

APAC telcos performance benchmarks

Summer 2024

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Key takeaways

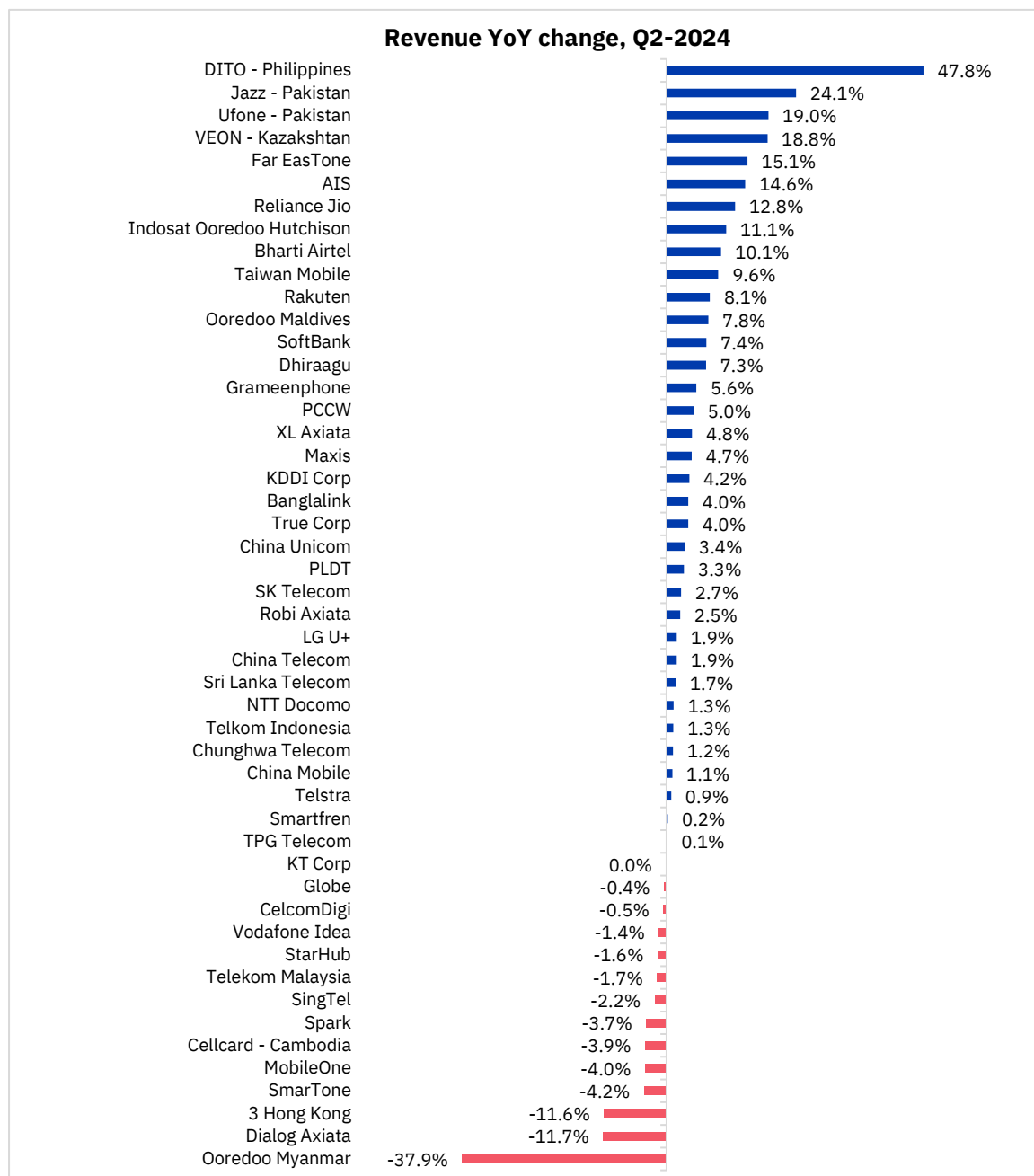
- The average Year-on-Year (YoY) revenue growth for APAC telcos reduced from ~4.7% in Q2-2023 to ~3.8% in Q2-2024.
- Despite the slowdown in growth, the 49 telcos analysed in Q2-2024 achieved a combined revenue of USD 147.7 billion. Around 72% of these telcos reported positive revenue growth, with 9 recording YoY gains exceeding 10%.
- The average EBITDA margin stabilized at around 39% in Q2-2024.
- About 72% of the 46 analysed telcos reported positive changes in EBITDA during Q2-2024. Nearly ~35 % of telcos reported a slight EBITDA variation, within a manageable range (-3% to +3%).
- Average CAPEX intensity declined significantly from 16.4% in Q2-2023 to 14.1% in Q2-2024. The maturation of 4G and 5G network deployments in India and China resulted in lower CAPEX allocation.
- Nearly 61% of the 41 telcos analysed reported a YoY CAPEX decline in Q2-2024, up from ~57% in Q2-2023.
- Out of the 35 analysed telcos for ARPU, nearly 55% reported YoY ARPU growth in Q2-2024. Nearly 32% reported higher YoY ARPU growth in Q2-2024 compared to Q2-2023.
- The expansion of 4G/5G networks, ARPU improvement initiatives, increasing data usage and growth in post-paid ARPU have contributed to consistent ARPU growth.
- Telcos have introduced new digital services and partnered with technology vendors to accelerate digital transformation. These efforts focus on enhancing network infrastructure, customer experiences, and adopting technologies like AI and 5G.

Revenue analysis of APAC telcos: Q2-2024

Average revenue growth for leading global telcos slowed from ~4.7% in Q2-2023 to ~3.8% in Q2-2024

Approximately 72% of telcos achieved YoY revenue growth in Q2-2024 (as compared to ~80% in Q2-2023). The combined revenue of the 49 analysed telcos increased by ~USD 4.3 billion to ~USD 147.7 billion in Q2-2024, with 9 (around 18%) of the total telcos exhibiting double-digit growth.

Exhibit 1: Revenue trends (% change) for APAC telcos (YoY basis), Q2-2024



Note: Revenue for PCCW, Spark, TPG Telecom, SmartTone, 3 Hong Kong, Telstra has been estimated basis H2-2024 results

Source: Telco financials, Twimbit analysis

Key highlights

- Emerging markets, including the Philippines, India, Indonesia, Thailand, and Bangladesh, have witnessed sustained growth in telco revenue, primarily driven by the expanding adoption of 4G and 5G services.
- Competition has intensified with the entry of DITO in the Philippines, while in Pakistan, telcos have reported robust revenue growth driven by a rising 4G user base.
- India's leading telcos, Bharti Airtel and Reliance Jio, have seen revenue growth propelled by price increase and also subscriber growth.
- In Singapore, telco revenue growth is under tremendous pressure with intensifying price competition.
- Telcos like MobileOne (M1), 3 Hong Kong, and SmarTone have been further impacted by a decline in handset sales.

DITO - Philippines

DITO reported highest YoY revenue growth amongst APAC telcos in Q2-2024. Having commercially launched its services in 2021, the revenue growth has been driven by its improved network coverage which spans 853 cities in Q2-2024. It also launched its post-paid offerings in August-2023 to further ramp up its commercial operations with targeted subscriber acquisition. With a population coverage reaching 80.65% in Q2-2024, its overall average subscriber soared by ~51% YoY to reach 11.3 million in Q2-2024.

