celcomdigi

Advancing & **Inspiring Society**

Integrated Annual Report **2024**

We Are CelcomDigi

The visuals in this report spotlight the people behind our organisation, fondly known as CDzens. Inspired by our customers, we relentlessly pursue customer excellence and innovation, making connectivity and digitalisation accessible to all of society, to build a brand Malaysians can trust and rely on in the age of 'digital-everything'.

Pictured on cover:
Nurul Nadhirah Binti Mohd Najib,
Innovation Experiential Specialist and Host of CelcomDigi AiX.

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About **This Report**

We are pleased to present CelcomDigi Berhad's Integrated Annual Report (IAR) for the financial year 2024 prepared in accordance with the International Integrated Reporting <IR> Framework, and other established reporting frameworks and disclosure requirements. This IAR serves as a communication to our stakeholders on how we utilise resources to optimise our opportunities and manage risks. The report covers all business activities of CelcomDigi in 2024, including information pertaining to our financial and non-financial strategic goals, and how we continue to create value for our brand, business and stakeholders.

SCOPE AND REPORTING BOUNDARIES

The scope of this IAR covers the financial year from 1 January 2024 to 31 December 2024 (FY2024) unless otherwise stated, and encompasses all business operations of CelcomDigi Berhad ('CelcomDigi' or 'the Group') including all our subsidiaries.

Sustainability and other non-financial performance only encompass disclosure within wholly-owned subsidiaries of the Group.

No restatements were made unless otherwise stated.

REPORTING FRAMEWORK AND GUIDELINES

This IAR has been prepared with reference to the following established reporting frameworks and disclosure requirements:

- International Integrated Reporting <IR> Framework under the responsibility of the IRFS Foundation
- Companies Act 2016
- Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements (MMLR) Bursa Malaysia Corporate Governance Guide
- Bursa Malaysia's Enhanced Sustainability Reporting Framework
- Malaysian Code on Corporate Governance 2021 (MCCG)
- Malaysian Financial Reporting Standards (MFRS)
- International Financial Reporting Standards (IFRS)
- Global Reporting Initiative (GRI) Standards 2021
- ISAE 3000 (Revised) – Limited Assurance Engagement
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (UN SDGs)
- FTSE4Good Bursa Malaysia Index
- GSMA ESG Metrics for Mobile

MATERIALITY

We adopted a double materiality assessment (comprehensive and limited scale review) to evaluate and disclose the impact of CelcomDigi's activities, broadening our perspectives beyond financial implications to include wider economic, social, and environmental impact. Stakeholder inclusiveness was emphasised in the identification and assessment of each matter, besides taking guidance from CelcomDigi's risk assessment parameters and alignment to Bursa Sustainability Reporting Guide and Toolkits, and the Global Reporting Initiative (GRI).

RESPONSIBILITY & ASSURANCE

The Board of Directors (Board) of CelcomDigi has ensured the integrity of this integrated report through governance and effective disclosure controls and procedures. The Reporting Committee, comprising the Chief Executive Officer (CEO), Deputy CEO, Chief Financial Officer, Chief Corporate Affairs Officer, and relevant departments have ensured that the report is compliant with all regulations and reporting frameworks. This report was reviewed and approved by the Board on 21 March 2025.

Our audited financial statements are independently audited and prepared in accordance with the MFRS, IFRS, and the requirements of the Companies Act 2016 in Malaysia. The audited financial statements are disclosed in Section 6 from pages 151 to 251. We have also obtained limited assurance from an independent auditor on selected non-financial indicators. Further details of the independent assurance report can be found on pages 252 to 253.

CelcomDigi Berhad
Integrated
Annual Report
2024

Please scan this QR Code for a digital copy of the CelcomDigi Berhad IAR 2024

Our Reports are available at https://corporate.celcomdigi.com/annualreport

FORWARD-LOOKING STATEMENTS

The forward-looking statements within this report only provide readers with a potential outlook on our plans. While these statements represent our judgment on future expectations, readers should be aware that any forward-looking statements cannot be deemed to be the guaranteed performances of CelcomDigi, as a number of risks, uncertainties, and other important factors could cause actual results to differ materially from our expectations.

REPORTING SUITES

We are committed to reporting in a transparent and honest manner. To view the full reporting suite, please visit our website at https://corporate.celcomdigi.com/annualreport.

- Integrated Annual Report 2024
- Sustainability Webpage and GRI Index
- Corporate Governance Report 2024

REPORT NAVIGATION

The following icons help to align our integrated narrative so that readers can get a greater sense of the interconnectivity and interrelatedness of our business.

Related Reference

Read more

Our Capitals

Financial
Intellectual
Manufactured
Human
Social and Relationship
Natural

Our Stakeholders

Board of Directors
Government and Regulators
Customers
Employees
Shareholders, Analysts, and Investors
Media
Suppliers and Business Partners
Community, Sustainability Partners, and Non-Governmental Organisations (NGOs)

Our Material Matters

EC1 Service Reliability and Quality
EC2 Business Development, Expansion, and Investments
G1 Regulatory Compliance
G2 Data Privacy and Cybersecurity
G3 Business Ethics and Corporate Governance
G4 Crisis Management and Response
S1 Customer Satisfaction
S2 Talent and Culture
S3 Occupational Safety and Health
S4 Respecting Human Rights and Freedom of Expression
S5 Digital Inclusion
S6 Online Safety
S7/EN3 Supply Chain Management
EN1 Climate Change and Environmental Action
EN2 Energy Consumption

Our Corporate Strategy

Deliver Sustainable and Profitable Growth
Enrich Customer Experience for Our 20 Million Loyal Customers
Drive Operational Excellence (OE)
Invest for the Future

We Are **CelcomDigi**

We are driven by our purpose of 'Advancing and Inspiring Society' through technology and innovation, with a strong commitment to being an inclusive and responsible business institution.

Today, we serve more than 20 million customers across the nation, leveraging the combined scale, experience and talents of two homegrown brands: Celcom and Digi. We are now over two years into our network integration and modernisation efforts to deliver the widest and fastest 4G and 5G-ready network in the country.

CelcomDigi aspires to be an icon of innovation for Malaysia, and a company with the scale and resources to be the nation's digital growth engine. We aim to nurture local talent, develop the local digital ecosystem, bring the best solutions, offers, and experiences to our customers, and to be a brand that customers can trust and rely on in the age of 'digital-everything'.

We are also well-positioned to drive 5G adoption and solutions and to leverage the power of Artificial Intelligence (AI) to develop new growth opportunities for Malaysian businesses. At the same time, our focus is to attract partnerships with global technology companies that will propel the nation's economic growth and transformation into a 5G-AI-powered digital society.

Our Purpose

'Advancing and Inspiring Society'

Our Vision

To Be The Nation's Top Telco-Tech Company

As the largest telco today, we are transforming ourselves beyond core connectivity to offer best-in-class customer experiences. With our wide range of product and service offerings, we are committed to leading in digitalisation and innovation, enabling an inclusive and sustainable digital society.

Our Brand Promise

Most Trusted Brand, Built on Customer Excellence

Trust and customer excellence are the foundation of our identity and the driving force behind everything we do. We aspire to be the nation's foremost enabler of digital lives, empowering Malaysian consumers, businesses and society, building a platform for the next generation. We are inspiring new innovation to help Malaysians achieve all their goals – through new technologies, new experiences, and new ways of working. As we connect more people and places across the country, we are shaping the future and creating a world inspired by you.

CelcomDigi Way: Our Values

Customer Obsessed

We aim to provide outstanding customer experience for more than 20 million Malaysian consumers and business customers by gaining a deep understanding of their needs, and delivering superior customer experiences across all channels.

Performing Relentlessly

We are building a culture of performance excellence, based on a consistent and solid track record of delivering effectively through new work processes that drive operational efficiency, and a strong belief that together, CDzens are greater than the sum of our parts.

Stronger Together

We draw a richness of perspectives, experiences, and backgrounds from our deep and diverse talent pool, as well as our ability to collaborate and mobilise as one team to drive our purpose and vision, and live our brand.

