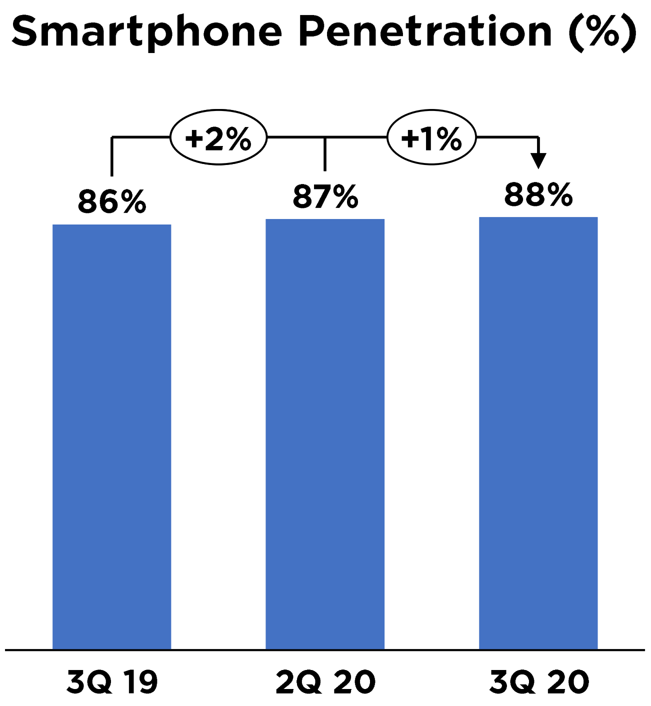


Customers

Subscribers rose in 3Q 20 however ARPU declined slightly QoQ due to competition, Covid-19 impacts & the education subsidy