Jazz - Pakistan

Revenue increased 24.1% YoY to USD 340 million (PKR 94.6 billion) in Q2-2024, primarily driven by data segment, driven by 4G user base expansion. 4G users grew 11% YoY totalling 47.3 million with 4G penetration increasing to 66% in Q2-2024.

Ufone - Pakistan

Revenue grew 19% YoY to USD 199.5 million in Q2-2024, primarily attributed to a strong mobile and FTTH customer additions. Additionally, the strong showing in the consumer sector was also enhanced by marked advancements in fixed broadband, mobile data, and business solutions.

VEON - Kazakhstan

VEON - Kazakhstan achieved 18.8% YoY revenue increase to USD 223.8 million (KZT 100.3 billion) in Q2-2024, driven by growth in revenue from both mobile and fixed-line segment.

Far EasTone (FET)

FET's revenue increased led by increased contribution from Mobile and New Economy Business" revenue. Increased 5G penetration (40.5% in H1-2024) coupled with growth in mobile post-paid ARPU and overall subscriber count resulted in mobile revenue growth. "New Economy Business" revenue (Big Data, AI, and IoT) increased 10% YoY.



Spotlight Telco*: Reliance Jio

Reliance Jio: Empowering India with a True Digital Life

Wireless/5G



- Largest 5G operator outside China with 130+ million subscribers and the largest operator globally in terms of data traffic
- Only telco in India to have access in low, mid and high-band (700 MHz, 3300 MHz and 26GHz) spectrum for 5G

Wireline Access



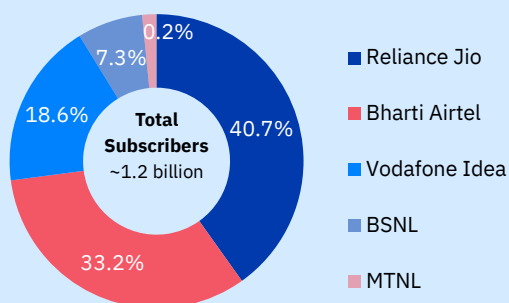
- Fastest telco to surpass 1 million connections on Fixed Wireless
- Building on #1 position in home broadband with >60% share of industry net additions

ARPU & Tariffs

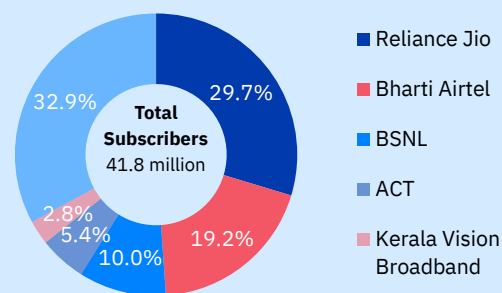


- Consistent ARPU for last 5 quarters (~INR 182/USD 2.2)
- Launched new unlimited plans with 13%-25% higher tariff effective 3rd July 2024

Wireless subscriber market share: Q2-2024



Wireline broadband subscriber market share: Q2-2024



"Ubiquitous, high-quality, affordable internet is the backbone of Digital India and Jio takes pride in contributing to this. Our new prepaid plans would foster industry innovation towards 5G and AI and drive sustainable growth. Jio with its superior network and new service propositions would further build its market leadership with a customer first approach."

- Akash M Ambani, Chairman, Reliance Jio Infocomm



Source: Telco financials, TRAI-June 2024, Twimbit analysis

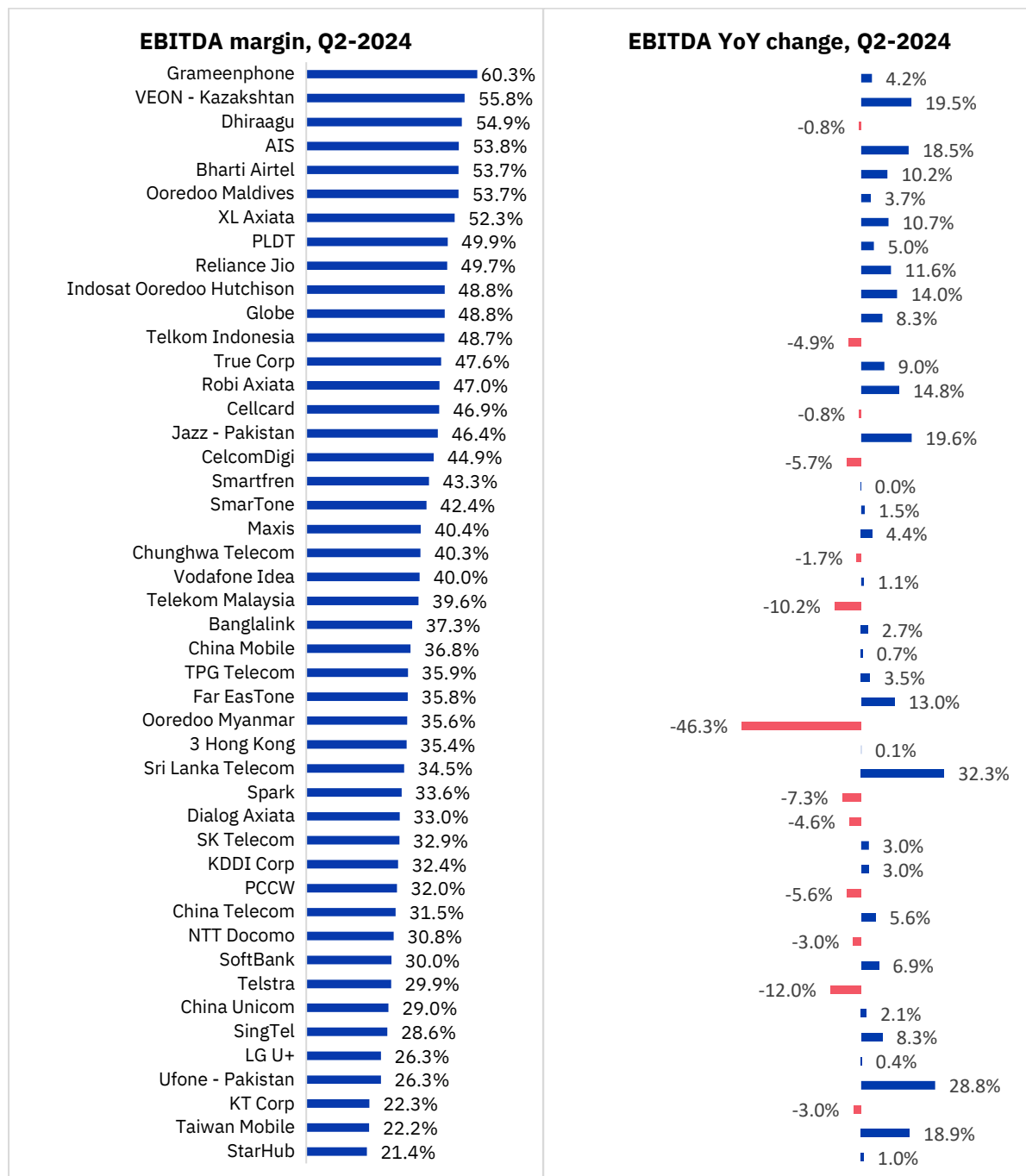
* Highest revenue growth amongst APAC telcos with Revenue >=USD 3 billion in Q2-2024

EBITDA analysis of APAC telcos: Q2-2024

Average EBITDA margin for the leading global telcos stabilised at ~39% in Q2-2024

Cost control measures, operational efficiency initiatives, and sustained top-line growth have stabilized EBITDA for ~72% of the analysed telcos. Nearly 35 % of telcos reported a slight EBITDA variation, within a manageable range (-3% to +3%).