Responsible and Caring

We are deeply committed to being an inclusive and inspiring company that upholds the highest standards of integrity and business conduct. We act responsibly to create a positive impact for the community and for everyone we engage with.

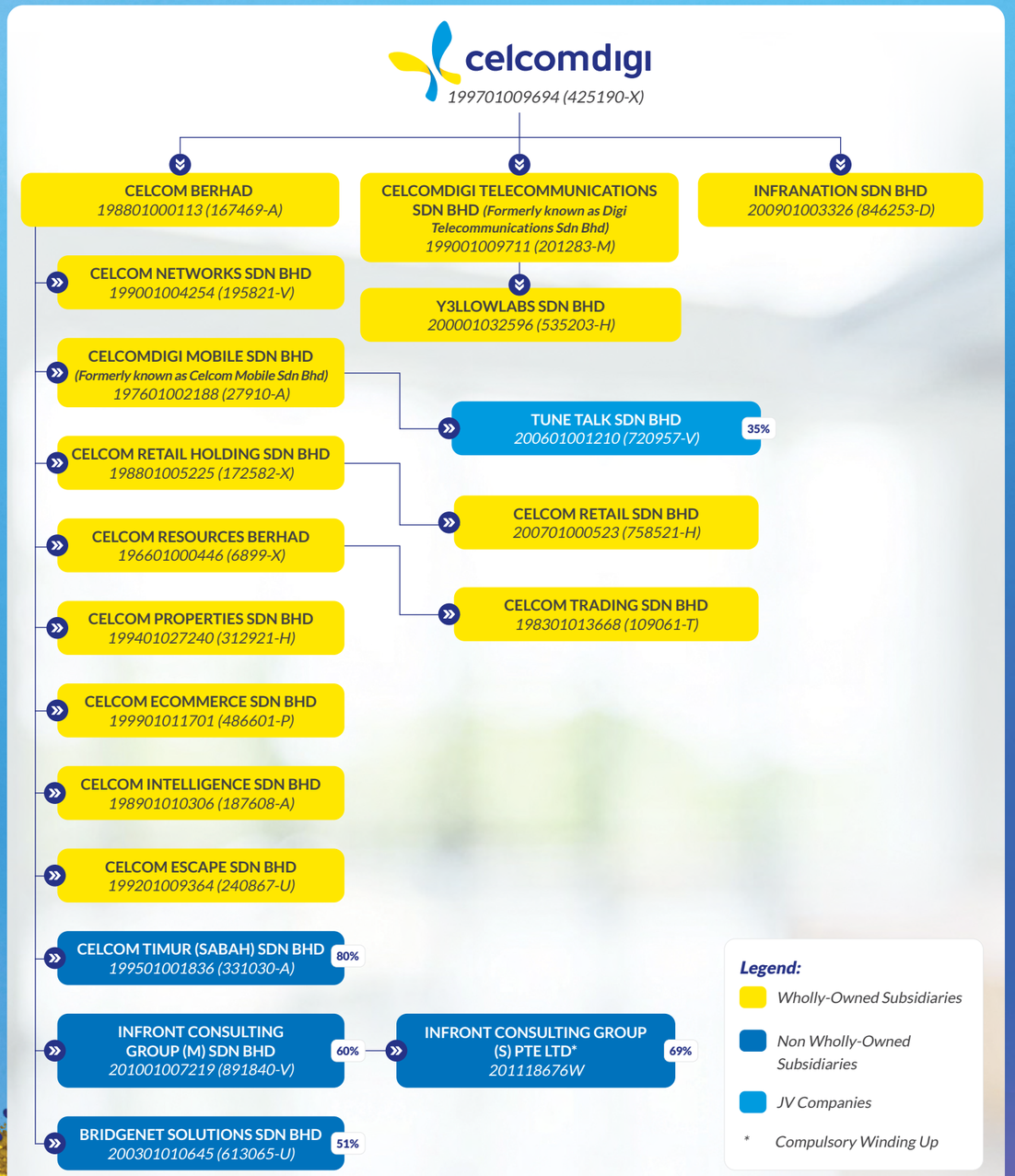
We Are CelcomDigi

Our Behaviours

Our nine behaviours set the foundation for how we live our values. They guide us on how we think, work and engage with each other as well as our customers. They inspire us to drive innovation, act with integrity, and build the most trusted brand, fueled by customer excellence.

- Customer First
- Be Ambitious
- Own It & Innovate
- We Value Time
- Never Give Up
- Strength in Diversity
- Collaborate with Respect
- Do the Right Thing, the Right Way
- Live the Brand

Our Corporate **Structure**



Powering growth with digitalisation

With the power of 5G, AI, and automation, our Enterprise and Innovation teams work with customers to deliver transformative and impactful solutions – supporting businesses as they scale to succeed in a fast-changing world.

Muhamad Hafizul Muzelan, Account Manager, and Yesotha Surendran, Senior Specialist, IR 4.0/5G Ecosystem, helped reimagine logistics with Malaysia's first 5G-powered AI autonomous warehouse.

Chair of the **Board's Statement**

Dear Shareholders,

YM Tengku Dato' Sri Azmil Zahruddin bin Raja Abdul Aziz
Chair of the Board,
Non-Independent
Non-Executive Director

CelcomDigi was established with the purpose of 'Advancing and Inspiring Society', and the aspiration to power the country's digital economy as a trusted partner to consumers, businesses and the nation. As Malaysia's largest mobile operator and one of its leading corporates, the company faces high expectations to uphold the highest standards in customer experience, governance, sustainability, and shareholder value.

Over the last two years, the company has laid a foundation for future growth as the nation's most trusted connectivity partner. The Board is pleased with the company's progress and is also confident that our continued commitment to focused execution and strong corporate governance will ensure CelcomDigi's continued success in the dynamic and hypercompetitive telecommunications sector.

TRANSFORMING TO DELIVER A BETTER EXPERIENCE FOR OUR 20 MILLION CUSTOMERS

We are on an integration and transformation journey which we expect will continue over the next three years. Our efforts in the year have been focused on delivering the most superior experience for our 20 million consumer and business customers. We have progressed ahead of plan in programmes across network, IT, retail, customer experience, and key business model changes. We are confident that these changes will continue to drive enterprise growth, catalyse innovation for our operations and for customers, and lead Malaysia's digital ecosystem towards a more connected future. Importantly, we believe we are well set up for long-term profitable growth and have created efficiencies of scale that strengthen our position to attract local and global technology partners to invest in Malaysia's digital ecosystem.

A detailed account of the company's integration and transformation programme for the year is available in the Chief Executive Officer's Review on pages 12 to 15 of this report.

MAXIMISING SHAREHOLDER VALUE THROUGH STRATEGIC GROWTH

In 2024, the company delivered respectable and stable financial and operational performance while advancing our integration efforts in our second year as a merged company. Despite a challenging market, we closed the year with a solid balance sheet demonstrating our operational capability and financial flexibility to continue funding our investments and operations. For FY2024, the Board declared a total dividend of 14.3 sen per share, exceeding the 80% minimum payout ratio, with RM1.65 billion distributed. The progress we have made in our integration and transformation programme has laid a strong foundation for long-term profitable growth. Through these efforts, we achieved RM1.6 billion in net synergies for the year and are on track to realise annual cost savings of RM700–800 million post-2027.

Our financial stability is affirmed by an AAA credit rating on our debt programmes from both RAM and MARC. We were also recognised in *The Edge* Billion Ringgit Club (BRC) 2024 rankings for achieving the highest return on equity over three years in both the Super Big Cap Companies and Telecommunications & Media categories. These acknowledgements underscore our ability to remain a high investment-grade company for the long-term.

I am pleased to share that we are also on track to realise the full benefits of the merger as expected by shareholders. A detailed account of the company's business performance for the year is in the Chief Executive Officer's review on pages 12 to 15 of this report. We will continue raising the bar in delivering shareholder value in 2025 and beyond.

