

The slide features large, abstract geometric shapes in red and grey. On the left, a large red triangle points downwards, with a grey parallelogram overlapping its bottom edge. On the right, another red triangle points upwards. The main text is centered in the white space between these shapes.

Update on M1's transformation

23 October 2019

Transforming M1

M1 is being transformed from a telco into a provider of connectivity solutions as part of the Keppel Group.

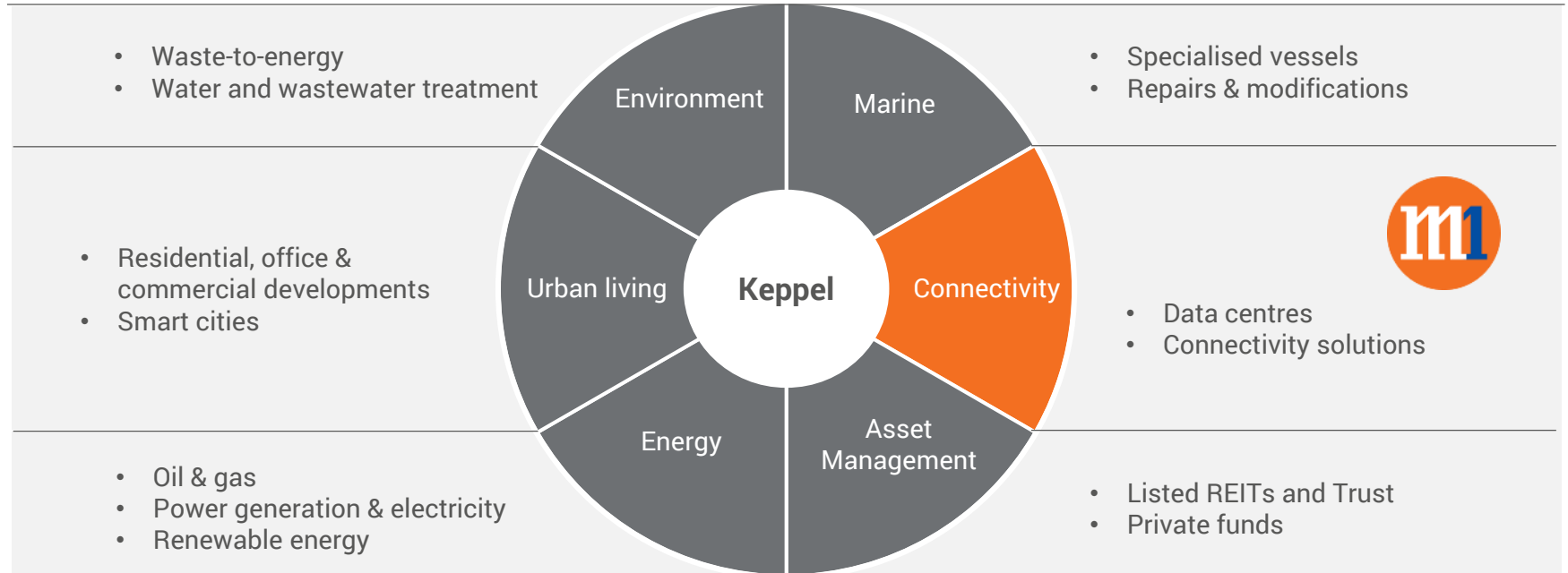
- M1's privatisation was an opportunity to turn around a business that Keppel knows well.
- We have a clear plan. There are risks and challenges ahead, but we are confident of overcoming them and creating value.
 - *Strengthening current offerings while developing new markets*
 - *Focusing on collaboration as part of the Keppel Group, e.g. smart cities, smart yards and data centres.*
 - *Unlocking opportunities in the B2C business through cross-selling services*
 - *Creating future-ready solutions – tapping a spectrum of 5G applications and use cases*
- M1, supported by Keppel and SPH, has a capable and experienced team to execute the transformation plans.

**Providing
connectivity
solutions**



Harnessing Synergies as OneKeppel

As part of the Keppel Group, M1 will collaborate with other member companies to create smarter, future-ready solutions for sustainable urbanisation.