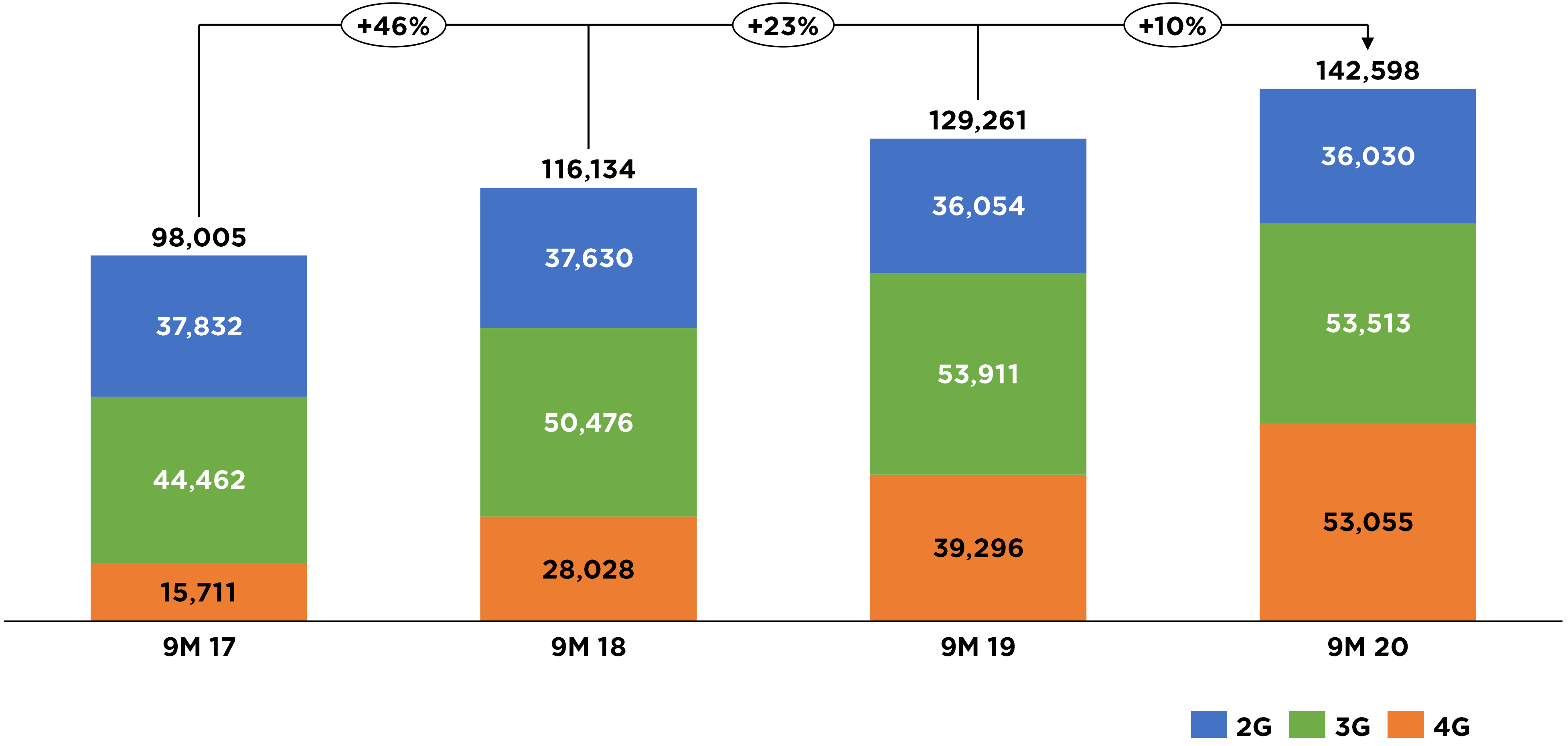






Base Stations

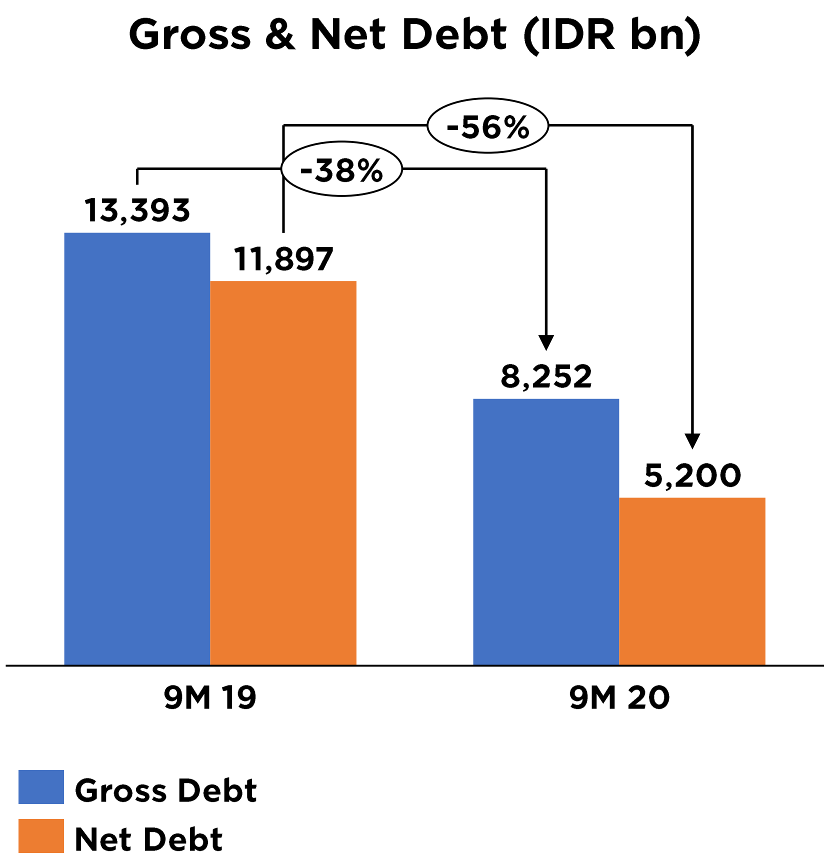
Network expansion continues with total BTS now above 142K with 4G coverage in 458 cities and areas across Indonesia and more than 53K 4G BTS