ACHIEVING OUR PURPOSE WITH RESPONSIBLE CORPORATE CITIZENSHIP

The Board remains steadfast in advancing Environmental, Social and Governance (ESG) standards within our operations and in corporate Malaysia and aim to be recognised as one of the nation's most trusted brands and top-performing companies in this area.

We strengthened our ESG strategy in 2024, driving our efforts in delivering safe and inclusive internet access, nurturing a sustainable value chain, instituting a governance and performance culture, and driving environmental impact and action. A detailed account of these efforts is in the Sustainability Statement section on pages 45 to 51 of this report. Apart from their own merits, I am proud that our efforts have also earned continued recognition. CelcomDigi achieved a 4-star rating in the FTSE4Good Bursa Malaysia Index and a medium-risk rating score of 23.7 under Sustainalytics, outperforming our peers. We were also honoured with the Best Corporate Responsibility Initiatives award in *The Edge* BRC and ranked in the top 20 in Overall Excellence at the National Corporate Governance and Sustainability Awards.

STRONG LEADERSHIP THROUGH CORPORATE GOVERNANCE

As a leading corporation, we are committed to the highest standards of governance, ethics and integrity, especially critical in today's digital world where trust and transparency are crucial. In 2024, we achieved 100% completion across the company for key training in cybersecurity, safety, compliance and ethics. We are also advancing inclusivity and representation, with women now holding 37% of leadership roles with a goal of reaching 40% by 2028, reinforcing our commitment to creating a diverse and equitable workplace.

We regularly benchmark our corporate governance practices to uphold the highest industry standards, ensuring transparency and accountability across the organisation. A full disclosure of our initiatives is detailed in the Performance Review section on pages 64 to 111 of this report.

A PROMISING FUTURE AS MARKET LEADER

Malaysia's economic outlook for 2025 is cautiously optimistic, with the Malaysian government and central bank setting a growth target of between 4.5% and 5.5%, supported by resilient domestic spending, robust investment activities, increased exports and manageable inflation rates. The 5G landscape in Malaysia also continues to evolve. We acknowledge the government's decision on the second 5G network and continue to work with all stakeholders to make 5G adoption successful and drive the nation's transformation into a 5G-AI-powered society.

Looking ahead, we anticipate that the telecommunications industry will continue its current trajectory of rapid evolution, with the hypergrowth of AI driving new opportunities across all industry sectors and society. At the same time, we are cognizant of the risk of AI exponentially widening the digital divide, possibly even more than ever before. The responsibility for our industry is clear: AI growth must be balanced and inclusive, ensuring every citizen can continue to participate in the nation's digital future.

In closing, I take this opportunity to thank my esteemed colleagues on the Board, and former board members Deputy Chair Haakon Bruaset Kjoel and Dr Shridhir Sariputta Hansa Wijayasuriya for their invaluable contributions during the year. We welcome to the Board our new Deputy Chair Jon Omund Revhaug and Nik Rizal Kamil Nik Ibrahim Kamil and look forward to learning and benefiting from their leadership and deep market experience. We were deeply saddened by the passing of our colleague and friend Jorgen Rostrup, the previous Deputy Chair, and remain grateful for his invaluable contributions during his time with us.

On behalf of the Board, I would like to express sincere gratitude to our customers, the government, regulators and all shareholders for your continued trust in CelcomDigi. I also wish to extend my heartfelt thanks to the Management team and all CDzens for their tireless dedication and contributions in 2024.

CelcomDigi stands at a pivotal moment in an evolving digital landscape. With strong leadership, a clear vision and a dedicated team, the Board is confident that we are poised to remain at the forefront of driving Malaysia's digital economy and delivering sustainable growth and value for all our stakeholders.

We look forward to engaging with our shareholders at our 28th Annual General Meeting (AGM), which will be held on 22 May 2025. Please see the details outlined in our Notice of AGM on pages 278 to 284.

Chief Executive Officer's **Review**

Dear Shareholders,

Datuk Idham Nawawi
Chief Executive Officer

2024 was a pivotal year for CelcomDigi. We made significant strides to strengthen market leadership and business momentum, while driving the transformative changes that will enable us to deliver long-term profitable growth. Following our merger, we embarked on one of the most complex integration and transformation programmes to set the future foundation for the business, while continuing to operate in a hyper-competitive market. Our performance in the year continues to prove the strategic value of the merger and paves the way to sustainable, profitable growth as the market leader in this fast moving sector and gives confidence to our shareholders.

As CEO, I am proud of what we have achieved together as Team CelcomDigi. Grounded in our purpose of 'Advancing and Inspiring Society', we are committed to deliver a differentiated experience for our customers. I see this in action every day working alongside incredible colleagues across the country, who embody our unique CelcomDigi culture and way of work. True to our values, CDzens have performed relentlessly to create long-term value for shareholders, and power the company towards our vision of being Malaysia's most trusted brand built on customer excellence.

CREATING PATHWAYS FOR SUSTAINABLE AND PROFITABLE GROWTH AS A MARKET LEADER

Maintained market leadership with growth across core segments

We continued to innovate and launched a complete portfolio of 4G/5G products under the new CelcomDigi brand catering to both consumer and business segments. Efforts to enhance our network, retail, digital and support experience have reinforced customer confidence and deepened trust in our brand. As a result, we saw growth across key parts of the business, closing the year with a subscriber base of 20.4 million.

Our key target growth areas have gained traction, namely in Consumer Postpaid, Home & Fibre, and Enterprise Solutions, with revenues growing by 2.6%, 34.4%, and 8.8% respectively. We were challenged in the highly competitive Prepaid and Enterprise Mobile markets as we shifted to focus on more profitable segments within this space. While the industry collectively faced similar challenges, we are pleased to see indications of improving trends in the later part of 2024.

Strong underlying performance in FY2024 with synergy targets on track

We successfully kept our topline revenue stable, despite the complexities arising from the merger integration – typical for any company in this phase. We recorded a Total Revenue of RM12.7 billion and Service Revenue of RM10.8 billion for the year. Our reported Earnings Before Interest and Tax (EBIT) and Profit After Tax (PAT) for FY2024 declined 13.8% and 11.3% respectively due to one-off merger-related financial adjustments; excluding these non-recurring adjustments, the full-year normalised EBIT registered a respectable 3.6% growth to RM2.8 billion, while PAT grew 11.7% to RM1.7 billion. We also realised RM1.6 billion in net synergy savings, driven by disciplined cost management and capital expenditure (CAPEX) avoidance from the integration programme. With a substantial part of the overall integration cost and most of the merger-related financial adjustments behind us, we expect a more robust financial and market performance going forward.

I am pleased to share that we declared a total dividend of 14.3 sen per share for FY2024, in line with our commitment to delivering sustainable shareholder returns.

Watch the CEO Reflections video on FY2024 on CelcomDigi's website at: https://celcomdigi.listedcompany.com/financials.html

Read more about our performance in Performance Review Section: Financial Capital on pages 64 to 69

ENHANCING CUSTOMER EXPERIENCE THROUGH A WELL-EXECUTED INTEGRATION AND TRANSFORMATION PROGRAMME

Improved experience on Malaysia's intelligent digital network and modernised IT capabilities

We remained focused throughout the year to deliver improved customer experience through our integration and transformation programme. By end 2024, we successfully integrated and modernised 75% of our network, ahead of target. We observed that our customers now enjoy 20% higher data throughput, with 80% experiencing stronger signal quality on our newly modernised digital network. We successfully completed the first phase of our core billing and customer relationship management systems upgrade. This was a major undertaking in our end-to-end IT transformation programme, under which we completed 20 projects from more than 40 identified integration activities. This marks a crucial milestone in our broader IT integration and transformation programme, which aside from driving stronger operational efficiency and capturing synergies will enable new innovations and improved digital experiences for customers. We believe these investments are delivering the enhanced quality of experience we envision for our customers.

