



Responses to questions received from shareholders

Digi.com Berhad's 24th Annual General Meeting

No.	Question Received from Shareholders	Responses
Door gift / e-vouchers		
1.	We understand that Digi has decided not to give door gifts to shareholders this year. Would the Board consider giving out Digi's e-vouchers instead?	<ul style="list-style-type: none"> There will be no distribution of AGM door gifts physical or electronically this year. As part of our commitment towards responsible business, we have prioritized our resources to ensure our customers and frontlines can stay connected especially during C-19 crisis and to ensure our network is optimized to support the increase in data traffic demands. In that respect, Digi have given free 1GB productivity data daily and Covid-19 insurance coverage to our customers during the MCO period, amongst a list of other Covid-19 initiatives which we believe will benefit our esteemed shareholders who are also our customers and Malaysia society at large.
Axiata-Telenor Proposed Merger		
2.	Can we know the current stage of progress towards finalizing agreements in relation to the proposed transaction within the second quarter of 2021 following due diligence?	<ul style="list-style-type: none"> We are on track in current process. We will be making announcement upon completion of the process. The Board and Management will be obtaining the necessary approvals from all shareholders and other stakeholders.
3.	What is the dividend policy under new management after completion of the proposed merger?	<ul style="list-style-type: none"> This will be decided by the new management of the potential mergeco
Strategy / Future Plans		
4.	Do you mind sharing Digi's strategy to grow 20% in postpaid and fixed subscriber by 2023?	<ul style="list-style-type: none"> Digi will continue to focus on proactive base management and drive retention of loyal customers through flexible and best-in-value offerings and channel digitization <ul style="list-style-type: none"> Best-in-value acquisitions with add-on deals with renewed Digi Postpaid plans Attractive PF365 offers We are scaling up the Digi Home Fibre branding through bundling proposition and increase upselling opportunities to our existing base
5.	What is the SME segment growth Digi.com is eyeing to achieve in the next three years?	<ul style="list-style-type: none"> We aim to lead organic B2B growth of 33% by 2023 and these can be achieved by focusing on SME among others: <ul style="list-style-type: none"> Building a range of seamless products and solutions (mobile, fixed, digital) for SME and B2B customers Building a leading position on trust and security for fastest SME growth Pioneering 5G and IoT value creation in key B2B verticals (ports, oil & gas) Providing extensive B2B and 5G solution portfolios in target verticals
6.	Digi has set out a three-year strategy that aims to further reduce cost digitalization, productivity, and other efficiencies. How much opex does Digi aim to cut within a three-year period?	<ul style="list-style-type: none"> We have seen steady and effective cost optimization initiatives to secure resilient cash flow over the past years and will continue to focus on modernization as 1 of our key strategic pillars in the coming years Digi will continue to hold clear leadership position in the industry on EBITDA margin and reinvest savings to generate future growth



Responses to questions received from shareholders

Digi.com Berhad's 24th Annual General Meeting

7.	Does Digi plan to spin-off the tower unit into a REIT or it is still economically viable to park it under Digi itself?	<ul style="list-style-type: none"> • Digi is always looking for new ways to drive efficiency and maximize value creation for its shareholders. • If there are any material changes that affect the Company, we will keep the market informed.
8.	Will there be any dividend reinvestment plan in future?	<ul style="list-style-type: none"> • There is no plan to change any existing dividend policy that we currently have right now. • We continue to distribute minimum of 80% of profit after tax to be paid on quarterly basis (near 100% in FY 2020)
Performance Review		
9.	Can you share the Covid-19 impact to your subscriber development and revenue?	<ul style="list-style-type: none"> • Total revenue softened by 2.3% to RM6.15b attributed to sustained pressure on consumer and business spend, and impact from border closures to limit inflows of tourists and migrants <ul style="list-style-type: none"> • Roaming and migrants (closed borders) of -61% Y-Y and -24% Y-Y respectively • Total subs reduced to 10.4 million on continued shortfall in migrant segment offset by larger Malaysian base of 5.9% Y-Y and postpaid net adds of 22 k <ul style="list-style-type: none"> • Conscious decision to drive quality registration of subscribers and maximize return on incentives • Higher data subscribers led by attractive data plans • Blended ARPU sustained at RM 42 driven by our focus on quality subscriber base amid softer macro-outlook
10.	In the past, the prepaid segment was the highest income contributor to Digi mainly from foreign labor - due to the reduction in foreign labor now, what are Digi's plans to grow its revenue through other service offerings?	<ul style="list-style-type: none"> • Digi focuses on maintaining its prepaid active base, largely driven by Malaysian data users through our affordable high-speed proposition • We are regaining acquisition momentum through segmented targeting: <ul style="list-style-type: none"> • Under-represented segments – youth and B40 group through internet passes at selective period/locations • Digital services bundles to cater for customers' needs
11.	What is the outlook and guidance for 2021, given the latest announcement on MCO 3.0?	<ul style="list-style-type: none"> • We have seen steady commercial momentum through our agility to pivot key positioning, and effective cost optimization initiatives to secure resilient cash flow. • Hence, we are better prepared as we are proactively performing scenario planning to adapt and execute based on consumer demand and market condition – based on Covid-19 learnings. • Digi continues to focus on digitalization and innovation, in supporting SMEs and enterprises with our Go Digital bundles, in-house solutions and tailored connectivity solutions, while actively collaborating with partners to deliver best customer experiences. • FY2021 guidance: We have announced low single digit decline to service revenue, medium single digit decline to EBITDA and capex-to-total revenue ratio of 14% - 15%.