Exhibit 2: EBITDA and EBITDA margin trends for APAC telcos, Q2-2024



Note: EBITDA for PCCW, Spark, TPG Telecom, SmartTone, 3 Hong Kong, Telstra has been estimated basis H2-2024 results
Source: Telco financials, Twimbit analysis

Key highlights

- Top line revenue growth driven by increased subscriber addition and higher ARPU contributed to EBITDA growth of telcos like Ufone and Jazz.
- Additionally, cost control facilitated EBITDA growth of telcos like Sri Lanka Telecom, whereas merger synergies with T-Star facilitated EBITDA growth for Taiwan Mobile.
- However, relatively lower revenue growth rate/decline in revenue as compared operating costs, negatively impacted the EBITDA margins of leading telcos like Telstra, Spark and CelcomDigi.

Sri Lanka Telecom

Sri Lanka Telecom maintained revenue growth but reduced costs of operation (direct costs) significantly resulting in operating profit increasing by almost six-folds to USD 5.2 million (LKR 1.6 billion). The EBITDA margin increased to 34.5% in Q2-2024.

Ufone - Pakistan

Ufone - Pakistan EBITDA margin increased to 26.3% in Q2-2024 bolstered by strong revenue growth, which offset the impact of inflation and adverse macroeconomic factors.

Jazz - Pakistan

Jazz - Pakistan reported EBITDA margin of 46.4% in Q2-2024, driven by topline revenue growth on account of higher ARPU and customer growth. Additionally, a significant revenue gain of 83.1% from JazzCash and 73.7% from Mobilink Microfinance Bank respectively propelled the revenue growth.

Veon - Kazakhstan

Veon - Kazakhstan EBITDA margin reached 55.8% in Q2-2024, led by increased revenue as a result of higher ARPU, an expanding customer base and increased data and digital service usage that collectively enhanced year-on-year revenue.

Taiwan Mobile

Taiwan Mobile's EBITDA margin increased to 22.2% in Q2-2024, led by expanded scale and realization of positive impact of the merger with T-Star. Benefitting from the synergies ahead-of-schedule network consolidation, its operating income grew 11% YoY in Q2-2024.

Ooredoo Myanmar

Ooredoo Myanmar's EBITDA margin declined to 35.6% in Q2-2024, due to sales completion of its operations in the country on May 31, 2024.

Telstra

Telstra's EBITDA margin declined to 29.9% in Q2-2024, owing to decline in EBITDA in Fixed – Enterprise segment, which offset the growth in others segments Mobile, Fixed - C&SB, International and Infrastructure.

- Decline in Fixed - Enterprise EBITDA was driven by lower revenue and increased costs in Network Applications and Services (NAS) and Data and Connectivity (DAC) segments.
 - NAS EBITDA declined due to lower revenue from calling applications and professional services revenue, coupled with increased costs.
 - DAC EBITDA declined due to reduction in revenue and increased costs.

Telekom Malaysia

Telekom Malaysia's EBITDA margin decreased to 39.6% in Q2-2024, as its revenue growth declined to 1.7% YoY, which negated the 1% decline in operating cost.

Spark

Spark reported EBITDA margin decline to 33.6% in Q2-2024 owing to decline in decline in revenue despite reduction in the product and labour related operating expenses.

- Reduced consumer and business spending along with pricing pressures owing to increased competition impacted the overall revenue growth.

CelcomDigi

CelcomDigi's EBITDA margin declined to 44.9% in Q2-2024, owing to increase in the expenses incurred, as well as revenue decline.

- Cost of goods and services (COGS) increased 13.5% YoY to USD 154.5 million (MYR 731 million), owing to higher materials costs and traffic charges incurred.

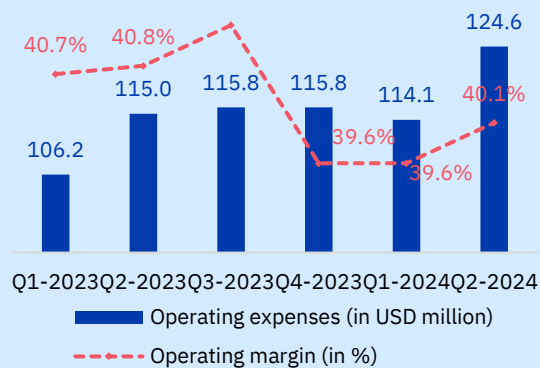


Spotlight Telco: Grameenphone

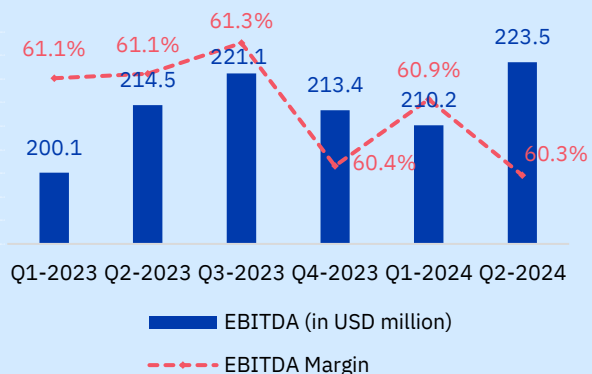
Grameenphone: Financial discipline drives best in class margins

- Highest EBITDA margin amongst APAC telcos
- Top line revenue growth and financial discipline results in EBITDA margin above 60% for ninth consecutive quarter
- Focus on efficiency and automation offsets cost pressure

Grameenphone Operating expenses trends: Q1-2023 – Q2-2024



Grameenphone EBITDA trends: Q1-2023 – Q2-2024



"The macroeconomic headwinds that have been prevalent since last year exacerbated due to central banks' continued tightening policies, calibration of energy prices while reducing subsidies, increase of supplementary duties and the effects of natural disasters such as cyclones and flood. Despite these challenges, we remained focused on our growth strategies and showed stability in our performance by delivering consistent growth in topline and EBITDA."

- Yasir Azman, CEO, Grameenphone

Source: Telco financials, Industry reporting, Twimbit analysis



Spotlight Telco*: Bharti Airtel

Bharti Airtel: India operations ensuring sustainable margins

Mobile customers: 354.5 million

Airtel Payment bank customers: 164.9 million

Population coverage: 96.2%

Homer services (cities covered): 1,317

Digital TV districts coverage: 99.8%

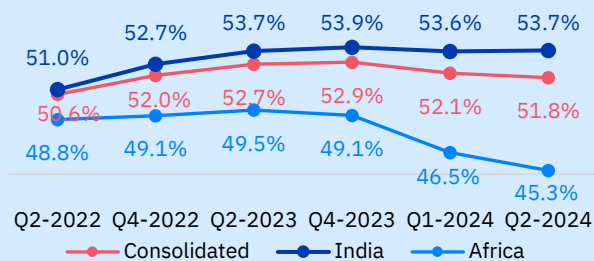
ARPU: Highest in market (INR 211/USD 2.5), YoY growth: 5.4%

Monthly Churn: 2.8%

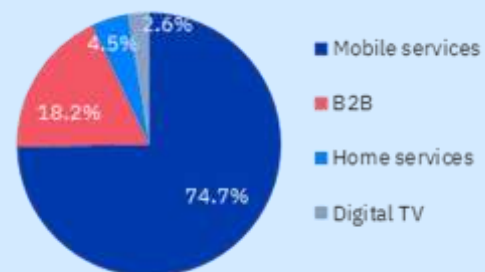
Network Towers: 324,498 (+14.2% YoY)

MBB Base stations: 947,377 (+11.1% YoY)

Bharti Airtel - EBITDA trends: Q2-2022 – Q2-2024



Bharti Airtel India - Revenue composition: Q2-2024



"We delivered yet another consistent quarter, consolidated revenue is just over Rs.38,500 Crores. India delivered a steady growth of 1.9% sequentially with Rs.29,046 Crores of revenue, EBITDA margins came in at 53.7%. We had a strong operating free cash flow, which is EBITDA minus capex of about Rs.8,800 Crores."