Serving customers with the new face of CelcomDigi-branded retail destinations

We are undertaking a complete transformation of our approximately 400 retail outlets, introducing a new experience, with 48 stores launched in 2024. We are seeing improvements from these transformed stores with 1.2 times increase in sales productivity and a customer satisfaction score of 96.6%. Our two market-leading digital platforms – the Celcom Life and myDigi apps – continue to be the preferred channel for our customers to engage with us. The growing usage of these apps, close to 9 million monthly active users and counting, make it one of the most popular apps in the country.

Enhanced operating models to improve customer experience and operational efficiency

The merger allowed us to evaluate our operating models and how our processes and ways of work can be redesigned to deliver superior customer experience and better efficiencies. We established a new Customer Experience Division (CXD) to deliver our ambition to provide superior experience to customers across all touchpoints and moments of truth. We also harmonised our customer care operations with more unified and modern support capabilities, and implemented a new cost-efficient distribution model which has driven channel growth and reached customers more effectively. We introduced a new and enhanced hybrid operating model for network to leverage AI and data-driven technology to deliver best-in-class service experience for our customers. These strategic decisions reflect our commitment to building a brand defined by trust and customer excellence – a game-changer for us to maintain market leadership.

ACCELERATING THE ADOPTION OF 5G AND AI

Leading the market on driving 5G adoption

Throughout the year, we introduced a full suite of CelcomDigi 5G offerings, with the aim of providing exciting 4G/5G plans and converged packages to cater to Malaysians' growing connectivity and digital lifestyle needs. On the enterprise front, we invested in various programmes to create awareness and generate interest in the potential of 5G, including our MY5G forums, which engaged with over 60 corporate CEOs and 400 Malaysian SMEs. We also delivered innovative 5G solutions to market-leading companies in support of their digital transformation: we partnered with PETRONAS to enable the largest oil and gas platform with 5G, worked with DHL Supply Chain to reimagine logistics with Malaysia's first 5G-powered AI autonomous warehouse, and introduced next-gen learning through CelcomDigi Metaversity – bringing Metaverse, XR, AI and robotics to ten leading public and private universities.

CelcomDigi AI Experience Centre (AiX) catalysing enterprise digital transformation

A major milestone for the year was the launch of our state-of-the art CelcomDigi AI Experience Centre (AiX) with a vision to catalyse the adoption of 5G, AI, and emerging technology solutions. Partnering over 40 global technology and local ecosystem players, we collectively invested RM55 million to support this ambition. AiX showcases 45 ready-to-deploy use cases across eight key industries – from manufacturing and energy to logistics and smart cities, among others – with a number of pilots already underway with enterprise customers. We are pleased that AiX has garnered enthusiastic interest, and we have hosted more than 2,000 visitors and over 120 executives from both the public and private sector in the few months post its creation. AiX delivers on our merger promise to leverage our scale to attract global tech leaders, and drive investment and fast-track development of next-gen digital solutions to advance Malaysia's digital future.

Transforming CelcomDigi into an AI-first organisation

We ourselves are ramping up our knowledge, understanding and adoption of AI as rapidly as possible. We encourage the adoption of AI across our business; to-date we have embarked on several use cases focusing on four key areas: how we use AI to (i) serve customers better, (ii) help us sell better, (iii) improve operational

efficiency, and (iv) generate new revenue streams. We are exploring collaborations with major technology partners including NVIDIA, AWS, Meta, Google, and Microsoft, to name a few. There is infinitely more to explore in this space and we aspire to fully harness the power and potential of AI as our competitive advantage for the future.

5G Dual Network Transition

The recent development of Malaysia's second 5G network registered no service impact on our customers. Both consumer and enterprise users with 5G devices continue to enjoy seamless 5G access, through the 5G wholesale agreement. Moving forward, we remain committed to offering the best choice, value, and connectivity experiences to customers on our 4G network, as we secure sustainable, long-term options for 5G access.

KEEPING CUSTOMERS AND DATA SAFE AS A TRUSTED BRAND

Safeguarding our customers is our top priority. We are cognizant of the growing safety, security and privacy threats and risks of digitalisation, particularly the scourge of online scams and frauds which affect all digital citizens across the world. Our approach to delivering this commitment is guided by the principle to "ACT" – to raise *Awareness*, drive *Compliance* in systems and processes, and leverage the full potential of *Technology* both in our infrastructure and through our product offerings to build resilience and safeguard against threats.

In the past year, we deployed many of these initiatives, including partnerships with Gabungan Bertindak Anti-Scam (GBAS), CyberSecurity Malaysia (CSM), the Malaysian Crime Prevention Foundation (MCPF), the Royal Malaysian Police (PDRM) and the Malaysian Communications and Multimedia Commission (MCMC) to raise scam awareness through nationwide roadshows and social media campaigns. We also launched our first National Scam Awareness Survey 2024 Report, polling over 10,000 Malaysians for actionable data and insights to guide more strategic and targeted scam awareness measures. We implemented security enhancements in our apps and subscription services to strengthen scam prevention. Privacy and data protection remains core to everything we do, with zero compromise to safeguarding the trust placed in us. In 2024, we conducted a comprehensive review of privacy compliance across the company to drive continuous improvement, align with industry best practices, and stay compliant with new and emerging legislation. These efforts are guided and governed by the Board, through the Board Governance and Risk Management Committee (BGRMC).

We will continue our efforts to address all short- and long-term sustainability issues related to our sector to build an inclusive, sustainable and trusted digital society. We believe our efforts in setting new benchmarks for ESG practices and operating responsibly will establish CelcomDigi as a brand Malaysians can trust and rely on in the age of 'digital-everything'.

Read more about our Environmental, Social and Governance (ESG) Strategy Framework in Section 3 on page 49

SHAPING A PROGRESSIVE AND WINNING CULTURE

We want to create a workplace environment that is progressive and promote a culture of high performance built on a workforce of diverse, inclusive and engaged CDzens. In 2024, we launched GROW@CelcomDigi to develop top industry talent through equal access to learning and career growth opportunities. Our 10/100/1000 approach nurtures future CDM, leaders, and next-gen talent, equipping them for our telco-tech evolution. We also became Malaysia's first company to earn the ISO 45003 certification for workplace psychological health and safety. These efforts reflect our commitment to a workplace where every employee feels supported, valued, and empowered to grow.

This year, we conducted an Employee Engagement Survey (EES) with a strong participation rate of 93%, reflecting our employees' willingness to share feedback to help us build a more supportive and inclusive workplace. The survey results revealed an 86% engagement score, a clear sign of a highly engaged workforce and a thriving workplace culture. This score reflects our ongoing efforts to develop our people and the company, and that we are on the right track when compared with other high-performing companies globally and among those that have undergone similar transformative changes.

Read more about our performance in Section 4: Human Capital on pages 84 to 91

TRANSFORMING CELCOMDIGI FOR FUTURE GROWTH

We expect the telecommunications sector to remain exciting with challenges arising from intense competition, shifts in regulatory and industry structures, pressures to invest in 5G and AI, and economic headwinds. As we navigate these challenges, we will leverage our execution and transformation momentum to drive our ambition that prioritises profitable growth, trust and customer excellence. This will be delivered through four key areas:

- **Focus on sustainable and profitable growth as a market leader**
  Creating a pathway for the long-term by driving growth across all key core segments, including new areas of converged services and enterprise solutions, and building a brand rooted in trust and customer excellence to drive customer loyalty.
- **Enrich customer experience to our 20 million loyal customers**
  Creating more value for our customers with a wide variety of value-added services, enhanced interactions and superior experience through our digital platforms.
- **Drive operational excellence as a way of work**
  Becoming the most efficient telco in the region through efficient operating models, technology-driven efficiencies, cost structure optimisation, economies of scale, and fostering an operational excellence mindset across the organisation.
- **Continue to invest for the future**
  Investing in new AI, data and technology platforms, build capabilities and partnerships as a strategic competitive advantage and to unlock new revenue opportunities.

With this strategy in place, and momentum from our rigorous market execution, and integration and transformation programmes, we are confident we will continue to be able to deliver a robust and positive financial and market performance in 2025 and beyond.

