



## PRESS RELEASE

For immediate publication

### **Digi delivers stable Q3 2021 driven by stronger network performance**

*Focus on delivering quality internet experience, as monthly average data usage hits 22.4GB per user*

**SUBANG JAYA, 21 October 2021** – Digi.com Berhad (Digi) delivered a resilient quarter, underpinned by efficient operations and strong execution of strategic priorities. The company recorded RM1,343 million service revenue, sustained by improved momentum in postpaid and core prepaid segments.

EBITDA was at RM788 million or a margin of 49.7%, while profit after tax (PAT) reduced by 2.5% Y-Y to RM313 million.

In the quarter under review, Digi invested RM170 million Capex in network capacity enhancements and digitalisation of operations, as part of the company's priority to deliver quality internet experience to its customers to meet rising data consumption. Monthly average data usage now stands at 22.4GB per user.

To further strengthen its network, Digi delivered 100% of its targets for new 4G sites rollout and site upgrades under the Jalanan Digital Negara (JENDELA) plan in the quarter. The process to gradually shut down 3G network is progressing well with less than 300,000 3G-only subscribers, against a growing internet subscribers base of 9.0 million.

Digi's 4G LTE and LTE-A network coverage now serves 92% and 75% of the population nationwide respectively, alongside an extensive fibre network of more than 10,000 KM.

Additionally, Digi's network performance has been recognised by several reputable independent global observers as the [best in download speed](#) for five consecutive quarters, cementing its position as Malaysia's fastest and most consistent network.

Customers experienced Digi's strengthened network at best value through its postpaid and prepaid offers, as the company registered postpaid revenue at RM633 million, while prepaid revenue stood at RM645 million.

Digi's Chief Executive Officer, Albern Murty said, "We continue to invest and deliver on our network experience to better serve our customers, while sustaining efforts to drive societal recovery. On this front, we are pleased to report that 100% of our retail frontliners at Digi Stores are fully vaccinated against Covid-19, thus enabling us to serve customers safely while keeping our employees protected."

### **Keeping Malaysians connected to what matters most with access to affordable internet plans and devices**

- Continued support on government initiatives to enable B40 community to own 4G smartphones on entry-level plans through **extended Jaringan Prihatin offers** and **Pakej Peranti RM1 Malaysia Prihatin**, which was launched in conjunction with National Day
- Introduced **Pakej Data Khas Belia**, limited-time internet offer for Malaysian youths to enhance their digital lifestyle and e-learning needs
- Extended **free daily 1GB productivity data** until 31 December 2021



- Launched **Digi JomFibre** campaign, bringing ultra-fast, unlimited high-speed internet at best value to more households nationwide
- **Partnership with OPPO** to create ‘OPPO Hub’ at Digi Stores nationwide, enriching customers’ in-store retail experience
- **Partnerships with Oracle Netsuite, AVANA, and Astro Radio** to support SMEs’ digitalisation and connectivity needs

#### Supporting societal recovery through continued Responsible Business efforts

- All Digi Stores and retail frontliners are **100% fully vaccinated**, with strict safety measures enforced, as part of prioritising customers and employees’ safety and wellbeing
- Disbursed second tranche amounting **RM620,000 to Mercy Malaysia** to assist in Covid-19 medical and vaccination needs, part of RM1 million pledged last year
- Launched **#BolehCode Coding Challenge**, together with Future Skills for All (FS4A) programme partners Malaysia Digital Economy Corporation (MDEC), United Nations Children’s Fund (UNICEF) and Arus Academy (ARUS) to cultivate interest in digital skills among schoolchildren
- Launched **Yellow Heart’s ‘Life under Covid-19 for Children Online’ survey** to understand impact of digital lifestyles on children and help improve their online experiences moving forward

#### Q3 2021 financial and operational highlights

In RM'm	3Q2020	2Q2021	3Q2021	Q-Q %	Y-Y %
Service revenue	1,374	1,340	1,343	0.2%	-2.3%
Total revenue	1,579	1,618	1,584	-2.1%	0.3%
EBITDA	786	743	788	6.1%	0.3%
<i>EBITDA (boi) margin</i>	49.8%	45.9%	49.7%	3.8%	-0.1%
Profit after tax (PAT)	321	280	313	11.8%	-2.5%
<i>PAT margin</i>	20.3%	17.3%	19.8%	2.5%	-0.5%
Capex-to-Revenue %	8.5%	12.1%	10.7%	-1.4%	2.2%

- Service revenue stable at 0.2% Q-Q on higher contribution from postpaid and prepaid segments
- Marginal drop of -2.1% Q-Q in total revenue to RM1,584 million, due to lower device and other revenues
- Postpaid revenue grew to RM633 million, up 1.6% Q-Q, driven by demand for device bundles and entry-level plans; subscriber base at 3.25 million
- Prepaid revenue sustained Q-Q performance of 0.3% to RM645 million, largely from data revenue to offset weaker voice and non-internet usages; subscriber base at 7.12 million
- Total subscriber base of 10.37 million (+148k Q-Q), of which 86.4% are internet subscribers
- B2B subscribers grew 1.6% Q-Q from digital bundles push and increased adoption across the board
- COGS reduced -15.3% Q-Q resulted from lower device and digital sales
- OPEX of RM386 million declined -3.5% Q-Q as a result of savings in sales and marketing, offsetting the increase in staff and personnel, operations and maintenance costs as well as higher license fees
- Sequential EBITDA and PAT increase of 6.1% and 11.8% from service revenue recovery and lower total costs
- Third interim dividend of 4.0 sen per share was declared, representing 100% dividend payout ratio

More on Digi’s 3Q 2021 performance is available [here](#).



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**About Digi**

Digi is a mobile connectivity and internet services provider enabling 10.37 million Malaysians on our advanced 4G+ network. We have an ambition to provide relevant, personalised, and engaging digital products and services that will fully enable our customer's digital lifestyles. Listed on Bursa Malaysia, Digi is part of global telecommunications provider Telenor Group, and is a leader in driving responsible business practices. For more information, visit [www.digi.com.my](http://www.digi.com.my).

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