

PRESS RELEASE

For Immediate Publication

CelcomDigi records profit and revenue growth in Q2 2024, with good progress on integration and transformation

- Strong quarter marked by revenue growth and higher net profit
- Declares second interim dividend of 3.5 sen per share

PETALING JAYA, 16 August 2024 – CelcomDigi Berhad (CelcomDigi) today announced its second quarter results for the Financial Year 2024 (Q2 FY2024), reporting improved growth performance driven by effective market execution and cost management. Transformation and integration initiatives across products, network and IT, retail, and innovation initiatives continued as planned.

The company delivered a strong Q2 FY2024 with higher net profit on the back of service revenue growth and realising merger synergies and benefits. Earnings Before Interest and Tax (EBIT) and Profit After Tax (PAT) improved 14.1% Q-Q (8.8% Y-Y) and 12.1% Q-Q (19.5% Y-Y) respectively to RM655 million and RM416 million, highlighting the company's strong underlying profitability. Service revenue rose 0.3% Q-Q to RM2,695 million driven by steady revenue growth across its Postpaid (+0.6% Q-Q) and Home & Fibre (+10.4% Q-Q) segments. The company closed the quarter with a total of 20.2 million subscribers.

The company declared a second interim dividend of 3.5 sen per share or RM411 million, similar to the past two quarters, in line with its sustainable dividend commitment to shareholders.

CelcomDigi's CEO Datuk Idham Nawawi said, "Q2 FY2024 was a quarter where we continued to drive our transformation and integration efforts while delivering sustainable topline and bottom-line performance. We have gone to market with a refreshed product portfolio and new retail stores, giving our customers an entirely new experience and connectivity solutions for work, play and home. We also introduced a new distribution model to provide better efficiency and effectiveness in the channels to serve our customers and leverage our new and modern widest network."

"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 have submitted a compelling proposal to build a high-performance 5G network for the nation, and are ready with the right infrastructure, financial strength and ecosystem to start deployment immediately and to complete within the shortest time possible for the benefit of all Malaysians. We are committed towards ensuring a thriving 5G ecosystem built for the nation, with the *rakyat* in mind."

Transformation and integration initiatives at full momentum

The company completed network integration and modernisation efforts in Penang and surpassed the halfway point nationwide, setting it ahead of schedule in building Malaysia's leading digital network. Within a year, it exceeded 50% of its targeted nationwide upgrades with over 8,500 sites modernised at end July 2024, in what was expected to be a 3-year exercise, proving its ability to rollout mobile network infrastructure projects fast and at scale. At this rate, CelcomDigi is set to

complete 75% of network upgrades by end 2024, placing the company in the prime spot to deploy Malaysia's second 5G network. In the quarter, the company invested RM518 million in capital expenditure (CAPEX) to deliver on its network and IT integration initiatives.

CelcomDigi recently opened its ninth new retail store in Alor Setar, Kedah, with plans to transform 40 stores by year-end. These new fully branded stores are central to the company's retail transformation programme, consolidating existing Celcom Bluecubes and Digi Stores into new CelcomDigi retail stores offering a single brand experience. Designed to address evolving customer connectivity and digital needs, the stores feature the latest products and devices, experiential retail and immersive technology, and a retooled and re-trained frontline team to deliver a superior retail experience for customers in the age of 'digital everything'. This initiative builds on other post-merger transformation efforts, including revamped customer, retail and distribution models to improve channel growth and consumer reach.

Best positioned to accelerate Malaysia's transformation into a 5G-AI powered digital society

The company's strong 5G and AI capabilities are enabling it to drive innovation leadership, which are key strategic assets for the company's future growth. It operates the widest, most-modern 4G network in the country, ready to be commissioned as one of the largest advanced 5G networks in the region. Together with its state-of-the-art CelcomDigi AI Experience Centre (AiX), the company is leading the charge to accelerate the development and adoption of world-class AI and emerging technology solutions with over 40 global technology and local ecosystem players across sectors. Currently, the AiX showcases 45 different uses cases, 13 of which are either already live or being piloted with the company's enterprise customers.

In July, CelcomDigi shared a comprehensive 5-year ESG strategy to build an inclusive, sustainable and trusted digital society for Malaysia, providing stakeholders confidence in the company's ability to address short and long-term sustainability matters related to its sector. More information on the company's ESG commitments may be found [here](#).

Financial and Operational Highlights

RM'm	Q2 2024	Q1 2024	Q2 2023	Q-Q	Y-Y
Total Revenue	3,106	3,171	3,123	-2.0%	-0.5%
Service Revenue	2,695	2,688	2,707	0.3%	-0.4%
EBIT	655	574	602	14.1%	8.8%
PAT	416	371	348	12.1%	19.5%
CAPEX	518	318	252	62.9%	105.6%

- Q2 FY2024 EBIT was RM655 million, at +14.1% Q-Q and +8.8% Y-Y, benefiting from improved EBITDA and lower depreciation.
- PAT was RM416 million, at +12.1% Q-Q and +19.5% Y-Y, driven by the flow-through of improved EBIT and the tax incentive recognised in the current quarter, partly offset by the prior quarter's benefit from a deferred tax writeback.
- Postpaid and Prepaid: Growth in Postpaid whilst Prepaid showed resilient ARPU despite decline in subscriber base.

- Postpaid subscribers grew +118K Q-Q and +344K Y-Y in Q2 FY2024, reaching 7.1 million subscribers, driven by strong new subscribers' uptake from attractive packages and competitive pricing. Postpaid revenue was RM1,273 million, +0.6% Q-Q and +0.4% Y-Y, driven by an expanding subscriber base, higher roaming traffic, and increased data demand. ARPU stood at RM65.
- Prepaid subscribers were -378K Q-Q and -648K Y-Y in Q2 FY2024, amounting to 12.9 million subscribers, while revenue was RM1,111 million, -0.9% Q-Q and -2.9% Y-Y, impacted by reduced subscriber base from fewer rotational one-time sim acquisition. ARPU stood at RM28.
- Home and Fibre: Relentless efforts leading to continuous performance growth.
 - Continued positive momentum on subscriber growth at +18K Q-Q and +49K Y-Y, totalling 163K subscribers.
 - Revenue was RM51 million at +10.4% Q-Q and +21.5% Y-Y, driven by the rise in subscribers.

Click [here](#) for CelcomDigi's CEO's Reflections and more on the company's 2Q 2024 performance.

- END -

About CelcomDigi

CelcomDigi is Malaysia's largest mobile network operator with more than 20.2 million users on its network. Established on 1 December 2022 from the merger of Celcom and Digi, the company aims to serve the growing digital needs of its customers by leveraging its newly combined widest network footprint, distribution touchpoints, innovative range of digital products and services, and superior customer experience powered by over 3,800 top industry experts. The company has clearly defined ambitions to advance the nation, inspire Malaysian society, and be a leader in inclusion and ESG practices. For more information on CelcomDigi, visit www.celcomdigi.com.

For further media enquiries, please contact:

Chew Hwee Yen, Communications, CelcomDigi | Mobile: +6012 395 3398 | hychew@celcomdigi.com