CelcomDigi's 2025 Guidance

- Low single digit growth in service revenue
- Low to mid-single digit EBIT* growth
- CAPEX intensity between 14%–16%

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

Read more about our Value Creation Model and Strategy in Section 3, on pages 30 to 31 and 60 to 61

On behalf of the Management team, I would like to thank our customers for your trust in CelcomDigi. We assure you that we remain committed to delivering the best experiences for all your digital needs.

To our partners and shareholders, we convey our appreciation for your strong collaboration and investment in CelcomDigi. Our gratitude also goes to the Government and to our sector regulator the Malaysian Communications and Multimedia Commission (MCMC) for your continued engagement to drive Malaysia's connected and digital future.

My appreciation also to our Board for their steadfast support and strategic guidance, which has been instrumental in shaping our journey.

A special thank you and farewell to my colleagues, Chief Financial Officer Lucy Tan and Chief Home & Fibre Officer Chee Loo Fun, for your contributions as part of the founding Management team of CelcomDigi. We also welcome our new CFO Dennis Chia and Chief Customer Experience Officer Lau Yin May to the senior management team and to the CelcomDigi family. I am certain that these new appointments strengthen our leadership and capabilities for the next phase of our transformation.

Finally, our thanks to our dedicated CDzens whose passion and commitment continue to inspire me and fuel our success. United by our purpose of 'Advancing and Inspiring Society,' I believe we are ready to lead the next wave of innovation. I look forward to what we will achieve together in 2025 and beyond.

On the road with my colleagues as part of our Skuad5G adventure to unearth moments of truth with customers

Board of **Directors' Profiles**

Tengku Dato' Sri Azmil Zahruddin Bin Raja Abdul Aziz

Chair of the Board, Non-Independent Non-Executive Director

54 | Date of Appointment: **19 January 2023** | Board Meeting Attendance in 2024: **11/12**

Length of Service

2 years 2 months (as at 21 March 2025)

Work Experience

Tengku Dato' Sri Azmil Zahruddin previously served as the Chief Investment Officer at Khazanah Nasional Berhad (Khazanah) overseeing Khazanah's investment portfolio. His tenure at Khazanah included various senior positions, including Deputy Managing Director and Executive Director of Investments from 2011. Tengku Azmil also held various positions at Malaysia Airlines, including as Managing Director/Chief Executive Officer and Executive Director/Chief Financial Officer.

Prior to these roles, he sustained leadership positions at Penerbangan Malaysia Berhad and gained international experience at PricewaterhouseCoopers in London and Hong Kong. Tengku Azmil also served as Chairman of UEM Group and Themed Attractions Resorts & Hotels Sdn Bhd, and held directorships in Axiata Group Berhad, IHH Healthcare Berhad, and Malaysian Global Innovation & Creativity Centre Berhad (MaGIC).

Other Commitments

Tengku Azmil is currently an independent non-executive board member of Sime Darby Berhad and non-independent non-executive board member of CIMB Group Holdings Berhad and CIMB Bank Berhad. He is also Chairman of CIMB Thai Bank PCL and sits on the Malaysian Accounting Standards Board.

Qualifications

Tengku Azmil holds a degree in Economics from the University of Cambridge, UK. He is a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA) and a fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).

Jon Omund Revhaug

Deputy Chair, Non-Independent Non-Executive Director, Board Governance and Risk Management Committee Member

59 | Date of Appointment: **21 March 2025** | Board Meeting Attendance in 2024: **N/A**

Length of Service

Less than a year

Work Experience

Mr Revhaug is an experienced senior business leader, currently the Executive Vice President, Head of Asia at Telenor Group. He joined Telenor Group in 2001 and spent 20 years leading the establishment of new businesses, building emerging market leadership positions, and playing an integral role in M&A and large transactions. Mr Revhaug also held Board of Director positions in the Nordics and Asia during this time. He was previously Chair of the Board of Directors of Telenor Myanmar and served as a Board member of Telenor Procurement Company in Singapore.

Mr Revhaug was previously acting EVP, Head of Telenor Nordics. Prior to this, he was Chief Operating Officer at Telenor Nordics with responsibilities in technology, IT and Shared Services across the region, and served as Chief Transformation Officer for True Corp in Thailand, where he led integration efforts in the merger between CP-owned True and Telenor-owned Dtac. Mr Revhaug was also the Chief Executive Officer (CEO) of Telenor Myanmar, which he led through Covid and the military coup.

As CEO of Telenor Procurement Company, he was instrumental in establishing Telenor Group's global sourcing function.

Other Commitments

Mr Revhaug is currently on the Boards of Telenor Shared Services AS, Telenor Norge AS, Telenor Danmark Holding A/S, Telenor Sverige AB and DNA Oyj.

Qualifications

Mr Revhaug holds a Master of Management degree from BI Norwegian Business School and a Candidate Magister degree in Economics and Biology from the University of Tromsø, Norway.

Vivek Sood

Non-Independent Non-Executive Director, Chair of Board Governance and Risk Management Committee

61 | Date of Appointment: **19 January 2023** | Board Meeting Attendance in 2024: **11/12**

Length of Service

2 years 2 months (as at 21 March 2025)

Work Experience

Mr Vivek has demonstrated leadership across diverse roles, currently serving as Group Chief Executive Officer (CEO) of Axiata Group Berhad. He was Group Chief Financial Officer (CFO) of Axiata Group Berhad, Executive Vice President and Group Chief Marketing Officer of Telenor, CEO of Grameenphone Bangladesh, CEO of Telenor India, CFO of Telenor India, and Chief Operating Officer and CFO of Tata AIA Life Insurance. His experience includes leading multidisciplinary and multi-cultural teams, overseeing business, finance and transformation within the telecommunications, insurance and consumer sectors.

He serves on the boards of Axiata's listed and unlisted subsidiaries. As Group CEO, he is responsible for implementing Axiata's portfolio, and business strategies and results as mandated by Axiata's Board. His role involves developing Axiata's culture, transforming the business, building trust among stakeholders and delivering expected returns to investors. In his earlier roles, he has acted as a change agent, steering a major telco's transformation into a digital services provider and developing innovative services. His global knowledge extends across Asian and European markets, leading teams with diverse cultures and backgrounds.

Other Commitments

Mr Vivek also holds board positions in various Axiata subsidiaries, including Dialog Axiata PLC, Robi Axiata Ltd, PT XL Axiata Tbk, PT Link Net Tbk, Axiata Digital & Analytics Sdn Bhd, Boost Holdings Sdn Bhd and Smart Axiata Co., Ltd.

Qualifications

Mr Vivek holds a Bachelor in Commerce from the University of Delhi, India and is a Qualified Chartered Accountant of India. He obtained his Accountancy and Audit Training at PricewaterhouseCoopers India.

Nik Rizal Kamil Bin Nik Ibrahim Kamil

Non-Independent Non-Executive Director

52 | Date of Appointment: **12 February 2025** | Board Meeting Attendance in 2024: **N/A**

Length of Service

Less than 1 year (as at 21 March 2025)

Work Experience

Mr Nik Rizal was appointed Axiata Group Berhad's Group Chief Financial Officer in January 2024, having previously served as Group Chief Financial Officer at RHB Group since 2021.

Prior to that, Mr Nik Rizal was with Khazanah Nasional Berhad (Khazanah) from 2011 to 2021, where he held the position of Executive Director, Investments. In this role, he served as Head of Private Markets for North America, EMEA and India, as well as Head of the Telecommunications, Media & Technology (TMT) sector.

Additionally, Mr Nik Rizal was also Khazanah's nominee on the Boards of Telekom Malaysia Berhad, Astro Malaysia Holdings Berhad and various unlisted companies.

Prior to Khazanah, Mr Nik Rizal had spent ten years with the Royal Dutch Shell group in finance and strategy roles in Malaysia, Singapore and the United Kingdom.

Other Commitments

Mr Nik Rizal also holds Board positions in various Axiata subsidiaries, including PT XL Axiata Tbk, PT Link Net Tbk, Robi Axiata Ltd, EDOTCO Group Sdn Bhd, and Axiata Digital Labs Sdn Bhd.