- Gopal Vittal, MD and CEO, Bharti Airtel

Source: Telco financials, TRAI-June 2024, Twimbit analysis

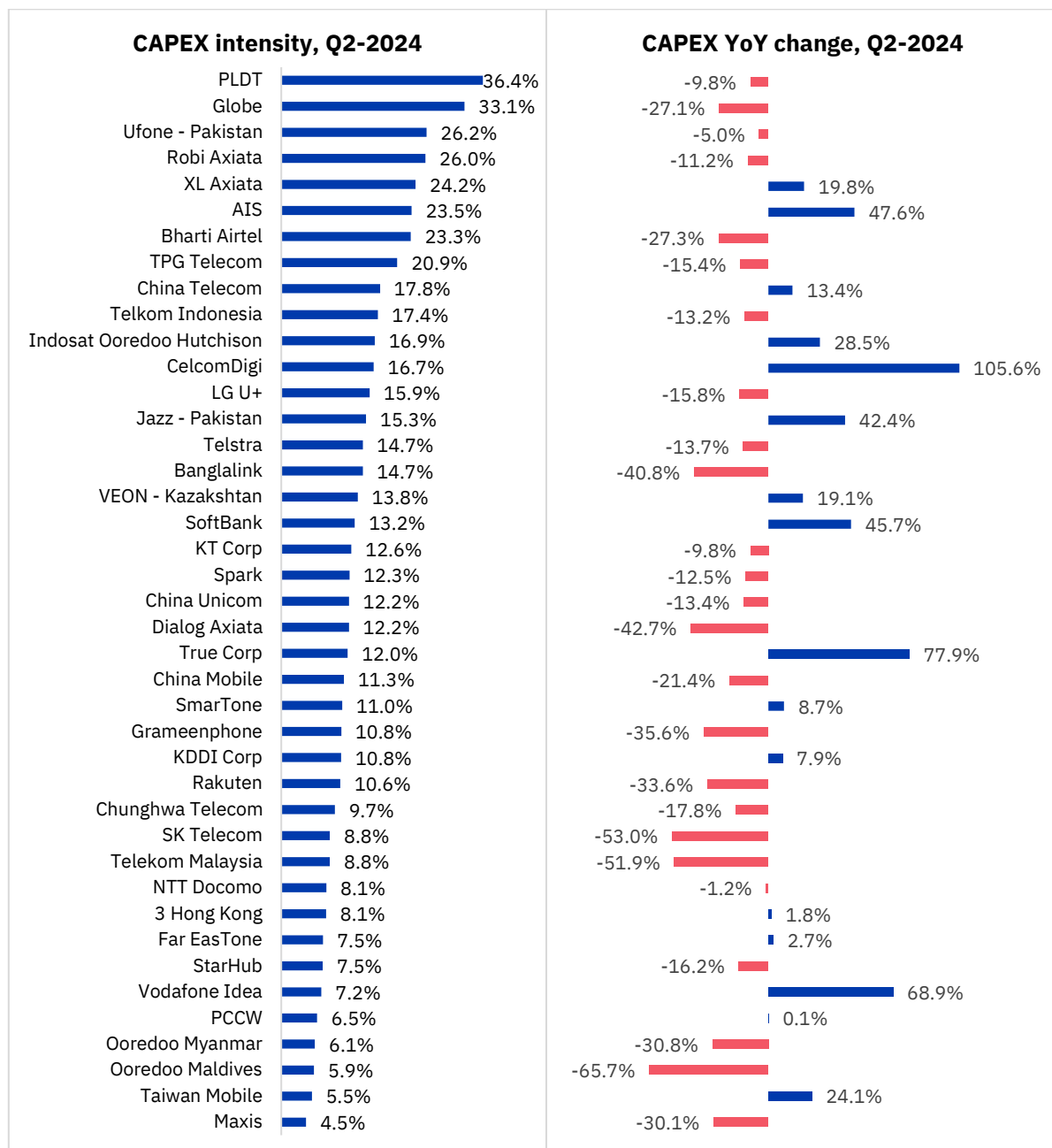
* Highest EBITDA margin amongst APAC telcos with EBITDA >=USD 1 billion in Q2-2024

CAPEX analysis of APAC telcos: Q2-2024

Average CAPEX intensity declined to 14.1% in Q2-2024 as compared to 16.4% in Q2-2023, as 4G/5G network deployment of leading telcos reaches completion

Nearly 61% of the 41 telcos analysed reported a YoY CAPEX decline in Q2-2024, up from ~57% in Q2-2023. The maturation of 4G and 5G network rollouts in major markets suggests CAPEX stabilisation or a potential decrease in the upcoming years.

Exhibit 3: CAPEX and CAPEX intensity trends for APAC telcos, Q2-2024



Note: CAPEX for PCCW, Spark, TPG Telecom, SmartTone, 3 Hong Kong, Telstra has been estimated basis H2-2024 results

Source: Telco financials, Twimbit analysis

Key highlights

- Capital expenditure (CAPEX) for many telcos has decreased as 4G and 5G network deployments have neared completion, particularly in countries like India and China, where CAPEX had surged in the fiscal years 2022 and 2023.
- However, Thai telcos have reported an increase in CAPEX spending due to the deployment of 5G networks and expanding fibre broadband infrastructure.
- Furthermore, investments in artificial intelligence, data centre development, and IT integration initiatives have led to higher CAPEX spending for telcos such as SoftBank and KDDI.
- Conversely, relatively higher expenses in previous years have prompted telcos like Banglalink and Telekom Malaysia to reduce their CAPEX spending and shift their focus towards network monetization.

CelcomDigi

CAPEX intensity grew to 16.7% in Q2-2023, with spending of USD 109.5 million (MYR 518 million) in Q2-2024.

- The telco focused on delivering its network and IT integration initiatives. It included completion of network integration and modernisation efforts in Penang and planned execution of targeted nationwide upgrades with over 8,500 sites modernised at end July 2024.

True Corp

CAPEX spending grew 77.9% YoY in Q2-2024, driven by investments focused on network modernization to increase 5G coverage and enhancement of customer experience.

Vodafone Idea

CAPEX spending grew 68.9% YoY in Q2-2024, driven by increased spending with a view to improve competitiveness in priority circles with improved 4G coverage and Rollout of 5G.

- Over the next 3-year period, the telco plans to focus on expanding 4G population coverage in 17 priority circles, capacity expansion to address the increasing data demand, investment in expanding LTE 900 MHZ spectrum in 16 circles to improve network quality and Extensive deployment of TDD, Massive MIMO, and small cells to increase capacity and coverage across the network.

AIS

CAPEX spending grew 47.6% YoY in Q2-2024, led by increased expenditure for 5G network expansion and integration of TTTBB's operations to expand the broadband network.

Further, investment in digital platform and enterprise solutions, integration of AI to optimise network and IT infrastructure and customer experience enhancement also led to increased CAPEX.

SoftBank

CAPEX spending increased 45.7% YoY in Q2-2024, primarily owing to investments in AI computing platforms and network quality improvements.