From Telco to Connectivity Solutions Provider

1997

M1 was inaugurated by Keppel, SPH & partners



CIRCLES.LIFE

ASiAPAC
an M1 company

2019

Privatisation of M1 by Keppel & SPH

- Launched disruptive new propositions in consumer mobile ('OnePlan')
- Launched first standalone end-to-end 5G call
- Partnering PSA & IMDA to deliver Smart Port solution
- Partnering Keppel to develop Singapore's first autonomous tug vessels



2005

First to launch 3G in Singapore

2008

Introduced fixed broadband services

2010

First to launch fiber broadband services

2014

First to launch 4G LTE and 4G LTE-A network nationwide

2016

Launched Circles.Life, the most successful MVNO in Singapore

2018

Integrated AsiaPac to create full-service B2B telco with best-of-breed ICT and cloud offerings



M1 Rapidly Changing Since Start of 2019



- **New team** to accelerate continued transformation
 - CEO, CCO and CDO
- **Continually building competency and skills** and changing the way we work
- Engage **best-of-breed partners**
- **Results achieved** so far
 - Increased net adds through new B2C tariffs
 - Increased share of transactions via digital channels
 - Physical channel cost reduction
 - Improved internal processes such as fixed line activation

Senior Management



Manjot Singh Mann

Chief Executive Officer

- Previously, CEO of Pareteum Asia, Global CEO of Lebara Mobile and CEO of Hutchison 3 Indonesia



Lee Kok Chew

Chief Financial Officer

- Previously, CCO and Director of Finance of M1, Director of Finance of Mobileone Ltd, and COO of SPH Magazines



Mustafa Kapasi

Chief Commercial Officer

- Previously, Group CCO of Digicel Group, CCO of Airtel Zambia and Tanzania, and Head of Marketing of Hutchison 3 Indonesia



Denis Seek

Chief Technology Officer

- Previously, Senior GM and Head of Technology at Maxis Communications Bhd



Nathan Bell

Chief Digital Officer

- Previously, Director B2B Digital Transformation of Telstra and COO of TelkomTelstra



Willis Sim

Chief Corporate Sales & Solutions Officer

- Previously, Managing Director of Qala Singapore

Diverse combined skillset across management team:

Telco leadership

M1 context/history

Product development

Enterprise ICT solutions

Network infrastructure

Singapore depth

Sales & marketing

Southeast Asia

Financial expertise

MVNO/MVNE

Digital innovation

M1's Transformation through 4 Major Themes

1



**B2C – Strengthen
consumer business**

2



**B2B – Future
growth engine**

3



**Build
digital capabilities**

4



**Drive
regional expansion**

- **Synergies as part of Keppel to accelerate transformation**
 - **Balance sheet optimisation**

Strengthen Consumer Business



- **Shifting to a platform play with highly personalised offerings** across connectivity and 3rd party services
- **Made-to-measure strategy** already showing impact in the market
E.g. OnePlan delivered 5x increase in net adds in 2Q 2019
- **Redefining customer engagement** to further build NPSⁱ lead vs. MNO competition



Made-to-measure strategy to differentiate M1 in the market, protect ARPU and reduce churn to drive higher customer lifetime value

Growing B2C Businesses

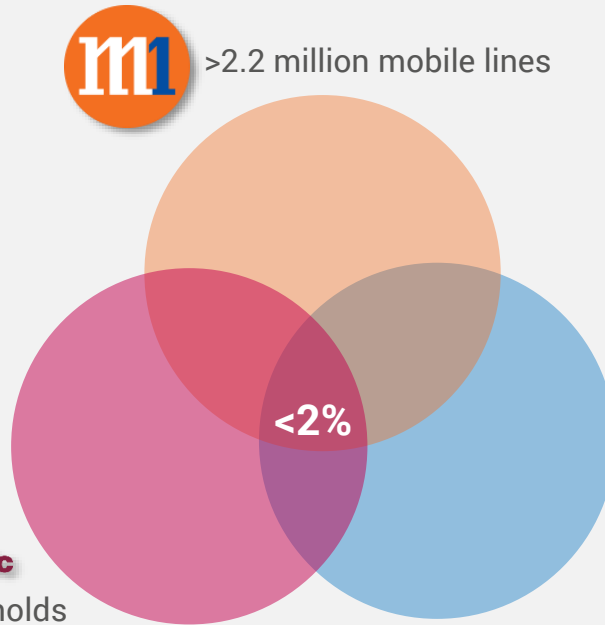
We are capturing cross selling opportunities to expand our consumer base and provide best value propositions for our customers.

1

Customer reachⁱ

- The Keppel Group serves ~90% of 1.3 million Singapore households
- <2% of households use all 3 services