Qualifications

Mr Nik Rizal holds a Master in Finance (MSc) from London Business School and a Bachelor in Science (BSc) in Economics and Accounting from University of Bristol in the United Kingdom. He is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants in England and Wales (ICAEW) where he also holds a Business Finance Professional (BFP) qualification. He is also a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA).

Rita Skjaervik

Non-Independent
Non-Executive Director

51 | Date of Appointment: **30 November 2022** | Board Meeting Attendance in 2024: **12/12**

Length of Service

2 Years 3 Months (as at 21 March 2025)

Work Experience

Ms Skjaervik has held senior and top management positions in the public and private sectors in Norway. She joined Telenor Group in 2014 and has served multiple roles in Telenor Norway and in the Group, such as Senior Vice President (SVP), Head of CEO Office, and SVP Head of Group Strategy and External Relations. From December 2021, she was appointed Executive Vice President Strategy and Relations, and consequently as a member of Group Executive Management. She has been a Board member in several of Telenor Group's unlisted subsidiaries and has Board experience from other Norwegian companies.

Prior to joining Telenor, Ms Skjaervik worked as State Secretary from 2005 and Deputy Chief of Staff for the Prime Minister of Norway between 2009 and 2013. She has also worked as a political advisor for the Labour Party in the Norwegian Parliament.

Other Commitments

Ms Skjaervik is an integral part of the Telenor Group Leadership Team, holding the position of Executive Vice President - People, Sustainability, and External Relations.

Qualifications

Ms Skjaervik has a Master of Political Science (Cand.polit.) from the University of Oslo, Norway.

Kasper Wold Kaarboe

Non-Independent
Non-Executive Director

47 | Date of Appointment: **15 March 2024** | Board Meeting Attendance in 2024: **10/10**

Length of Service

1 year (as at 21 March 2025)

Work Experience

Mr Kaarboe has long experience as a leader in finance at Telenor. He is currently the Senior Vice President of Telenor Group. From May 2024 to January 2025, he was acting Group CFO of Telenor Group.

Since joining Telenor in 2004, he has held several senior positions across finance and strategy functions in the group, including Head of Group Treasury; Head of Group Controlling, Planning and Analysis; Director in Group Strategy and Regulatory Affairs; and Senior Business Manager in Group Finance. He started his Telenor career in the finance department of Telenor Norway, business division.

Prior to Telenor, he gained experience at PricewaterhouseCoopers Consulting and the Royal Norwegian Navy.

Other Commitments

Mr Kaarboe has held various board positions within Telenor over the past ten years. He is currently on the Board of Directors of Telenor Procurement Company in Singapore.

Qualifications

Mr Kaarboe has a Bachelor of Science (BSc) in Management Sciences from the London School of Economics and Political Science (LSE), an Executive MBA in Finance from the Norwegian School of Economics, and is a Certified European Financial Analyst (AFA/CEFA). In addition, he has completed Officer Candidate School in the Royal Norwegian Navy.

Tan Sri Abdul Farid Alias

Independent
Non-Executive Director,
Chair of Board Audit Committee,
Board Nomination and Remuneration Committee Member

57 | Date of Appointment: **30 November 2022** | Board Meeting Attendance in 2024: **11/12**

Length of Service

2 years 3 months (as at 21 March 2025)

Work Experience

Tan Sri Abdul Farid has over 30 years of experience in the banking and financial services sector, with a focus on investment banking, commercial banking and capital markets. He has held various roles in financial institutions such as Aseambankers Malaysia Berhad, Schroders Malaysia Ltd, Malaysian International Merchant Bankers Berhad and JP Morgan Malaysia/Singapore. Tan Sri Farid joined Malayan Banking Berhad in 2009, progressing through senior roles and ultimately serving as Executive Director/Group President and Chief Executive Officer from August 2013 until his retirement in April 2022.

Other Commitments

Tan Sri Farid currently holds positions on the Boards of Bursa Malaysia Berhad and CapitaLand Investment Limited as an Independent Non-Executive Director. He also serves as a Council Member of the Asian Institute of Chartered Bankers.

Qualifications

Tan Sri Farid holds a Master of Business Administration (Finance) from the University of Denver, USA and a Bachelor of Science in Accounting from Pennsylvania State University. He completed Harvard Business School's Advanced Management Programme and is a Fellow Chartered Banker with the Asian Institute of Chartered Bankers.

Vimala V.R. Menon

Independent
Non-Executive Director,
Board Audit Committee Member,
Board Nomination and Remuneration Committee Member

70 | Date of Appointment: **1 July 2015** | Board Meeting Attendance in 2024: **12/12**

Length of Service

9 years 8 months (as at 21 March 2025)

Work Experience

Ms Menon served as a Senior Independent Non-Executive Director and Chair of the Audit and Risk Committee of Digi until the completion of the merger on 30 November 2022. She is currently an Independent Non-Executive Director at CelcomDigi Berhad.

Ms Menon is a Chartered Accountant with over 30 years of experience in finance and general management. She has held executive roles at Edaran Otomobil Nasional (EON) Berhad and Proton Holdings Berhad, including serving as an Executive Non-Independent Board member of EON Berhad from 1990 to 2006.

In her 16 years of Board experience, she served as an Independent Non-Executive Director and Audit Committee Chair for various companies, including EON Bank Berhad, Jardine Cycle & Carriage Limited, PT Astra International Tbk, Cycle & Carriage Bintang Berhad, Petronas Chemicals Group Berhad, Petronas Dagangan Berhad, and Prince Court Medical Centre Sdn Bhd.

Other Commitments

Ms Menon has been a member of the Board of Trustees of Yayasan Tunku Abdul Rahman (YTAR) since 10 November 2021.

Qualifications

Ms Menon is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Member of the Malaysian Institute of Accountants (MIA).

Datuk Iain John Lo

Independent Non-Executive Director, Chair of Board Nomination and Remuneration Committee, Board Governance and Risk Management Committee Member

63 | Date of Appointment: **24 May 2021** | Board Meeting Attendance in 2024: **12/12**

Length of Service

3 years 10 months (as at 21 March 2025)

Work Experience

Datuk Iain started his career in 1987 as a civil engineer with the engineering consultancy firm Konsortium Malaysia, based in Kuching, Sarawak, Malaysia. In 1990, he joined Sarawak Shell Berhad as a field engineer, and went on to hold several senior positions in Malaysia and Singapore. From 2004 to 2006, he served as the Asia Pacific Regional Advisor to Shell's Executive Committee at Shell International in The Hague.

Datuk Iain retired as the Country Chair of Shell Malaysia Ltd in March 2021. He brings over 30 years of extensive knowledge and experience from his time with Shell, both in Malaysia and abroad.

Other Commitments

Currently, Datuk Iain is an Independent Non-Executive Director of RHB Bank Berhad and RHB Investment Bank Berhad. He actively contributes to the Board Nomination and Remuneration Committee, and the Board Audit Committee at RHB Bank Berhad. Additionally, he chairs RHB Bank Berhad's Board Sustainability Committee.

He also serves on the Board of Guardians of the Sarawak Sovereign Wealth Future Fund and the Board of Sepang International Circuit Sdn Bhd.

Qualifications

Datuk Iain has a Bachelor and Master of Science in Civil Engineering from the University of California, Los Angeles, USA.

Khatijah Shah Mohamed

Independent Non-Executive Director, Board Audit Committee Member, Board Governance and Risk Management Committee Member

69 | Date of Appointment: **30 November 2022** | Board Meeting Attendance in 2024: **12/12**

Length of Service

2 years 3 months (as at 21 March 2025)

Work Experience

Puan Khatijah has accrued 29 years of business management and organisational leadership roles in the Information Technology sector, working with various multinational corporations in Malaysia, Hong Kong, United States and the Middle East. Puan Khatijah started her career with International Business Machines Corporation (IBM). She was later appointed as the Managing Director for Oracle Systems Malaysia and subsequently as the Managing Director of SAP Malaysia, overseeing the Malaysia, Brunei and Pakistan markets. In 2005, she became General Manager at SAP AG in Dubai, where she managed the company's business across 15 countries in the Middle East. She then delved into entrepreneurship, starting her real estate business in Dubai under the Engel & Voelkers Franchise. In 2008 her business became one of Engel & Voelkers' most successful operations worldwide.