- Additionally, CAPEX spending for SoftBank and the combined entity of Line, LY Group, and PayPay segments increased by 48.2% and 40.5% YoY, respectively.

Ooredoo Maldives

CAPEX spending declined 65.7% YoY in Q2-2024, owing to higher costs already incurred in 2023 for strategic projects like Disaster Recovery site and Subsea Cable.

Telekom Malaysia

CAPEX declined 51.9% YoY in Q2-2024, due to decline in investments for Access, Core and Support networks.

Banglalink

CAPEX declined 40.8% YoY in Q2-2024, due to higher expenditure already incurred in FY-2022 and FY-2023 for the completion of the 4G network deployment.

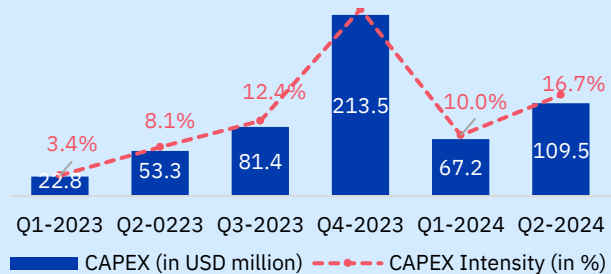


Spotlight Telco: CelcomDigi

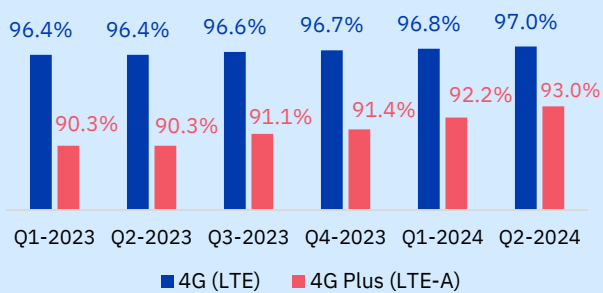
CelcomDigi: Focus on network modernisation

- Surpassed the 50% target of network integration and modernisation in Q2-2024, targeting 75% by Q4-2024.
- Completed network integration and modernisation efforts in Penang.
- **Sites modernised:** >8500 sites
- **Sites phased out:** >3,500 sites
- **Signal quality:** >82%
- **Average speed:** >80Mbps (NIC); >68 Mbps (Nationwide)
- Invested USD 10.6 million (MYR 50 million) for AI Experience Centre along with partners to focus on 5G and AI innovations.

CelcomDigi CAPEX trends: Q1-2023 - Q2-2024



CelcomDigi Population coverage: Q1-2023 - Q2-2024



“Fundamentally, the business is transforming robustly to serve the needs of consumers and enterprise customers in a new 5G-AI powered age of ‘digital everything’, with our new network delivering an improved experience to our customers. We also look forward to supporting the government with the country’s dual network transition and accelerating its ambitions to be a 5G-AI powered digital society.... We are committed towards ensuring a thriving 5G ecosystem built for the nation, with the rakyat in mind.”

- Datuk Idham Nawawi, CEO, CelcomDigi



Source: Telco financials, Industry reporting, Twimbit analysis



Spotlight Telco*: SoftBank

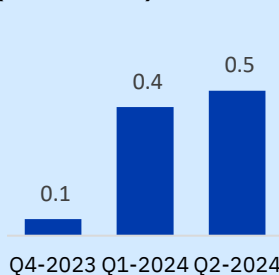
SoftBank: Paving the way for a digitally interconnected future

Aim: “Become a company that provides next-generation social infrastructure essential for development of a digital society”.

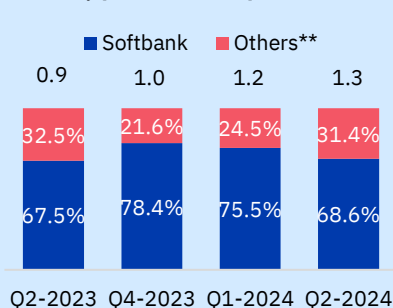
Beyond Carrier Strategy: Aims to expand beyond telecommunications, driving sustainable growth across the information and technology sectors.



Long-term growth investments*, Q4-2023 – Q2-2024 (in USD billion)



CAPEX trends, Q2-2023 – Q2-2024, (in USD billion)



SoftBank CAPEX: Consumer segment and Enterprise segment, Q2-2023 – Q2-2024, (in USD billion)



May-2024: Discussions with KDDI to collaborate for the deployment of 5G in Japan.

Jun-2024: MoU with Sharp to construct large AI- scale data centre, to be operational by 2025.

Aug-2024: Deploying AI-RAN equipment across its distributed AI data centres to establish computing.

* Includes investments in AI computing platform and investment to Cubic Telecom, ** Includes LY Group, PayPay. etc
Source: Telco financials, Industry reporting, Twimbit analysis

* Highest CAPEX spending growth amongst APAC telcos with CAPEX >=USD 500 million in Q2-2024

