

# CELCOMDIGI BERHAD 1Q 2025 Earnings Call

22 May 2025 | Kuala Lumpur



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# Presented By



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- 
- **Key Highlights**
  - **Operational & Market Updates**
  - **Financial Review**
  - **Focus & Guidance**
  - **Q&A**

## Executive summary

# Good momentum into 2025

1

### **Financial performance within expectations**

Growth in Total Revenue and Profit After Tax year-on-year

2

### **Growth across key core segments and subscriber base**

Continued growth in key segments of Postpaid, Home & Fibre and Enterprise, while managing market challenges on Prepaid

3

### **Integration and transformation progressing well**

Investments now delivering enhanced quality and experience for customers, moving into next phase of transformation initiatives

4

### **Synergy realisation on track**

Tracking well towards cost savings of RM700~RM800 million annually post-2027



## Performance highlights 1Q 2025

### Total Subscribers



**20,655k**

▲ 261k Q-Q  
▲ 190k Y-Y

### Total Revenue



**RM3,209m**

▼ 2.0% Q-Q  
▲ 1.2% Y-Y

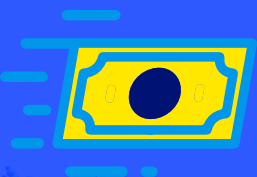
### Service Revenue



**RM2,655m**

▼ 2.4% Q-Q  
▼ 1.2% Y-Y

### EBIT



**RM696m**

▲ 118.9% Q-Q  
▲ 21.3% Y-Y

### PAT



**RM388m**

▲ 139.5% Q-Q  
▲ 4.6% Y-Y

### CAPEX



**RM148m**

4.6% CAPEX Intensity

Declared first interim dividend per share of 3.7 sen

## Key Highlights

# Progress in creating pathways for sustained profitable growth



### *Strengthening Market Leadership*

- Core segments  
**Postpaid & Prepaid  
subs growth**
- Convergence  
**2x growth Y-Y**
- Value-Added Services  
**Double-digit  
growth Y-Y**



### *Enhancing Customer Experience*

- Increase throughput & consumption per user  
**>84Mbps per user  
~35GB per user**
- Retail experience  
**97% CSAT**
- Call centre  
**67% CSAT**



### *Driving Operational Excellence*

- Productivity  
**1.8x revenue per  
store post-  
transformation**
- Subs acquisition  
**▼ 10.6% cost Y-Y**
- Sites productivity  
**>40% more efficient**



### *Investing for the Future*

- Use cases AI on going  
**AI in Customer Care,  
Automation, FMC,  
and Network Infra**
- New agency services  
**API-as-a-service**
- Future talent  
**Young Talent  
Programme**

Integration and transformation initiatives and synergy savings on track



# Operational and Market Updates



# Progress in key target growth segments while minimising impact of market challenges

## Postpaid & Convergence



Strengthened subscriber base with higher-value plans, and increased contracted users

## Home & Fibre



Grew subscriber base through strong convergence uptake, higher-speed plan adoption, and sustained FWA momentum

## Enterprise Business



Continue to attract enterprises through connectivity, ICT and cyber security solutions

# Consumer Mobile – Postpaid

## Strategic Postpaid shift growing high-value base



**CelcomDigi Collectibles: Star Wars Edition**  
Claim what you seek, only in CelcomDigi stores.  
All Star Wars content Now Streaming on 



