



Si2i AGM

Key updates

15 April 2014

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switch up!

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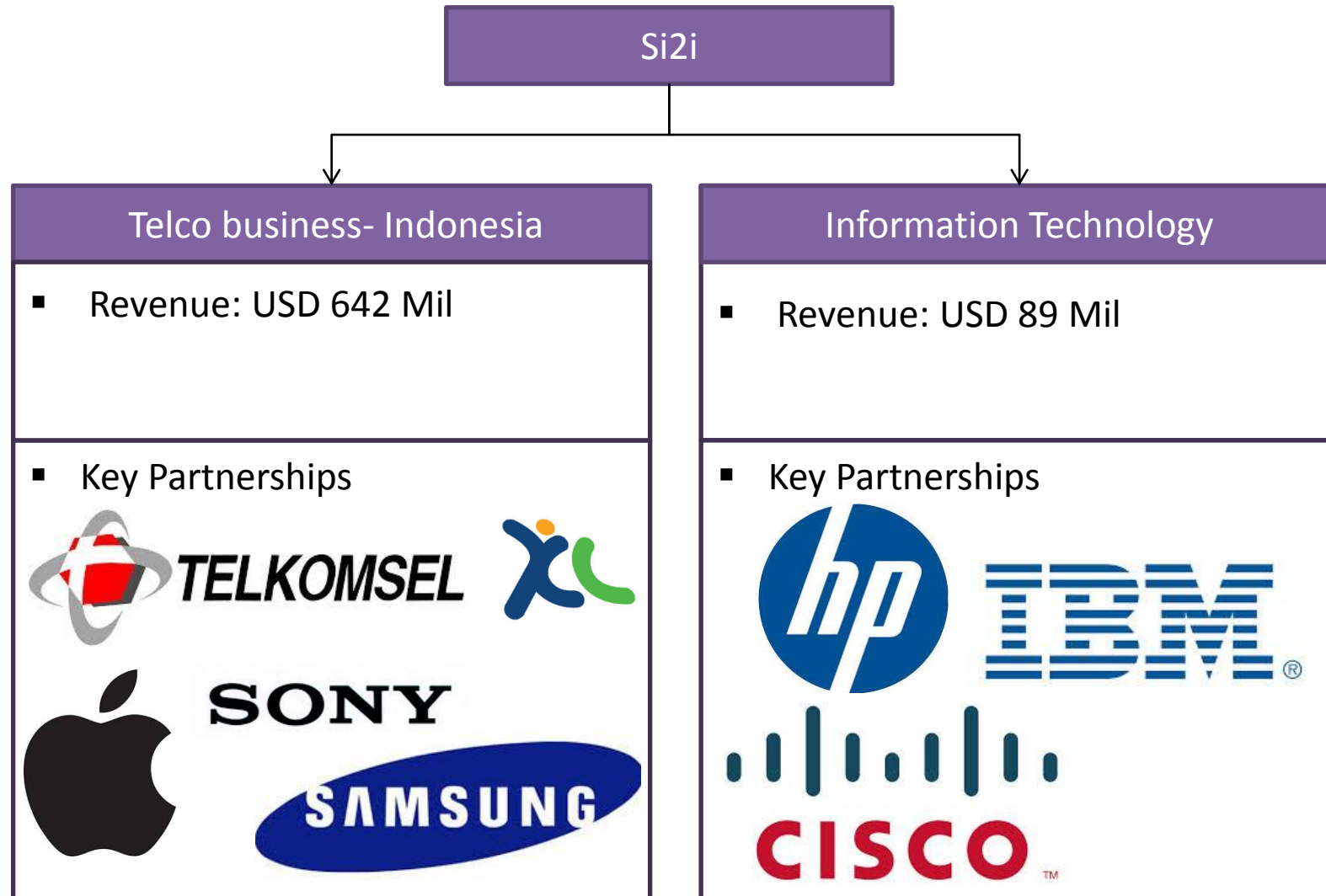
Figures have been rearranged/regrouped, to facilitate analysis

Agenda flow



switch up!