Keppel Electric
>150,000 households



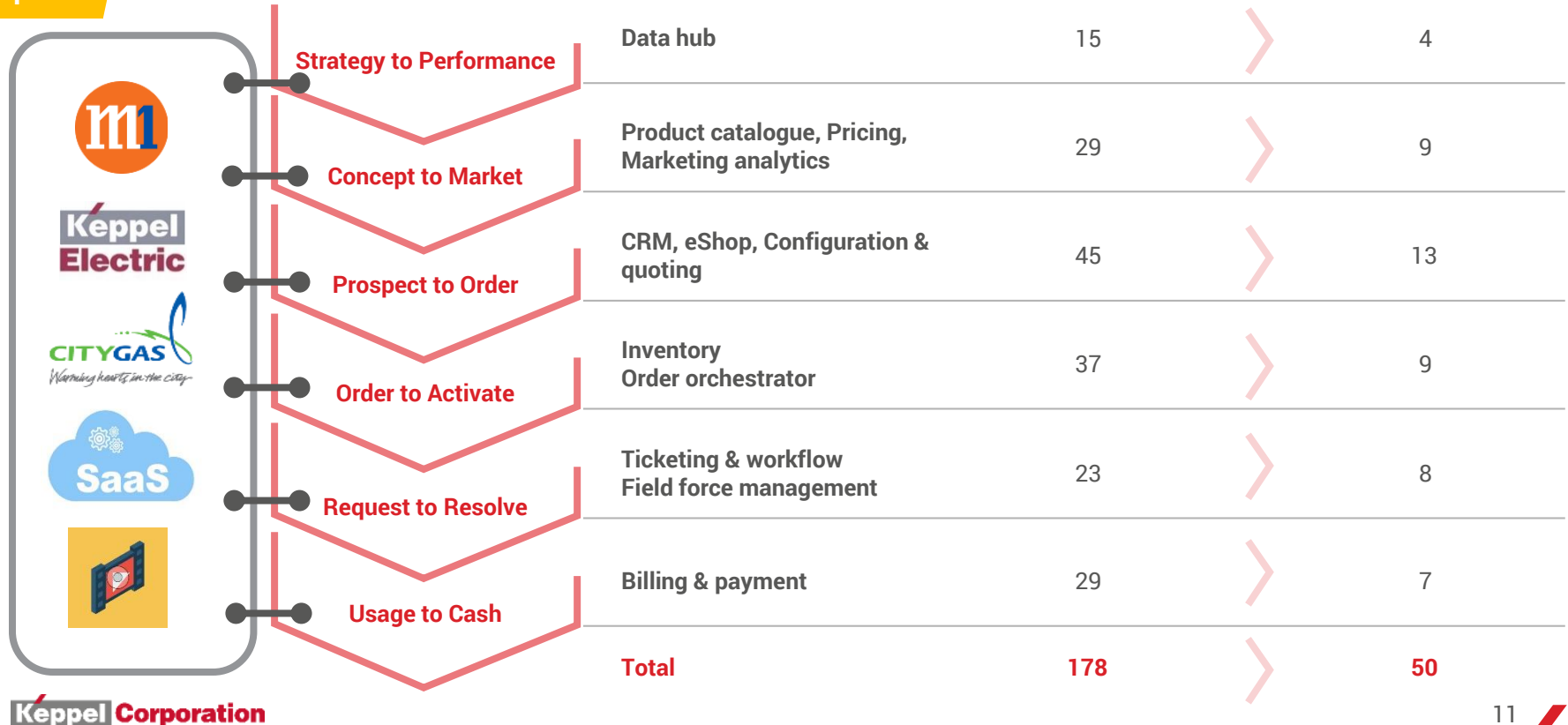
Cross selling will drive

- Increased share of customer wallet
- Greater customer stickiness from multi-service users



M1's Simplified IT Stack Interconnected with Keppel

1



Future Growth Engine

2



* Source : Gartner Market Statistics - Forecast: IT Services, Worldwide, 2017-2023, 3Q19 Update

- **Synergies as part of Keppel Group via access to clients and M1's capabilities to enhance Keppel's propositions**
 - E.g. Smart Cities, Smart Shipyards, Hybrid Cloud, holistic communications services (mobile, fixed, EUC) and more
 - Strong double digit yoy growth for mobile, fixed and ICT business since Keppel's acquisition
- **S\$16B* market for B2B Connectivity/ICT in Singapore**
 - Segment specific market differentiation for large enterprises, government and SMEs
 - Acquired AsiaPac in Nov 2018 to complement our offerings across connectivity & ICT
 - Optimising cross-sell between M1 and AsiaPac
 - Near term initiatives E.g. launch of SME portal
- **5G has a favorable regulatory environment in Singapore and continued evolution of uses cases**
 - Trials and gaining insights and knowledge to 5G (E.g. 5G Smart Port trial, 5G research collaboration with SUTD and NTU, Haidilao 5G trial)

**Achieved strong double-digit customer growth in mobile and fixed segments;
ICT revenue grew ~200% YoY**

Collaborating for Smarter Solutions

2

Offshore & Marine



Urban Solutions



Data Centres



M1 as part of Keppel to create smarter connectivity solutions

Offshore & Marine

2



50Mbps, 50ms

Autonomous Tug Boat

The 5G initiative can serve as an extension to the autonomous tug pilot program. The infrastructure shall provide a home-based test bed, allowing early sensing of 5G capabilities, particularly on latency performances