Exclusive Star Wars Treasure Box

Exclusive Star Wars Shiny Pins



Enjoy the best Asian shows and up to 10GB Internet with **StreamMORE Add-Ons**

**RM11.90**



*The White Olive Tree*

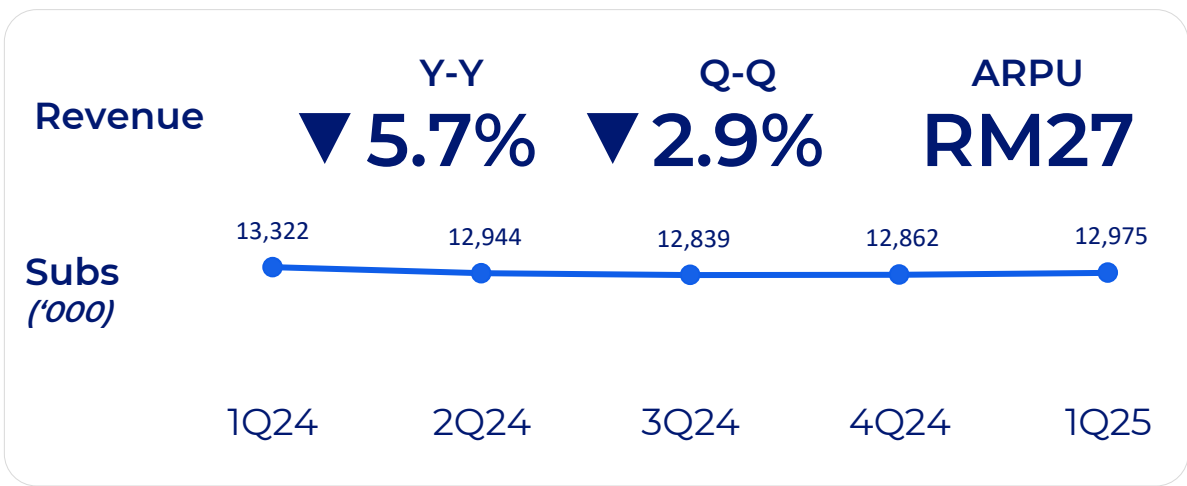


- Contracted base grew by >250K YoY, increasing contracted rate to >50% (+4pp YoY), driven by strong adoption of value-accretive plans
- Long-term strategy to convert Prepaid to Postpaid, which supports ARPA growth, convergence, and base stickiness



# Consumer Mobile – Prepaid

## Prepaid remains stable with rising Mobile Internet (MI) adoptions



- Prepaid revenue decline mainly driven by seasonality (2 fewer business days); normalised trend remains stable to positive
- Monthly MI user base rose from 65% to 70%, with subscriber base stabilising, indicating shift towards higher-value, data-centric user

## Home & Fibre

# Subscriber growth sustained by convergence and high-speed demand

CelcomDigi One Ultra

**One for all**

The best all-in-one plan for you and your family.

5G 3 Unlimited Lines 300Mbps Fibre Latest 5G Phone Disney+ Hotstar Entertainment

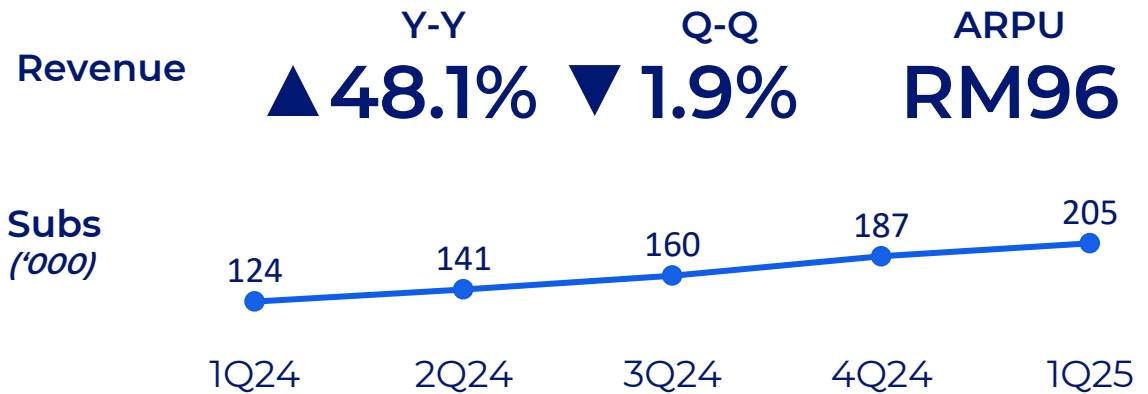
**RM 261**  
mth

CelcomDigi 5G Home WiFi

**Portable** WiFi for your home,  
**no installation** required

Online exclusive

**RM 69**  
mth ~~RM 79~~



- Sustained subscriber growth for six consecutive quarters, led by CelcomDigi One™ plans driving ~2x YoY convergence growth and contributing to 33% of Fibre/FWA acquisitions
- Strong demand for high-speed and instant connectivity, with 33% of new subs on 500Mbps+ plans and FWA growing 3x YoY