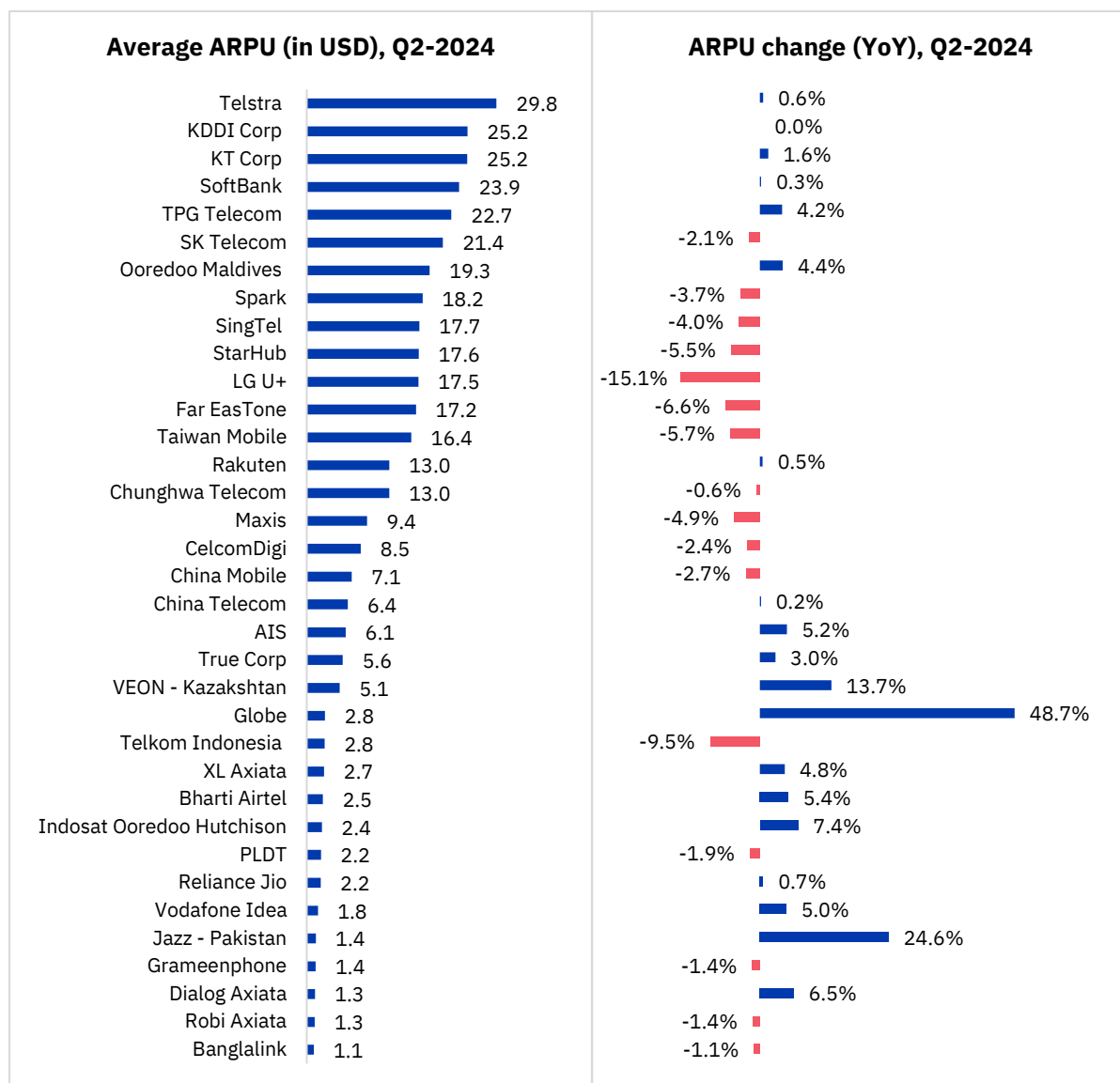
ARPU analysis of APAC telcos: Q2-2024

ARPU stabilizes with ~55% of telcos reporting YoY growth in Q2-2024

The ARPU analysis for the 35 telcos analysed is as follows:

- ~55% reported increased ARPU levels in Q2-2024
- Nearly 32% reported higher YoY ARPU growth in Q2-2024 compared to Q2-2023
- Nearly half (46%) of the telcos % stabilized their ARPU levels in Q2-2024, with YoY changes ranging from -3% to 3%

Exhibit 4: ARPU trends for APAC telcos, Q2-2024



Note:

1. For Average ARPU (in USD), the average currency conversion rate for the period Apr-Jun 2024 has been considered.
2. SingTel ARPU represents Singapore operations.
3. ARPU for Spark, TPG Telecom, Telstra has been estimated basis H2-2024 results

Source: Telco financials, Twimbit analysis

Key highlights

- 4G and 5G network deployment initiatives have significantly boosted data consumption, leading to increased ARPU for Globe and DITO in the Philippines.
- In India, pricing correction strategies adopted by telcos like Bharti Airtel and Reliance Jio to monetize their 4G and 5G services have resulted in ARPU growth.
- In Japan, ARPU levels have stabilized due to increased smartphone users and 5G network expansion, offsetting the impact of tariff reductions and regulatory interventions that were evident in mid-2023.
- Matured markets like Australia have seen marginal improvements in ARPU due to post-paid and pre-paid tariff increases.
- However, in Singapore, despite increased subscriber counts for SingTel and StarHub, ARPU levels have been buoyed by intense competition from Simba Telecom, which has engaged in aggressive pricing strategies primarily targeting the lower end of the market.
- Increased competition in select countries has impacted post-paid ARPU levels, leading to an overall decline in ARPU.

Globe

Globe reported highest ARPU growth of 48.7% YoY in Q2-2024, amongst the APAC telcos driven by increased data usage.

- Intensive focus on 5G sites deployment, upgradation of sites to LTE along with 5G partnerships with 167 partners across 87 destinations facilitated increased data adoption amongst the users.
- Although, overall subscriber declined ~30% YoY in Q2-2024, due to increased competition and after-effects of the SIM registration exercise in 2023, the telco managed to increase its overall blended ARPU primarily led by the prepaid segment.

Jazz - Pakistan

Jazz - Pakistan reported an ARPU growth of 24.6% YoY in Q2-2024, primarily lead by growth in 4G user base and increased 4G penetration, which reached 47.3 million and 66% respectively at the end of Q2-2024.

- Additionally, multiplay users accounted for 29% of monthly active 4G customers, which have an ARPU 3.2x higher than voice-only customers.

IOH

The blended ARPU increased by 7.4% YoY in Q2-2024, driven by growth on Postpaid and prepaid ARPU which grew 7% and 38% respectively on YoY basis.

- Focus on continuous network expansion with 4G BTS reaching ~188,000, resulted in increased data traffic, also in the key driver facilitating ARPU growth.

LG U+

The ARPU decreased 15.1% YoY due to the introduction of relatively low priced 5G plans. With most premium customers already on 5G and remaining users being slow to upgrade, resulted a dip in 5G growth and overall ARPU.

Telkom Indonesia

The blended ARPU declined by 9.5% YoY in Q2-2024, owing to

- Reduced consumer spending post Ramadan and Eid al-Fitr.
- IndiHome's B2C integration into Telkomsel added pressure on ARPU during the shift to digital services.

Far EasTone

The blended ARPU decreased 6.6% in Q2-2024, owing to average 4.7% decline in postpaid ARPU.

Taiwan Mobile

The blended ARPU declined 5.7% in Q2-2024, due decline in postpaid ARPU by ~9%, as competitive 4G pricing continue to negatively impact its smartphone postpaid ARPU.

StarHub

The blended ARPU declined 5.5% YoY Q2-2024, primarily attributed to the decline in postpaid ARPU, with prepaid ARPU remaining stable at USD 5.2 (SGD 7).

- Postpaid ARPU declined by 6.3% YoY to USD 22.2 (SGD 30), due to lower IDD revenue, excess data usage, voice usage, voice and data subscriptions, and value-added services ("VAS") revenues partially mitigated by higher roaming.

Maxis

The blended ARPU fell 4.9% to USD 9.4 (MYR 44.7) in Q2-2024, owing to decline in both prepaid and postpaid ARPU.

- Prepaid ARPU declined 6.2% YoY in Q2-2024 owing to intensified market competition, whereas postpaid ARPU declined 4.9% YoY, owing to its strategy to broaden price range of Postpaid plans to attract customers from all segments.



Spotlight Telco: Globe Telecom

Globe: Mobile data and Post-paid segment emerge as ARPU growth drivers

- 5G sites deployment and upgradation of sites to LTE, along with 5G partnerships with 167 partners across 87 destinations boosts data usage for Globe.
- Mobile data accounted 82% of the total mobile service revenues in Q2-2024 (80% in Q2-2023).
- Mobile data revenue surged as Filipinos increasingly utilized mobile applications for a wide range of online activities, including e-commerce, media streaming, and social networking.
- In Aug-2024, introduced new post-paid subscription packages called **Globe GPlan PLUS**, to enable subscribers customize their monthly plans anytime.