- **The focus going forward**
- **Performance at a glance**
- **Trend analysis**
- **Risk management**
- **Market opportunity in focus areas**
- **Conclusion**



Note :Numbers are for 18 months for FY2013

Operator Business

- Reaching around 50k plus resellers through our Airtime distribution business across our network of 30+ branch offices in Indonesia
- 3rd largest Distributor for Telkomsel which has > 60% market share of airtime business in Indonesia.
- Consistent Platinum and Gold partner for Telekomsel for 3 years in a row
- Partnership with all other operators including 4G

Smart phone retail business

- Market presence : Selling multiband handsets of all leading brands like Apple, Sony, Samsung etc through 30 retail shops (Selular brand Outlets)
- Brand awareness :Creating brand awareness of Nexian phones/ own brand also through Selular shops
- Consumer touch points : First hand consumer feedback and experience via retail stores giving valuable feedback to product department

Smart phone brand business

- Nexian brand continues to be the favourite local brand in Indonesia and has been recognized as the top local brand in various consumer surveys.
 - Current reach of over 1000 outlets via our distributors
 - Creating an alternative smart phone brand in the market at low and mid end for Android OS
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Information technology Group	Enterprise data/ VOIP business
<ul style="list-style-type: none">➤ Integrated one-stop ICT solutions such as maintenance, consultancy, professional services, systems management and disaster recovery services➤ Projects on solutions for networking, Data hosting & Managed Services➤ Global integrated solutions for large accounts including hardware, utility and services	<ul style="list-style-type: none">➤ Provide retail and enterprise voice and multimedia communications over the Internet via 40 global carriers worldwide➤ Networking , data, IDD, voice solutions to enterprise customers➤ Consumer services with calls made with IP and PC phones; corporate services involving IDD and Directory Services

USD mil	FY 2012 (15 months)	FY 2013 (18 months)	Actions taken for reduction of losses
Cash Loss	76	24	<ul style="list-style-type: none"> • Prudent purchases • Stricter control on AR and inventory • Reduction in overheads
Non-Cash Loss	112	34	
Total	188	58	

Note :Non-Cash loss includes : Depreciation, Amortization and impairment of intangible assets

Si2i: Performance – focus on overheads and cost



USD Mil	2012	FY 12-13		
	JAN – JUN	JUL – DEC	JAN – JUN	JUL – DEC
Revenue	355	317	234	219
Overheads	39	28	22	17.5
Operating EBITDA	-31	-18	-6	-5
Net Cash	19	12.3	21.5	19*

- ~50% reduction in overheads
- Operating EBITDA loss significantly lowered
- Focus on cash retention

*Cash as of 31st march 2014

The numbers above are unaudited & excluding Spice BPO – disposed off in Jan 13.

Revenue

USD mil	CY-2011	CY-2012	CY-2013
Airtime	205	340	321
Technology	82	61	61
Mobile devices	428	271	71

Operating EBITDA

USD mil	2011	2012	2013
Airtime	2.1	4.3	4.4
Technology	(0.3)	0.2	0.3
Mobile devices	(26.1)	(47.7)	(12.7)

Note :

- Operating EBITDA does not include other income, exchange gain/loss and other non operating expenses
- 2011 numbers are from date of acquisition of namely CSL entities-Malaysia and Affinity Group.
- These numbers are un-audited proforma numbers based on calendar years.

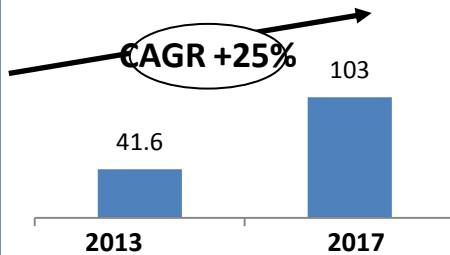
- Enterprise Risk Management exercise initiated to effectively address business, financial and operational risks in the company
 - Finance and control process reengineered to work towards best in class in the industry
 - Regular monitoring by Audit Committee on critical actions for compliance and control
 - Internal audit scope strengthened with clear focus
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Si2i Affinity-Telco business: Future Opportunity

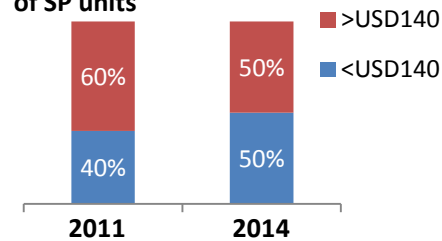


Market Opportunity and Projections

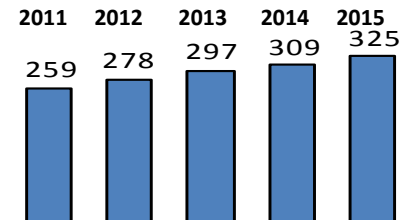
Indonesia Smartphone market, # of users, Mn