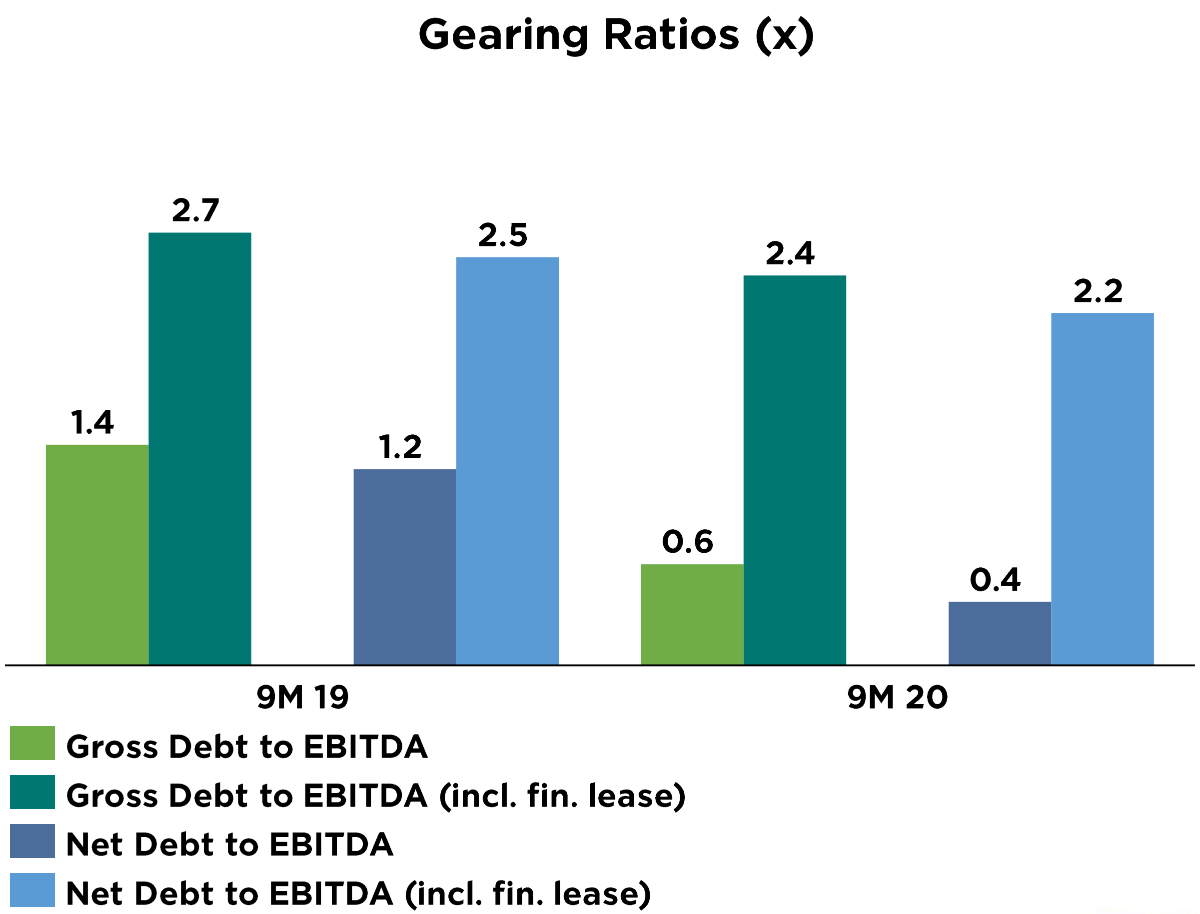


Financials

Balance Sheet

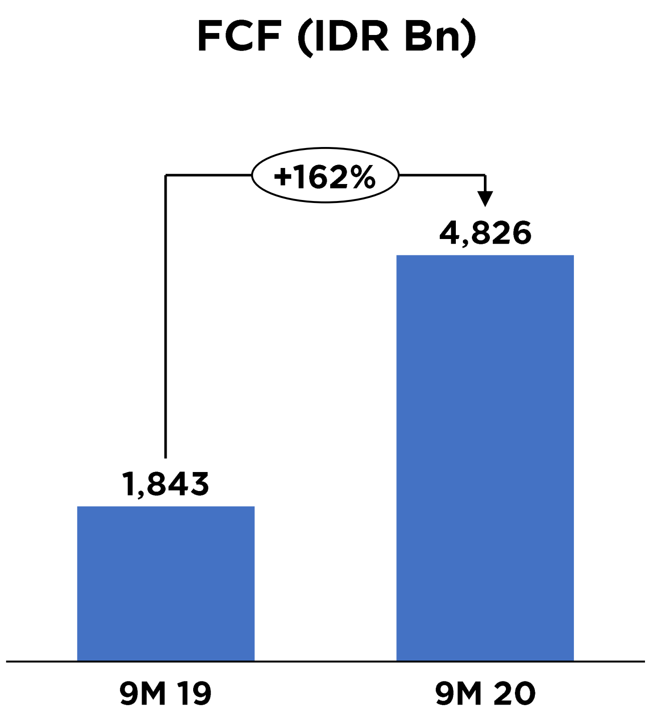
Balance Sheet remains healthy with higher cash balance due to tower proceeds while both gross and net debt to EBITDA improved.