Puan Khatijah has prior Board experience as an Independent Non-Executive Director at Celcom Berhad and as Chair of the Board Risk and Compliance Committee, Chair of the Board IT Steering Committee, member of the Board Audit Committee, and member of the Board Dispute Resolution Committee, and as a member of the Axiata Board Cyber Security Steering Committee. She has also served as a Board Member of MIMOS Berhad, an agency under the Ministry of Science, Technology and Innovation (MOSTI), for seven years.

Other Commitments

Currently, Puan Khatijah serves as Director of Sanicare Hygiene Services Sdn Bhd.

Qualifications

Puan Khatijah holds a Diploma in Computer Science from Universiti Teknologi MARA.

Notes:

1. None of the Directors have any familial ties with other Directors or major shareholders of the Company.
2. Except as disclosed in the Board Audit Committee Report, none of the Directors have any actual or potential conflicts of interest, including interests in businesses that compete with the CelcomDigi Group.
3. None of the Directors have been convicted of any offences in the past five years or received public sanctions or penalties from regulatory bodies during the financial year, except for traffic offences, if any.

Management's **Profiles**

57

Datuk Idham Nawawi

Chief Executive Officer

Date of Appointment

30 November 2022

Work Experience

Datuk Idham was previously the Chief Executive Officer and Executive Director of Celcom with over 30 years of experience in telecommunications and IT industries. Before joining Celcom, he was the Group Chief Corporate Officer of Axiata and held various senior management positions at Maxis and Packet One Networks in Malaysia, and PT Natrindo Telepon Seluler (AXIS) in Indonesia.

Qualifications

Datuk Idham holds a Master of Communications Management from University of Strathclyde, Glasgow, Scotland and is a Chevening scholar. He also holds a Bachelor of Science in Mechanical Engineering from University of Rochester, New York, USA.

52

Albern Murty

Deputy Chief Executive Officer

Date of Appointment

30 November 2022

Work Experience

Albern was previously the Chief Executive Officer of Digi and has over 20 years of experience in the telecommunications industry. Since joining Digi in 2002, he has held roles in Project Planning and Controls, Product Management and Product Development, and as Head of Strategy and New Business, Chief Marketing Officer and Chief Operating Officer. His earlier experience includes business and commercial management roles at Lucent Technologies across the Asian region.

Qualifications

Albern holds a Bachelor of Science in Marketing and Advertising Management from Portland State University, Oregon, USA.

56

Dennis Chia

Chief Financial Officer

Date of Appointment

2 January 2025

Work Experience

Dennis was previously the Chief Financial Officer at StarHub in Singapore for close to a decade up to September 2024, bringing with him over 30 years of experience as a finance leader. Prior to joining StarHub, he held multiple CFO and finance leadership positions in large IT, semiconductor, automative, and oil and gas companies, including as Senior Vice President and CFO for STATS ChiPAC Worldwide and Vice President of Finance at Lear Corporation.

Qualifications

Dennis is a Chartered Accountant who holds a degree in Accounting from Nanyang Technological University, Singapore, and a Master of Business Administration in Marketing and Finance from University of Hull, England. Dennis is also an alum of the Harvard Business School, having completed the Advanced Management Programme in 2024.

56

Erik Axel Sigurd Marell

Chief Strategy Officer

Date of Appointment

1 December 2022

Work Experience

Erik was previously the Chief Strategy Officer and Head of CEO Office at Celcom, having joined Axiata as the Head of Corporate Strategy in 2016 before transitioning to Celcom. Erik brings with him 30 years of experience in telecommunications management consulting, professional services and systems integration spanning across Asia and Europe. Senior leadership roles he has held include Regional Director of Southeast Asia for British Telecom's Telconsult and Managing Director of Swedtel Southeast Asia Sdn Bhd.

Qualifications

Erik holds a Bachelor of Science in Business Administration and Economics majoring in Finance from the University of Umea, Sweden.

46

Praveen Rajan

Chief Consumer Business Officer

Date of Appointment

1 December 2022

Work Experience

Praveen was previously the Chief Marketing Officer at Digi. He joined Digi in 2007 and brings over 20 years of experience from the Internet and mobile industries. Praveen has held a wide range of commercial leadership positions including as Chief Digital Officer of Digi from 2016 to 2020, where he started Digi-X, the venture-building unit focused on driving growth through enterprise solutions and partnerships. Prior to joining Digi, in 2003 Praveen co-founded a social networking startup called LifeLogger where he served as the Chief Technology Officer.

Qualifications

Praveen holds a Bachelor of Engineering, Electronics and Computing from Nottingham Trent University, Nottingham, England.

56

Kesavan Sivabalan

Chief Technology Officer

Date of Appointment

1 December 2022

Work Experience

Kesavan was previously the Chief Technology Officer of Digi and held a similar portfolio within Developed Asia Cluster under Telenor Group. Since joining Digi in 2013, he has held various senior positions in the company, including Chief Network Officer and Head of Technology Operations. Kesavan has more than 20 years of experience in the telecommunications industry in several Asian and European markets including Malaysia, Germany, Australia, Cambodia, Vietnam and Bangladesh, working with network vendors like Lucent and Ericsson, and operators like Maxis and Vodafone, where he was General Manager of Access Network at Vodafone Australia.

Qualifications

Kesavan holds a Bachelor of Business from Deakin University, Australia and a Master of Science in Enterprise Project Management from Stevens Institute of Technology, New York, USA.

Management's Profiles

53

Datuk Kamal Khalid

Chief Transformation Officer/ Head of CEO Office

Date of Appointment

1 December 2022

Work Experience

Datuk Kamal was previously the Chief Corporate and Transformation Officer at Celcom, where his roles included overseeing functions such as regulatory affairs, legal, community, sustainability, and the company's enterprise project management office. He was also the Lead of the Merger Integration Team from July 2021 to November 2022. Prior to joining Celcom, Datuk Kamal held various leadership positions, including Group Managing Director of Media Prima Bhd and Head of Communications for the Prime Minister's Office of Malaysia. He is currently a Board member of Digital Nasional Berhad, a company established to accelerate deployment of 5G infrastructure and networks in Malaysia.

Qualifications

Datuk Kamal holds a Bachelor of Laws (LLB) from the University of Nottingham, England.

47

Lau Yin May

Chief Customer Experience Officer

Date of Appointment

10 March 2025

Work Experience

Lau Yin May was previously the Group Chief Branding and Customer Experience Officer at Malaysia Airlines for nearly seven years, playing a pivotal role in the airline's turnaround initiatives in elevating its customer experience and corporate branding. Earlier in her career, she was part of the pioneer team at Firefly Airlines, where she oversaw the establishment of the airline, as well as the setup of and led the airline's travel division, Firefly Holidays. She brings with her over 20 years of extensive experience across multiple industries, including aviation, banking, hospitality, travel & tourism, consultancy and retail. Prior to this, she held key leadership roles at Taylor's Education Group, Destination Resorts and Hotels (part of Khazanah Nasional Berhad), and Mindshare (part of GroupM/WPP), in addition to consulting for financial services with Accenture, hospitality, and retail brands.

Qualifications

Yin May holds a Bachelor's Degree in Business from Monash University.

57

Afizulazha Abdullah

Chief Enterprise Business Officer

Date of Appointment

1 December 2022

Work Experience

Afiz was previously the Chief Operations Officer (Technology) and Chief Enterprise Business Officer of Celcom. Afiz began his career in 1990 as an analyst programmer before spending 14 years at IBM Malaysia, where he became the General Manager for the Public Sector and was part of the Senior Management team and business council. He joined Maxis Berhad in 2006 as the Head of Broadband, and was made Vice President of Maxis Home Services in 2010. He then joined Celcom in 2011 and assumed multiple senior leadership roles including Chief Advanced Data Officer, Chief Digital Services Officer, and Chief Business Services and Solutions Officer. He then took on the role of Managing Director at On-Site Services Sdn Bhd, a subsidiary of edotco Malaysia and Axiata Group, before returning to Celcom Axiata until the merger in 2022.

