

## PRESS RELEASE

For Immediate Publication

### **CelcomDigi records strong financial performance and solid first year of integration**

- *First year integration and synergy targets met, network modernisation efforts ahead of schedule*
- *Strengthened market leadership with growth across all core segments, stronger subscriber base*
- *Delivered FY2023 guidance, declares full year dividend totalling 13.2 sen per share*

**PETALING JAYA, 20 February 2024** – CelcomDigi Berhad (CelcomDigi) today announced its fourth quarter and full year results for the Financial Year 2023 (FY2023) marking a solid first year of operations as a merged company. The company delivered strong growth performance in line with its 2023 guidance, enabled by solid market execution and efficient cost management. The company also reported significant progress on integration and synergy targets.

### **First-year integration and synergy targets on track**

In 2023, CelcomDigi successfully achieved all first-year integration milestones enabling the company to realise gross synergy of over RM300 million in FY2023.

CelcomDigi completed 35% of its network integration and modernisation target, ahead of its initial plan of 30% by end 2023. The company modernised over 5,600 sites as of December 2023, enabling customers in post-consolidation areas to now enjoy improved download speeds by between 20% and 26%, and better signal strength by between 13% and 16%. The company's 4G LTE and 4G LTE+ network coverage grew to 97% and 91% of populated areas nationwide respectively, in line with its commitment to deliver the widest and fastest 4G network in the country.

In the quarter, CelcomDigi invested RM1,010 million in capital expenditure (CAPEX), bringing total CAPEX to RM1.75 billion, translating into a capex intensity of 13.8% in FY2023. The company managed to optimise CAPEX efficiencies while pushing ahead on prioritised network and IT integration initiatives.

CelcomDigi's CEO Datuk Idham Nawawi said, "In 2023, we made significant progress integrating many business areas, achieving this with minimal disruption to customer experience while competing effectively to lead in the market. We introduced the CelcomDigi brand and launched over 50 product campaigns showcasing our dedication to innovation and customer obsession. This solid market execution and operational excellence enabled us to deliver a strong performance and shareholder value in line with our FY2023 guidance.

"We began 2024 with good growth momentum and are optimistic that we will further unlock synergies and benefits envisioned from the merger. It will be an exciting year for CelcomDigi as we move deeper into our integration efforts and strengthen our market leadership by being a brand that Malaysians can trust and rely on in the age of 'digital-everything'. On a personal note, it has been a privilege for me and the management team to bring two amazing teams together in our first-year post-merger. CDzens have embodied the 'stronger together' spirit and have leveraged their industry-best expertise to deliver a solid first-year, and we very much look forward to what team CelcomDigi will bring to our customers in the coming year."

### Continued growth across all core segments sustaining market share

The company registered across-the-board improvements in its Postpaid, Prepaid, Home Fibre, and Enterprise segments, driven by enhanced 4G and 5G offerings introduced for all segments in the quarter. Uptake of these attractive offers added to customer confidence in the company's network strength saw a record breaking monthly average data per user for Digi customers reach 26.1 GB, up 6.5% YoY, while Celcom customers registered 31.2 GB usage monthly, up 11.8% YoY.

Consequently, CelcomDigi recorded Service Revenue of RM2,737 million in 4Q FY2023, and continued growing its quality subscriber base with additions of over 466K subscribers Y-Y, bringing its total subscribers to 20.6 million. Efficient cost management efforts strengthened EBITDA by 2.6% Y-Y to RM1,597 million, delivering an EBITDA margin of 48.8%, while normalised Profit After Tax (PAT) stood at RM507 million.

The company declared a fourth interim dividend of 3.5 sen per share or a FY2023 total dividend of 13.2 sen per share, in line with its progressive dividend commitment to shareholders.

In December, CelcomDigi pledged its intent to set near and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Targets initiative ("SBTi"). This is in line with the company's broader ESG ambitions to operate a sustainable and responsible business for the long-term.

### Financial Highlights

RM'm	FY2023	FY2022 <sup>1</sup>	Y-Y	4Q2023	3Q2023	4Q2022 <sup>1</sup>	Q-Q	Y-Y
Total Revenue	12,682	12,511	1.4%	3,275	3,104	3,306	5.5%	-0.9%
Service Revenue	10,859	10,820	0.4%	2,737	2,712	2,719	0.9%	0.7%
EBITDA	6,155	5,957	3.3%	1,597	1,567	1,556	1.9%	2.6%
PAT	1,567	1,964	-20.2%	439	459	507	-4.4%	-13.4%
CAPEX	1,755	1,654	6.1%	1,010	385	665	162.3%	51.9%

1. Comparable basis results which includes contribution from Celcom's results as if the merger was completed on 1 January 2022 and after excluding merger transaction costs and accounting alignment adjustments

- FY2023 Service revenue grew 0.4% Y-Y to RM10,859 million. 4Q FY2023 Service revenue rose 0.9% Q-Q to RM2,737 million from growth across all core segments, particularly in Postpaid, Wholesale and Home Fibre.
- FY2023 Postpaid revenue declined 0.8% Y-Y to RM5,076 million resulting from softer interconnect revenue while 4Q FY2023 grew 0.9% Q-Q to RM1,268 million fuelled by higher roaming activities.
- Prepaid revenue grew 0.8% Y-Y to RM4,573 million for FY2023, while 4Q FY2023 rose 0.1% Q-Q contributed by continued strong data traction.
- Home Fibre revenue grew 27.2% Y-Y to RM173 million and 4.4% Q-Q to RM47 million for FY2023 and 4Q FY2023 respectively, benefiting from expanded product offerings and affordable fibre plans, attracting more customers with net additions of 30,000 subscribers.



- FY2023 EBITDA rose 3.3% Y-Y to RM6,155 million attributed to topline improvements and sustained total costs from integration synergies and cost optimisation efforts; while 4Q FY2023 EBITDA stood at RM1,597 million and a margin of 48.8%.
- Normalised Profit After Tax (PAT) increased by 3.2% to RM2,151 million in FY2023, after adjusting for accelerated depreciation.

### Operational Highlights

- Strong total subscriber growth, with net additions of 466K Y-Y in FY2023, with new subscribers from stronger uptake of enhanced product offerings despite a slight decline of 48K in 4Q FY2023 to reach a total of 20,552K subscribers.
- Blended 4Q FY2023 ARPU was RM41 while Postpaid and Prepaid ARPU stood at RM66 and RM28 respectively.
- Postpaid net adds for FY2023 were 266K Y-Y, including 74K Q-Q for 4Q FY2023 to 6.9 million subscribers driven by a wide range of appealing packages and bundles.
- Prepaid base grew 170K Y-Y for FY2023 to 13.5 million due to continued growth and sustained renewals in monthly subscription packages despite a slight reduction of 132K Q-Q.
- Home Fibre subscribers increased to 131K, marking a growth of 30K Y-Y for FY2023 including a 10K Q-Q increase for 4Q FY2023 from improved plan offerings strengthening ongoing subscriber acquisition and growth in ARPU.
- Average data per user up 10.2% Q-Q to 31.2 GB for Celcom and 5.7% Q-Q to 26.1 GB for Digi.

Click [here](#) for CelcomDigi's CEO's Reflections and more information on the company's 4Q-FY 2023 performance.

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### About CelcomDigi

CelcomDigi is Malaysia's largest mobile network operator with more than 20.6 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](http://www.celcomdigi.com).

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