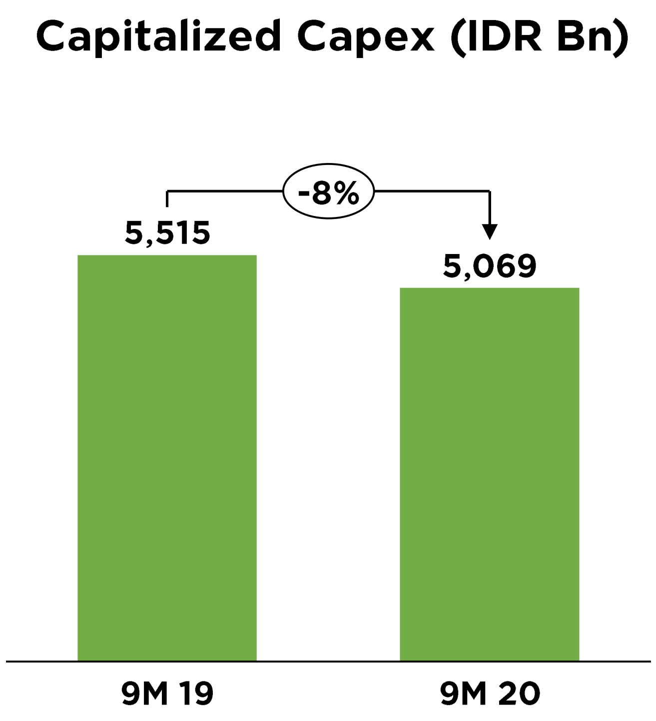


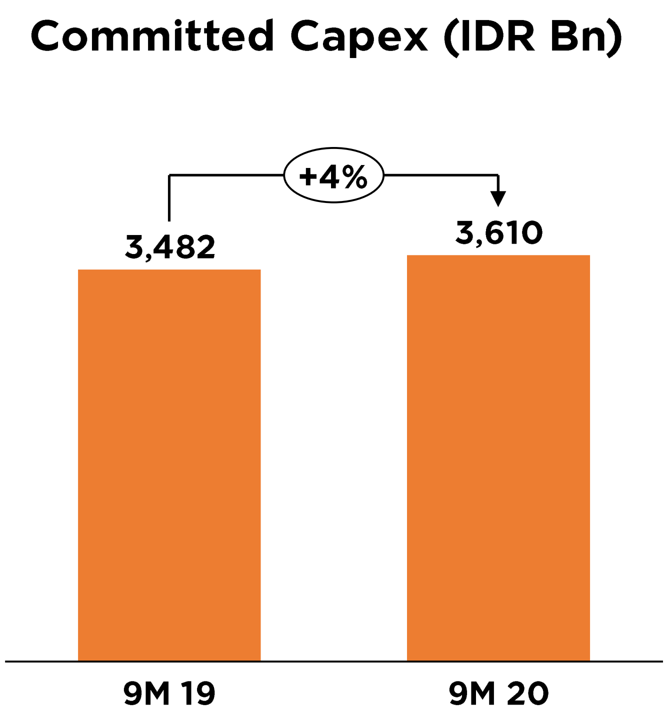


Cash Flow & Capex

Healthy FCF generation despite healthy capex in 2020



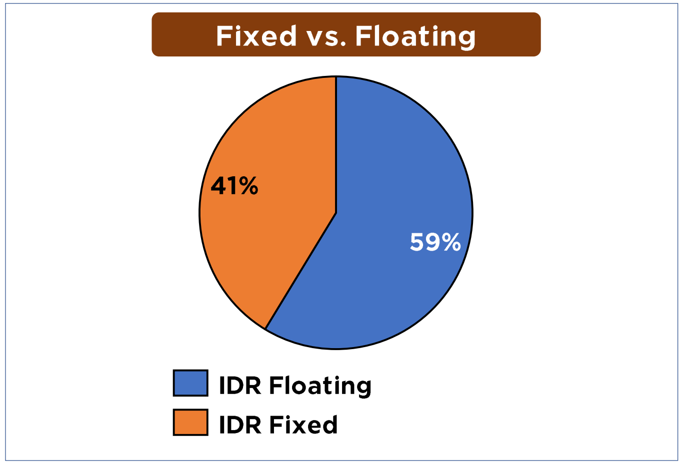