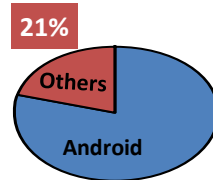
Indonesia Smartphone market, Price class share, % of SP units



Indonesia # of mobile subscribers, Millions



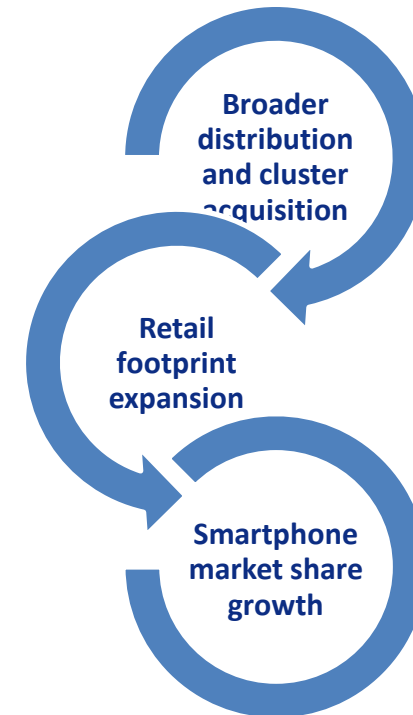
Global Smartphone market, OS Share, Units



The Road Ahead.....

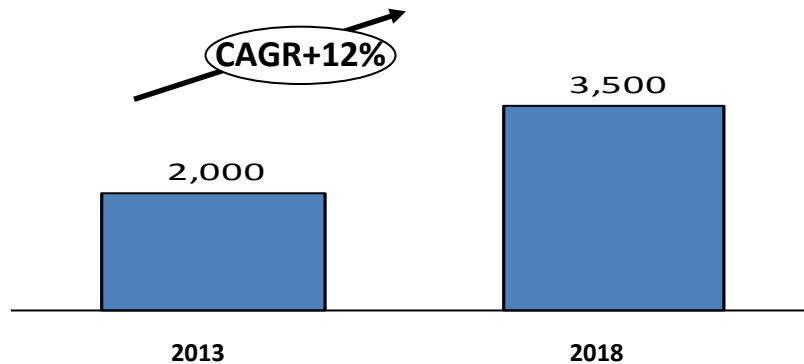
Key Focus Areas:

- Preserve and grow cash
- Grow smartphone sales to drive profitability and value creation
- Seek Co-investors to fund growth
- Build strategic partnerships with strong industry leaders



Market Opportunity and Projections

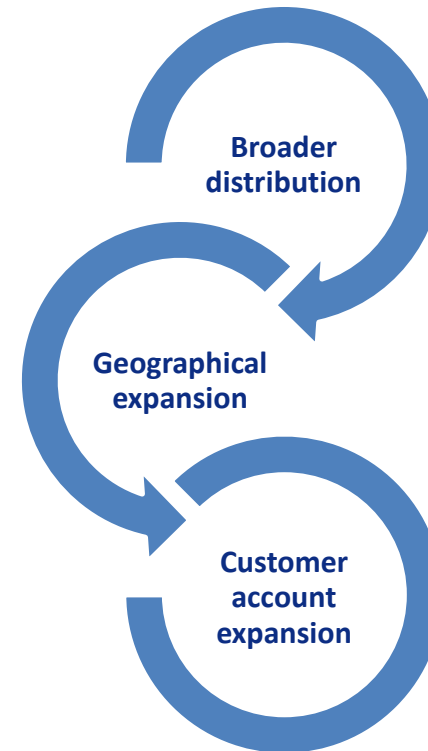
System Integration Market Projections, Market Size, USD Mn



The Road Ahead.....

Key Focus Areas:

- Consolidate relationship with key partners like IBM and HP
- Grow geographically to Indonesia and Malaysia to leverage skills and solution knowledge in Singapore
- Grow services and solutions part of the business which has more gross margin





The Company plans to focus on the following initiatives:

- Consolidate and grow the Airtime Business in Indonesia which is robust and performing well.
- Re-energize the mobile device business through low end 3G phones and operator bundles - continue to focus on cost optimization in this cut throat business arena.
- Refocus on Information and Technology business as convergence happens between ICT and mobile technology.

Thank you