# Enterprise

## Growth in Enterprise Mobile and Solutions

**Guaranteed zero downtime** with reliable fibre for your company

Business Fibre  
From **RM99**  
mth



Enterprise  
Mobile\*

Y-Y  
▲ **0.2%**

Q-Q  
▼ **3.8%**

Enterprise  
Solutions\*

Y-Y  
▲ **13.8%**

Q-Q  
▲ **7.4%**

*\*Normalised for one-off: RM4.9m for mobile, RM16m for solutions*

**Scalable solutions**  
for all your business needs



**Business Fibre**

Guaranteed zero downtime with reliable fibre for your company



**Business 5G WiFi**

Freedom to work anywhere with seamless connectivity



**Business Postpaid**

Enjoy lightning-fast connectivity with FREE 5G phones



- Lower Mobile revenue driven by a one-off waivers for renewals and seasonality usage impact
- Continued growth in focus area of connectivity, ICT and cyber security solutions
- Continue winning large deals in Enterprise solutions



# Financial Review



## 1Q25: Financial topline snapshot

# Resilient quarter with stable core and PAT growth despite one-offs

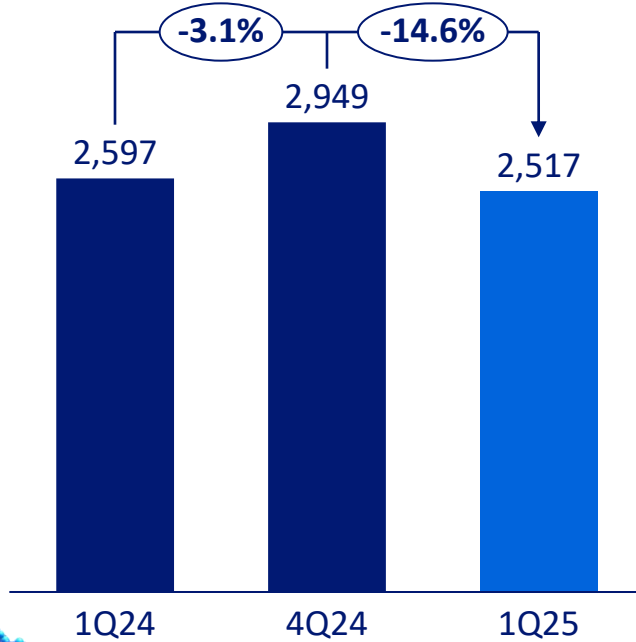
<i>RM'mn</i>	1Q25	4Q24	1Q24	Q-Q	Y-Y
Total Revenue	3,209	3,276	3,171	-2.0%	1.2%
Service Revenue	2,655	2,720	2,688	-2.4%	-1.2%
EBIT	696	328	574	112.2%	21.3%
<i>Normalised EBIT</i>	<i>758</i>	<i>658</i>	<i>713</i>	<i>15.2%</i>	<i>6.3%</i>
PAT	388	161	371	140.9%	4.6%
<i>Normalised PAT</i>	<i>434</i>	<i>409</i>	<i>475</i>	<i>6.1%</i>	<i>-8.6%</i>
CAPEX	148	1,152	318	-87.2%	-53.5%
Subscriber base (K)	20,655	20,394	20,465	261	190

- Q1'25 result is commendable with positive Y-Y and on target performance for both total revenue and PAT
- Service revenue overall growth was moderated by a strategic shift away from one-time Prepaid SIM acquisitions and timing of revenue recognition for solution-related services
- Total costs rose due to higher device and traffic costs from strong sales and data usage, partially offset by lower staff costs from a Q1 2024 voluntary separation scheme
- EBIT remains relatively stable YY cushioned by lower Opex; and PAT improved Q-Q, Y-Y and within target from lower Depreciation & Amortization