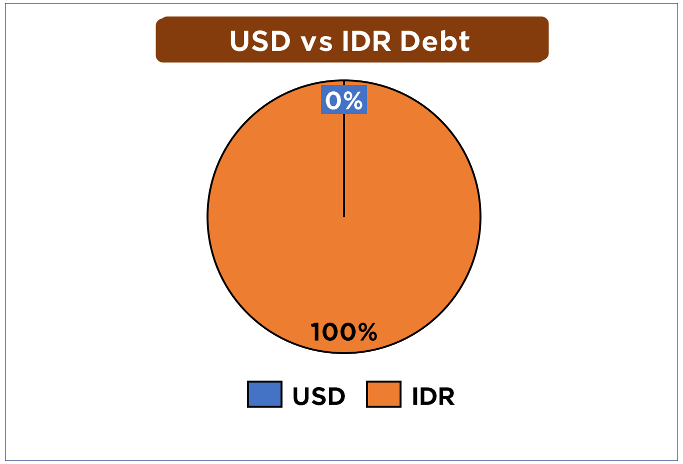


Borrowings Profile

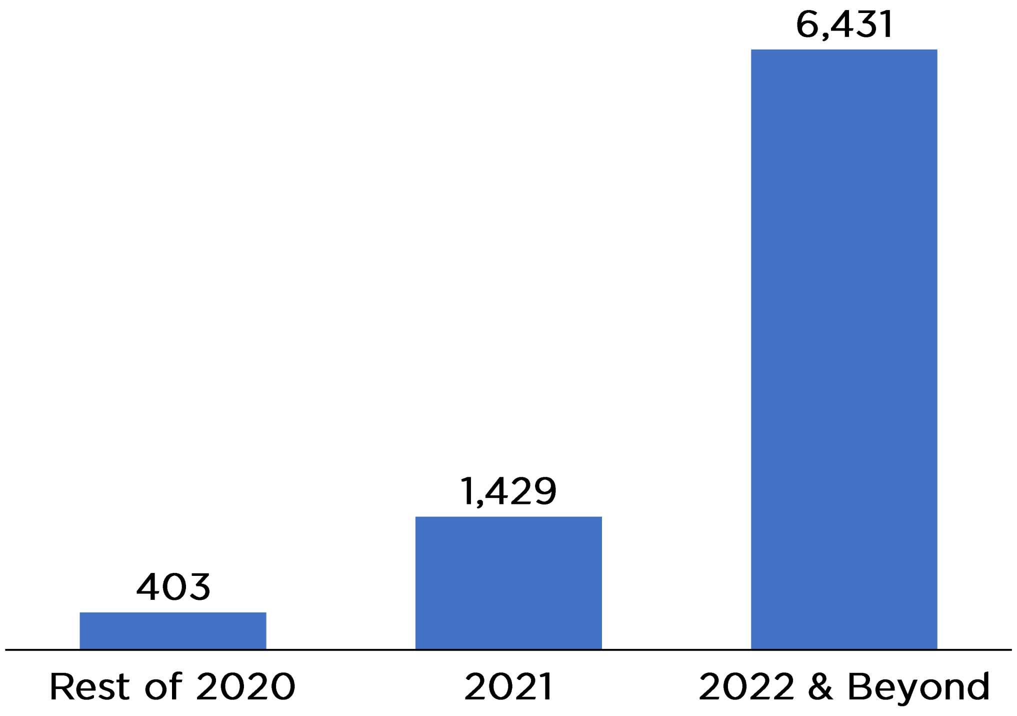
No USD denominated debt with 59% floating and spread maturities

Borrowings Profile





Maturities (IDR Bn)



Thank You!