Q1-Q2 '20
(short term)

Transforming basic mechanized with significant manual labour, to a fully automated workshop. Such a workshop is envisaged to only require human intervention for unplanned events, enabled by seamless coordinated machines thru 5G



400Mbps, 100ms

Fleet AGV

From delivering material to keel block laying, the yard traffic management can be regulated with an AGV fleet. The 5G network is critical to the fleet's operation, enabling high accuracy position control wirelessly

Q3 '20 – Q2 '21
(mid term)

800Mbps, 100ms

Autonomous Workshop



600Mbps, 50ms

Semi-Autonomous Undocking

Undocking a vessel today involves manual communication to adjust the push-pull manoeuvring. This is to be transformed by a 5G network that supports the closed-loop control over capstans, cranes and tugboats to achieve autonomous operation

Q1 '21 & Beyond
(long term)

• M1 and Keppel O&M initiatives

- M1 to enhance small-cell coverage, smart surveillance systems, smart wearables for efficient workforce management
- Use cases identified and to trial with Keppel O&M – autonomous tug, AGVs, semi-autonomous docking/undocking

Urban Solutions

2

~US\$ 25-30 billion*

APAC smart city market in 2025



* Source: Navigant Research 2016

Note: Includes smart government, smart buildings, smart mobility, smart water, and smart energy

Keppel Corporation

- **Joint initiatives between M1 and Keppel**

- M1-Keppel Land Smart Lives programme to create smart homes with integrated security system, healthcare devices and lighting at The Luxurie, Singapore
- M1 and Keppel Electric deployed a smart meters pilot for customers to improve energy efficiency in Singapore
- Future partnerships between Keppel and M1 on smart city projects



Data Centres

2

~US\$ 4 billion*

Data centre spend in Southeast Asia's top 4 countries by 2025



* Source: Gartner Market Statistics - Forecast: IT Services, Worldwide, 2017-2023, 3Q19 Update

Note : Top 4 countries are Singapore, Indonesia, Malaysia, and Thailand. Includes IaaS, hosting and colocation by enterprises; excludes Managed Services

- **Existing M1 partnership with Keppel DC**
 - M1/AsiaPac was first launch partner for VMware Cloud on Amazon Web Services (AWS) in Singapore
- **Keppel DC, M1 and AsiaPac to create powerful Hybrid Cloud partnership with diverse capabilities**
 - Keppel DC - Extensive DC footprint in Singapore and globally
 - M1 - Ubiquitous high-speed connectivity
 - AsiaPac - Deep Cloud expertise and relations with hyperscalers AWS and Microsoft Azure
- **Target government and MNCs/Local Large Enterprises on multi-Cloud solutions**
 - Replicable for regional deployment
 - Ongoing pilot with customer

Build Digital Capabilities

3



- **Transformation requires changes to people and internal processes**
 - **People:** New talents, retraining people and driving new ways of working
 - **Processes:** “Design to zero”, people add value
 - **Digital capabilities:** Driving best-of-breed off-the-shelf technology to simplify, improve flexibility and future proof tech stack
- **Customers to see major benefits and change the way they interact with us**
 - Reduction in fixed activation time, improvements in sales and service transactions via digital channels
- **Digital transformation provides opportunities to :**
 - Optimise costs and capex
- **Significant opportunities to leverage shared digital capabilities across Keppel**
 - Improved UX for customer cross-sell, deeper customer insights, new capabilities for urbanisation solutions



**Digitalisation to deliver paradigm shift for our customers,
our people and our business outcomes**

Drive Regional Expansion

4



- **Regional expansion is a natural next step following our growth plans within the Singapore market**
- **Replicate Singapore success to selected markets with a focus on:**
 - Regional data center / hybrid cloud
 - B2B regional expansion – Building on our strength in Singapore to access regional opportunities
 - Regional MVNE platform



M1's capabilities and synergies as part of the Keppel Group will give us an opportunity to expand our business beyond Singapore

Growth Plans

Balance sheet optimisation



- Asset light model
- Free up cash for other investments
- Improve ROE

Business outcomes



Fixed services

Increase in fixed services revenue

MVNO

Grow wholesales revenues

ICT services

Increase service revenue

Mobile

Increase Sub-market share

Cost

Reduce OPEX

The Future of M1

- **Digital First customer experience leader**
- **Leader in the telecoms industry NPS**
 - **Target ROE: 25%***



B2C – Strengthen consumer business

- Digital lifestyle platform play



B2B – Future growth engine

- Integrated connectivity & ICT play



Build digital capabilities

- New digital capabilities and ways of working



Drive regional expansion

- Natural next step

*ROE target disclosed in Keppel Corporation's 1Q 2019 results announcement.
M1 achieved ROE of 25.8% in 2018.

Integral part of Keppel

Questions