Mobile customers

59.5 million



Mobile Data users

37.0 million



5G devices registered

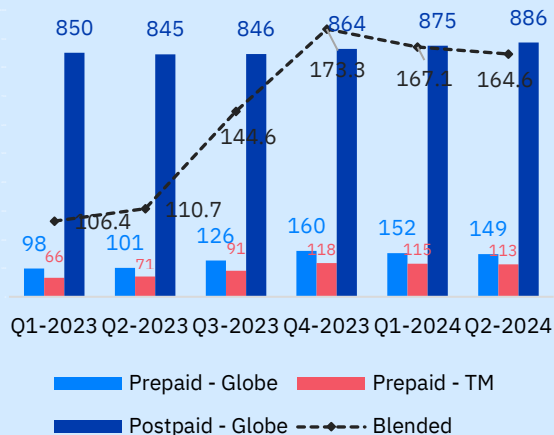
7 million



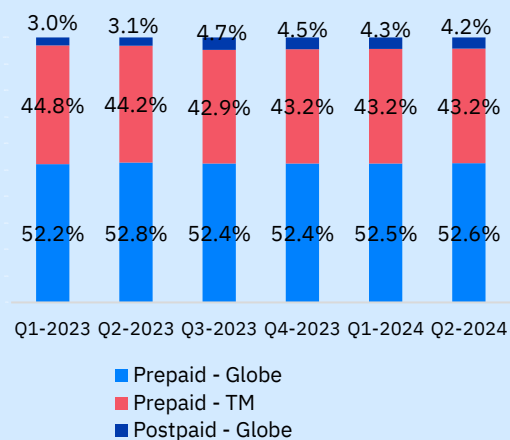
Mobile Data monthly ATPU

15.6 GB

Globe ARPU trends: Q1-2023 – Q2-2024 (in PHP)



Globe subscriber composition: Q1-2023 – Q2-2024



"With innovation and customer-centricity at the core of our business strategy, we remain optimistic about the future. We believe that by prioritizing our valued customers' needs, we can unlock new opportunities and create a more interconnected Philippines, ultimately shaping a brighter future for our nation."

- Ernest L. Cu, President and CEO of Globe Telecom Inc



Note: Globe Prepaid focuses on the mainstream market while Touch Mobile (TM) caters to the value-conscious segment of the market

Source: Telco financials, Industry reporting, Twimbit analysis



Spotlight Telco: StarHub

StarHub: Stable prepaid ARPU stalls the overall ARPU decline

- Consumer ARPU largely remained resilient YoY across most segments in 1H-2024 despite sustained intense market competition.
- Focus on differentiation through Infinity Play and cross-product bundling enabled it to maintain ARPU levels.
- Subscriber growth (primarily postpaid segment) also aided in YoY growth in blended ARPU.



Mobile customers
2.17 million



Post-paid churn
1.1%

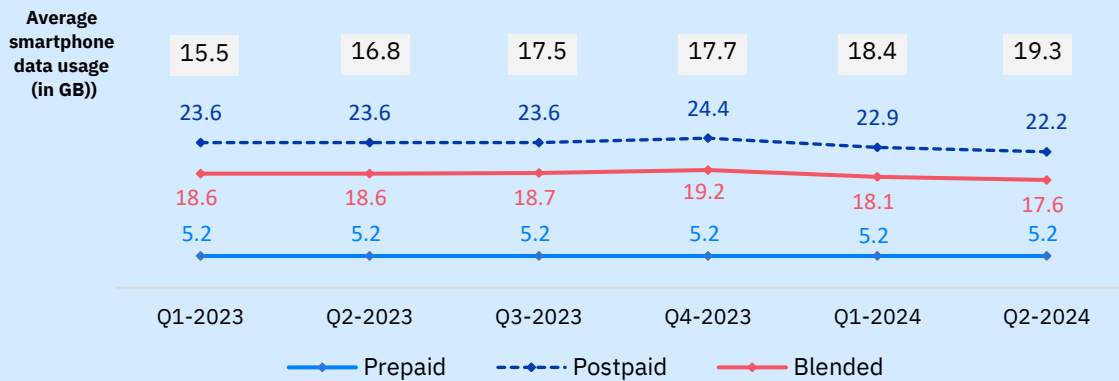


Average smartphone data usage
19.3 GB

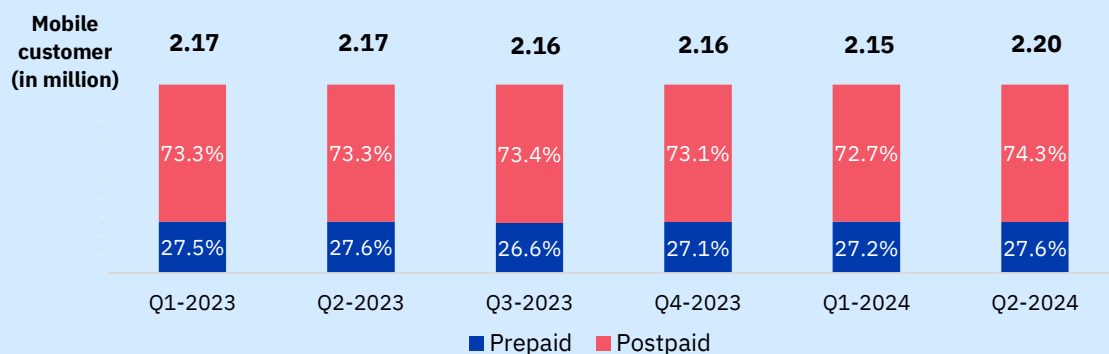


Blended ARPU
USD 17.6

Smartphone data usage and ARPU (in USD) trends: Q1-2023 – Q2-2024



StarHub mobile customer trends: Q1-2023 – Q2-2024



"We also continue to launch new platforms – Infinity Play & cross-product bundling as key differentiators for Consumer; and modern Digital Infrastructure solutions that combine Cloud, Connectivity and Cybersecurity, All-as-a-Service, our Government and Enterprise customers."

- Nikhil Eapen, CEO, StarHub



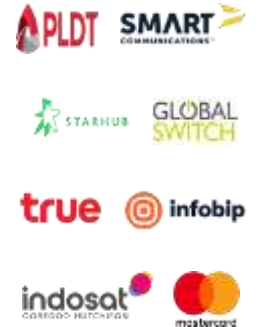


Source: Telco financials, Twimbit analysis

Key strategic developments: Q2-2024

Key strategic partnerships and alliances: Q2-2024

Leading telcos pursued partnerships to enhance network infrastructure, digital transformation, and customer experience. These collaborations focus on areas like 5G, AI, cloud computing, cybersecurity, and sustainability.





Partnership area	Description	Key Partners*
Network Infrastructure and Expansion	<ul style="list-style-type: none"> • Global Coverage and Interoperability: Dialog Axiata partnered with Telin for international A2P SMS and voice traffic, while Globe partnered with GSMA to enhance mobile service interoperability. • 5G and Networks Expansion: KDDI and SoftBank partnered to enhance 5G network coverage across Japan, while NEC and NTT Docomo collaborated on Open RAN and 5G software for vRAN. • Data Centres and Infrastructure: PLDT Enterprise expanded its partnership with Kalibo Cable to offer advanced data centre solutions, and Singtel partnered with Huawei to launch FibreEverywhere. 	
Digital Transformation and Innovation Partnerships	<ul style="list-style-type: none"> • AI and Customer Experience: Singtel and Hitachi Digital partnered to enhance 5G, edge computing, and cloud services, while Singtel - Vonage partner to on offering enhanced customer experiences. • Blockchain and Digital Currency: SK Telecom, Aptos Labs, Brevan Howard, and Microsoft launched Aptos Ascend, a suite of solutions for digital currency and asset management. • Sustainability and Green Technology: True Digital Group partnered with Alibaba Cloud to launch the "Climate Technology Platform" to help businesses address energy efficiency challenges. 	
Business Solutions and Cybersecurity Partnerships	<ul style="list-style-type: none"> • Business Continuity and Cybersecurity: PLDT and Smart Communications launched the Cloud Center of Excellence, whereas StarHub and Global Switch partnered to offer Low Latency Data Centre Connect. • Omnichannel Communication: True Business partnered with Infobip to launch AI driven platform - "True CPaaS," to unify omnichannel communication. • Cybersecurity and Digital Economy: IOH partnered with Mastercard to establish the Indosat-Mastercard Cybersecurity Centre of Excellence. 	