## 1Q25: Cost and expense

# Disciplined cost management with normalising non-recurring items

Total Expense (RM'mn)

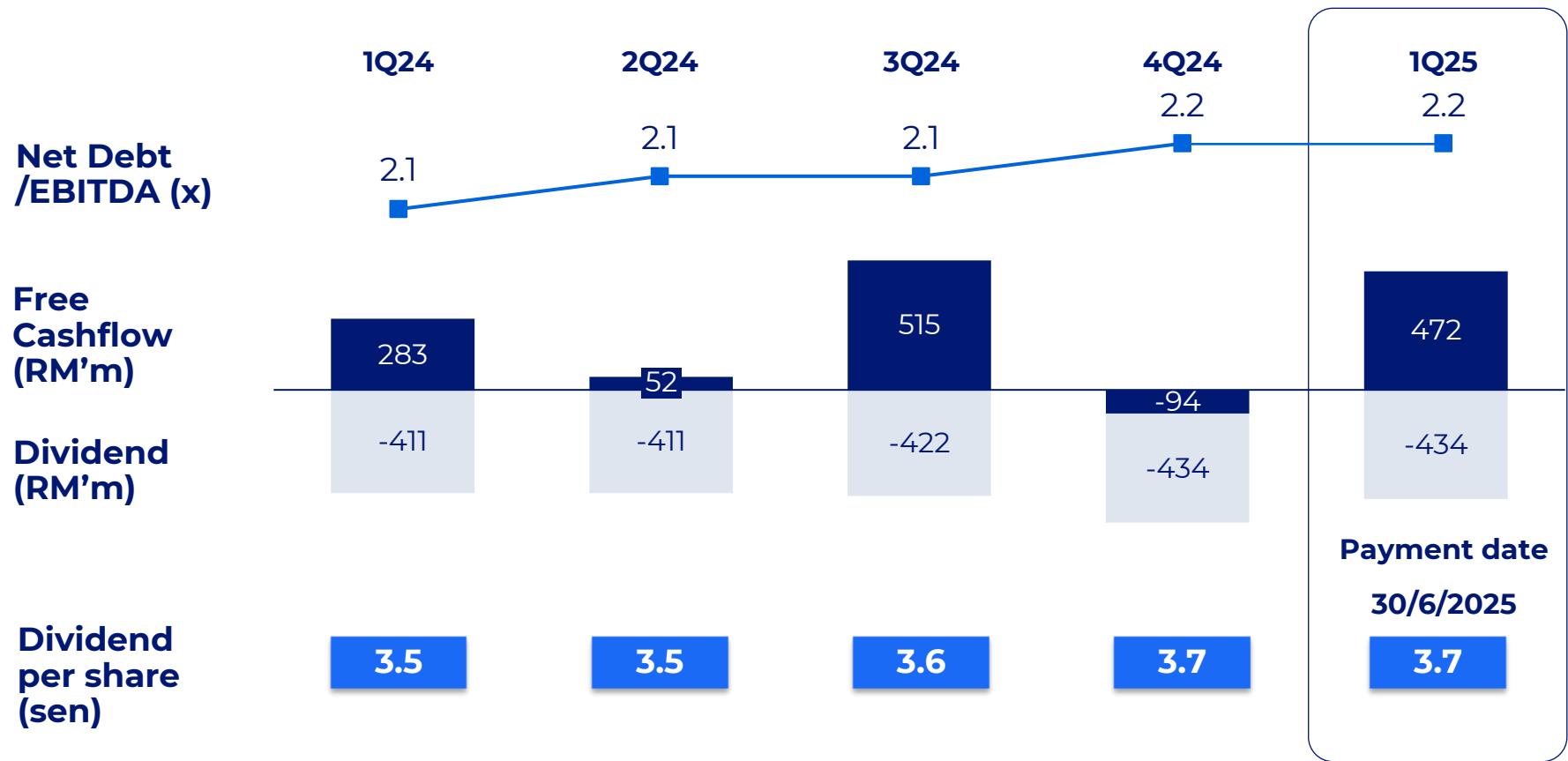
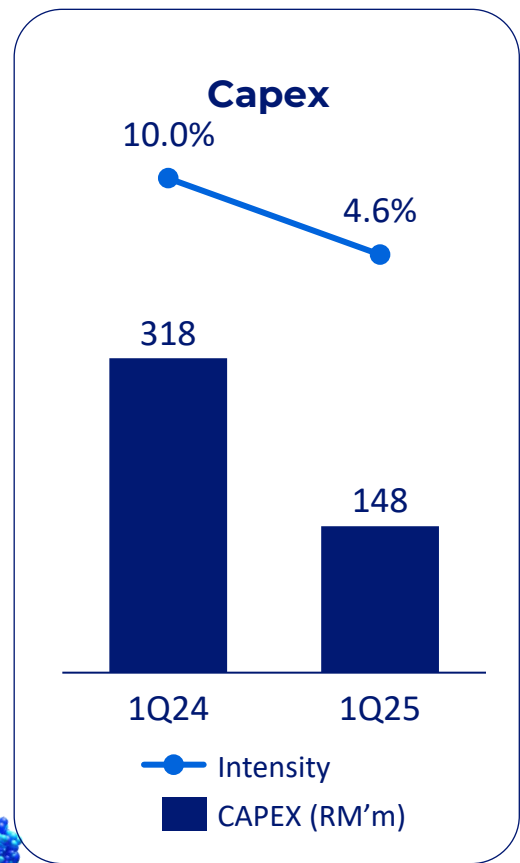