Responses to questions received from shareholders

Digi.com Berhad's 24th Annual General Meeting

12.	The share price reflects the strength of the company. It seems that company share price is on a down trend or not performing mode for the last few years. What is your view on this?	<ul style="list-style-type: none"> • Digi's share price performance is in line with the trend of Bursa Malaysia's KLCI Index and Telecommunication and Media Index. • As at yesterday, our share was flattish Y-Y against the price at the beginning of this year. • Industry share price performance is likely to be challenged by elevated negative pressure on mobile usages and revenue opportunity as consumer and business spend weakened against extended lockdown period. • Meanwhile, industry share price development is also weighed on expected capex roll-out to meet Jendela plans and cope with growing data consumption.
13.	In view of the new normal - MCO, Work from Home, Home based learning through the Internet etc. - Will Digi rollout a low-cost Fibre Network which is cheaper than the other telcos?	<ul style="list-style-type: none"> • Digi continues to provide Free 1GB data daily for education and productivity sites till end of July 2021 • In conjunction with Jaringan Prihatin, RM180 rebate for their prepaid or postpaid plan, or a RM300 device subsidy are offered to eligible B40 customers. <ul style="list-style-type: none"> • Existing and new customers can receive a monthly rebate of RM15 and 2GB free daily data for up to a year. • We have also introduced Fibre-to-the-home (FTTH) solution to customers, micro businesses, and large enterprises
Jendela/5G		
14.	How does 5G rollout plan, Jendela and Digital Nasional Berhad fit in Digi's future strategies moving forward? Is Digi prepared for 5G rollout?	<p><u>5G fits in our strategies:</u></p> <ul style="list-style-type: none"> • Improve network connectivity and user experience: We aim to capture new growth opportunities from affordable fixed broadband using 5G FWA • Revolutionize Industries (IR4.0): We are co-developing 5G use-cases, with industry vertical players and Telenor Group with faster, more secure Enterprise private networks over 5G with high reliability and ultra-low latency • Power Digital Malaysia: We continue to support and enable national ambition on digital infra and serve growing connectivity demands of high impact digital economy <p><u>Digi's readiness</u></p> <ul style="list-style-type: none"> • We have been building readiness for 5G by modernizing our network and IT platforms, building touch free operations in NW and IT, and conducting 5GDPs and 5G trials with industry/ ecosystem partners and selected corporate customers. • These investments will continue to be used by Digi for its 2G/3G/4G network and will also be available for DNB to leverage existing passive infrastructure (e.g., towers and fiber) for its 5G network rollout. • In addition, we will also use the partnerships and learnings from 5GDPs and trials towards future commercialization of 5G services to best serve Digi customers in



Responses to questions received from shareholders

Digi.com Berhad's 24th Annual General Meeting

		connecting them to what matters most and digitalizing and transforming businesses via 5G.
15.	Since JENDELA provides 5G infrastructure access as a wholesale to telco, can Digi still use the self-deployed 5G infrastructure?	<ul style="list-style-type: none">• The government has established Digital Nasional Berhad as the national 5G special purpose vehicle (SPV), and will be given the relevant spectrum to own, execute, and manage 5G infrastructure• Digi will be provided with equal access to 5G infrastructure via fair wholesale arrangement, like all other licensed service providers• More details will be forthcoming from MCMC
16.	Has 3G network been sunset as certain areas in KL/Selangor? Please update shareholders on the impact of this 3G network sunset.	<ul style="list-style-type: none">• We are currently on track with 3G sunset, focusing on building technology awareness and driving educational programs with industry players• This leads to more efficient management of spectrum and improves overall customer experience• Currently, we are piloting in Port Dickson with clear communications to impacted subscribers and will progress accordingly based on plans
Secretarial		
17.	Before voting on the re-appointment of the directors, how do we as shareholders make an informed decision that they deserve to be re-appointed?	<ul style="list-style-type: none">• It is stated in the Integrated Annual Report that an annual evaluation is performed by the Nomination Committee on the performance and effectiveness of the directors. The profile of every director is reflected in the Integrated Annual Report 2020.