* Not an exhaustive list

Source: Company reports and filings, Industry reporting, Twimbit analysis

Key strategic initiatives: Q2-2024

Several telecom companies have introduced new digital services and solutions. These include AI-powered features, IoT applications, business platforms, and cybersecurity initiatives. The focus is on enhancing customer experiences, driving digital economy growth, and providing innovative solutions for businesses.




Initiative area*	Description	Key telcos
Digital Transformation and Innovation	<ul style="list-style-type: none"> • AIS Business: Launched the “AIS EEC” Business Innovation Centre to drive digital economy growth. • Dialog Axiata PLC: Launched Smart Vehicle Tracker and AI-generated greeting cards. • Dialog Finance PLC: Launched Genie Business, a fintech platform for MSMEs. • Globe: Launched a wireless cost-saving initiative using advanced Base Station Technology. • Rakuten Viber: Launched a conversation-summarizing AI feature. • True Corporation: Launched the True iServices app and True Business launched Thailand’s first “Private Wi-Fi as a Service.” • XL Axiata Business Solutions: Introduced IoT-based digital solutions for manufacturing. 	
Customer Experience and Service	<ul style="list-style-type: none"> • Bhutan Telecom: Launched a WhatsApp-based chatbot for customer service. • Cellcard: Unveiled the Cellcard-Ezecom Customer Experience Centre. • Dialog Axiata PLC: Launched AI-generated greeting cards. • SK Telecom: Launched T Screen Sharing service. • SoftBank Corp: Introduced AI-driven voice-altering technology. • StarHub: Launched the Cybersecurity Awareness Training Platform. 	
Network Infrastructure and Technology	<ul style="list-style-type: none"> • Dialog Axiata PLC: Launched Smart Vehicle Tracker, a 4G LTE-enabled solution. • Rakuten Mobile: Launched commercial services using the 700 MHz "platinum band" spectrum. • Banglalink: Modernized its network infrastructure to enhance 4G coverage. 	
Sustainability and Social Responsibility	<ul style="list-style-type: none"> • Globe: Launched a wireless cost-saving initiative to boost energy efficiency and reduce operational costs. 	

* Not an exhaustive list

Source: Company reports and filings, Industry reporting, Twimbit analysis

Key contract wins: Q2-2024

Telcos continue to partner with leading technology vendors accelerate digital transformation. These partnerships focus on cloud adoption, AI solutions, network modernization, and enhancing customer experiences using technologies like 5G, AI, and cloud computing.

Engagement area	Description	Key Vendors*
Cloud Adoption and Digital Transformation	<ul style="list-style-type: none"> • Airtel and Google Cloud: Partnered to accelerate cloud adoption and AI solutions. • CelcomDigi and PETRONAS: Collaborated to advance digital transformation and sustainability using 5G and clean energy solutions. • Indosat Ooredoo Hutchison (IOH) and Google Cloud: Joined forces to transform IOH into an AI-native company. • CCL (Spark) and Microsoft: Partnered for customer migrations to cloud and develop digital skills. • Telstra and Cognizant: Collaborated to enhance software engineering and IT capabilities using AI. 	
Network Infrastructure and Performance	<ul style="list-style-type: none"> • Globe Telecom and Nokia: Deployed a BNG solution to modernize infrastructure and enhance broadband services. • Banglalink and ZTE/Huawei: Modernized network infrastructure to expand 4G coverage and improve network capacity. • XL Axiata and Ericsson: Deployed a dual mode 5G Core solution to enhance network performance and manage data traffic. • Vodafone-Idea and Samsung: Explored vRAN technology to expand 4G footprint and accelerate 5G rollout. 	
Artificial Intelligence and Automation	<ul style="list-style-type: none"> • Ooredoo and NVIDIA: Deployed AI and GPU technologies to enhance digital infrastructure. • Rakuten Mobile and RADCOM Ltd.: Utilized AI-powered analytics to improve network operations. • SoftBank and Perplexity: Provided conversation AI answer engine services. • SoftBank and Microsoft Japan: Automated call centre operations using AI for customer service. 	

* Not an exhaustive list

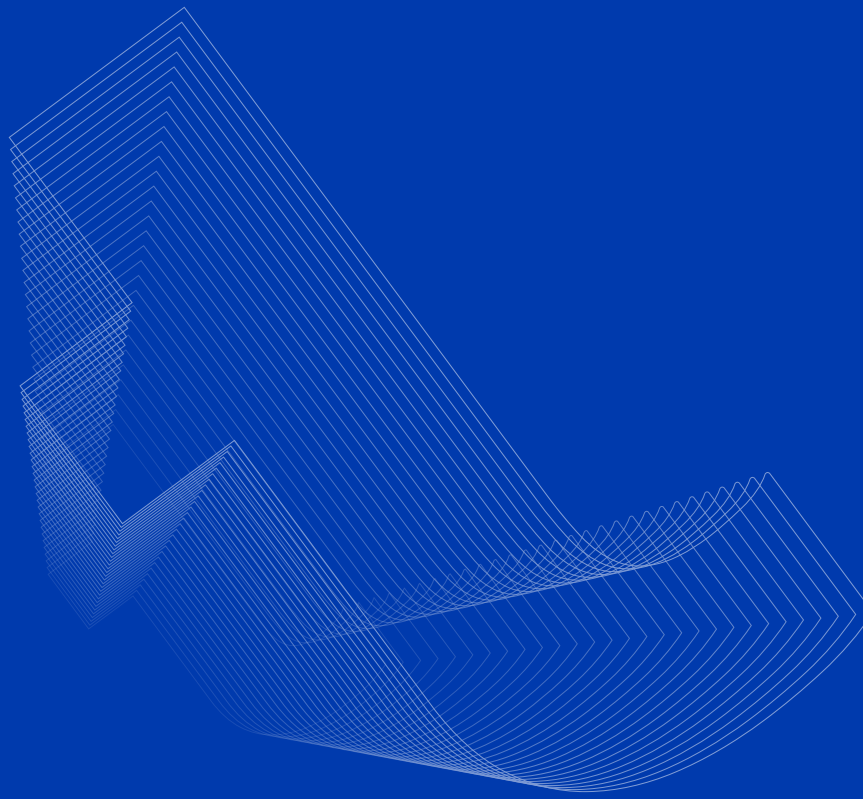
Source: Company reports and filings, Industry reporting, Twimbit analysis

Research Methodology and Assumptions

- The “APAC Telcos Performance Benchmarks: Summer 2024” report provides key findings regarding the performance of telcos for key financial metrics, including Revenue, EBITDA, CAPEX, and ARPU for April-June 2024.
- This report uses data from telecommunications companies and extensive secondary research. Twimbit adopted a calendar year approach for data analysis, where FY signifies the January-December period.
- To ensure consistency and accurate comparisons, a constant currency conversion rate representing the average USD exchange rate for April-June 2024.
- To ensure consistency and facilitate accurate comparisons, a constant currency conversion rate representing the average USD exchange rate for the period April - June 2024 (January-June, wherever applicable for H1-2024) has been applied throughout the report.
- The report presents a comprehensive assessment of Revenue and EBITDA for 49 and 46 telecommunication companies, respectively. Additionally, CAPEX and ARPU analyses encompass data from 41 and 35 telcos, respectively.
- Blended mobile ARPU has been incorporated wherever relevant to provide a more holistic view.
- The data presented in this report is based on the most current information available at the time of compilation. As such, it may not reflect subsequent developments. This report is intended for informational purposes only and should not be relied upon as a substitute for independent research.

Related APAC telcos performance insights





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