RM'm	1Q25	4Q24	1Q24	Q-Q	Y-Y
Cost of goods sold	853	814	749	4.8%	13.9%
Sales & marketing	171	165	170	3.6%	0.6%
Staff costs	249	135	354	84.4%	-29.7%
Operations & maintenance	228	246	222	-7.3%	2.7%
Other operating expenses	360	369	329	-2.4%	9.4%
<b>Total Cost</b>	<b>1,861</b>	<b>1,729</b>	<b>1,824</b>	<b>7.6%</b>	<b>2.0%</b>
Depreciation & amortization	654	888	769	-26.4%	-15.0%
Others	2	332	4	-99.4%	-50.0%
<b>Total Expenses</b>	<b>2,517</b>	<b>2,949</b>	<b>2,597</b>	<b>-14.6%</b>	<b>-3.1%</b>



Strong commitment to shareholders

First interim dividend of 3.7sens per share



Advancing into year three of integration

~RM1.6b net synergies unlocked, with 5-year steady-state savings and NPV synergies of RM8b to RM10b

(RM'm)	FY23	FY24	1Q25	TOTAL (as at 1Q25)	On track to achieving 2027 expectations:
P&L SAVINGS	157	345	20	522	Steady-state savings ~RM700m to ~RM800m  NPV Synergies ~RM8b to ~RM10b
CAPEX AVOIDANCE	209	1,380	46	1,635	
INTEGRATION COST	(119)	(385)	(63)	(567)	
NET SYNERGIES	247	1,340	3	1,590	





# 2025 Focus & Guidance

## Market opportunities and challenges

# Leverage execution and transformation momentum to drive profitable growth, trust and customer excellence

### Opportunities

- Continue postpaid and convergence momentum
- 5G Uptake on Value-Added Services
- Increase in loyalty through stickiness and value proposition
- Monetisation of Enterprise solutions

### Risks

- Regulatory pressure
- Macro-economics
- Heightened competition



## 2025 Guidance

# Progressing in line with guidance

*Service Revenue*

**Low single digit growth**

*EBIT\**

**Low to mid single digit growth**

*CAPEX Intensity*

**14% - 16%**

*\*Excluding material non-recurring and extraordinary items for both FY2024 and FY2025*



**Q&A**



# CelcomDigi Berhad

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# Thank You

Thursday, 22 May 2025