Qualifications

Afiz holds a Bachelor of Science in Computer Science from the California State University, Fresno, USA. Afiz has also attended executive education programmes at INSEAD.

Management's Profiles

46

Cheng Weng Hong

Chief Sales & Retail Officer

Date of Appointment

1 December 2022

Work Experience

Cheng was previously the Chief Sales Officer of Digi and has held various senior positions within the Marketing and Sales Division during his 18 years with the company. Cheng was instrumental in modernising Digi's industry-best sales and distribution network spanning over many roles including Head of Consumer Sales, and Head of Retail and Controlled Channel. He has also held leadership positions in Product Development and establishing Digi's MVNO business. He has more than 20 years of experience in the telecommunications industry, with leadership roles at Trisilco Folec prior to joining Digi in April 2004.

Qualifications

Cheng holds a Bachelor of Engineering (Civil and Computing) from Monash University, Australia.

65

Azmi Ujang

Chief Human Resources Officer

Date of Appointment

1 December 2022

Work Experience

Azmi was previously the Chief Human Capital and Organisation Development Officer of Celcom, leading end-to-end human capital management, including workspace administration and the development of a modern corporate office. Prior to that, Azmi spent more than two decades at Maxis Berhad, holding senior leadership roles including Senior Vice President, Head of Human Resources, and Head of Regulatory, Compliance and Government Relations. Azmi was also a Dealer's Representative for Seagrott & Campbell, and joined Standard Chartered Bank as a Management Trainee and subsequently as a National Officer in banking operations and human resources.

Qualifications

Azmi has a Bachelor of Science in Finance and Master of Business Administration, both from Indiana State University, USA. He also completed London Business School's Management Programme and Harvard Business School's Advanced Management Programme.

48

Joachim Rajaram

Chief Corporate Affairs Officer

Date of Appointment

1 December 2022

Work Experience

Joachim was previously the Chief Corporate Affairs Officer of Digi. Prior to CelcomDigi, he was with Digi and Telenor for almost 14 years, serving also as Head of Corporate Communications at Telenor Myanmar, and Head of Communications and Sustainability at Digi. He currently oversees the company's legal and governance, regulatory, privacy and data protection, government affairs, corporate communications, and business sustainability functions. Joachim has close to three decades of experience in corporate communications, sustainability planning and governance, public affairs, and business environment management.

Qualifications

Joachim holds a Bachelor of Laws (LLB) from the University of London, England and has attended executive education programmes at London Business School and INSEAD.

Management's Profiles

58

Kugan Thirunavakasaru

Chief Innovation Officer

Date of Appointment

1 December 2022

Work Experience

Kugan was previously the Chief Emerging Business Officer of Celcom, with 25 years of extensive experience in the telecommunications industry. Prior to Celcom, Kugan was the Chief Marketing Officer at Smartfren Indonesia and a Board member of Sinarmas Digital Ventures, where he was responsible for the overall commercial business. Kugan worked in various international markets covering Europe and North Africa during his tenure with Ericsson Sweden, before joining Digi, Astro and Maxis in various commercial and technology leadership positions.

Qualifications

Kugan holds a degree in Electrical Engineering from University Teknologi Malaysia and has completed executive management programmes at Columbia Business School and at Stanford University in the USA.

Notes:

1. None of the CelcomDigi Management have any familial ties with other Directors or major shareholders of the Company.
2. Except as disclosed in the Board Audit Committee Report, none of the CelcomDigi Management have any actual or potential conflicts of interest, including interests in businesses that compete with the CelcomDigi Group.
3. Except as disclosed in Datuk Kamal Khalid's profile, none of the CelcomDigi Management hold directorships in public companies or listed issuers.
4. None of the CelcomDigi Management have been convicted of any offences in the past five years or received public sanctions or penalties from regulatory bodies during the financial year, except for traffic offences, if any.
5. Shareholdings of the Chief Executives are disclosed on page 259 of the Integrated Annual Report 2024.

Three-Year **Financial Summary**

	2022[1]	2023	2024
KEY FINANCIAL RESULTS (in RM million)			
Revenue	6,773	12,682	**12,679**
Telecommunications revenue			
- Service revenue	5,764	10,859	**10,792**
- Others	103	108	**110**
- Sales of devices	906	1,715	**1,777**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)[2]	3,013	6,155	**5,799**
Earnings before interest and taxes (EBIT)	1,578	2,689	**2,318**
Interest cost	257	628	**610**
Profit before taxes	1,330	2,181	**1,736**
Profit after taxes	848	1,567	**1,390**
Organic capital expenditure (Capex)	888	1,812	**2,710**
Operations (ops) cash-flow	2,559	5,083	**4,028**
KEY FINANCIAL POSITIONS (in RM million)			
Total assets	38,012	36,427	**36,012**
Non-current liabilities	12,850	12,546	**12,822**
Total debts	14,887	12,997	**13,053**
- Conventional borrowing	814	610	**170**
- Islamic borrowing	8,060	7,028	**8,279**
- Bankers' acceptances	3	5	**15**
- Finance lease	6,010	5,354	**4,589**
Shareholders' equity	16,399	16,459	**16,190**
KEY FINANCIAL RATIOS[4]			
Return on equity	5%	10%	**9%**
Return on total assets	2%	4%	**4%**
EBITDA margin	44%	49%	**46%**
Net debt/EBITDA (x)	4.5	2.0	**2.0**
Interest cover (x)	6.1	4.3	**3.8**
SHARE INFORMATION			
Earnings per share (sen)	10.4	13.2	**11.7**
Dividend per share (sen)	12.2	13.2	**14.3**
Net assets per share (sen)	201.9	140.3	**138**
Dividend yield	3.1%	3.2%	**4.0%[3]**

Note:

1 *2022 financial results and financial positions were restated to reflect the measuring period adjustments relating to the finalisation of purchase consideration and reassessment of Purchase Price Allocation exercise relating to the acquisition of Celcom Berhad, in accordance to the MFRS3*

2 *EBITDA excludes the gain or loss on:*
- *disposal and write-off of property, plant and equipment*
- *disposal and write-off of intangible assets*
- *termination of lease*

3 *Yield calculated based on the closing price of RM3.62 as at 31 December 2024*

4 *Key financial ratios for 2022 is calculated based on proforma number assuming acquisition of Celcom Berhad had taken place at the beginning of the financial year*

Creating meaningful **customer experiences**

We are obsessed with our customers, which is why our CelcomDigi Champions serve with dedication – listening, caring, and ensuring you always feel supported and connected to all aspects of your digital life.

Mohd Syahdam Bin Zulkifli and Malathi Murugaiah, Retail Specialists, are proud CelcomDigi Champions delivering our signature customer experience at our newly modernised CelcomDigi Stores.

Value Creation **Model**

Approach To Value Creation

Our strategy in delivering on our purpose of 'Advancing and Inspiring Society' is integral to enable an inclusive and sustainable digital society. We create value by maximising the positive impact of our operations on all stakeholders. Strengthened by innovation, technology, connectivity, platforms, products, and services, we continue to transform the way our customers live and work.

Our Inputs

Our business model strategically leverages our financial and non-financial capitals to drive sustainable and innovative solutions, providing growth and total returns with added value for all stakeholders.

Output and Outcomes

Our business model converts financial, manufactured, intellectual, human, natural, and social and relationship capitals into valuable outputs for customers, employees, shareholders and the environment. The output and outcomes from the execution of our business strategies are also aligned to our material matters.

OUR KEY INPUT

FINANCIAL
- RM42.5 billion market capitalisation as at 31 December 2024
- RM36 billion total asset value as at 31 December 2024

MANUFACTURED
- Integrated more than 12,000 network sites
- 31,600km fibre network including Celcom Timur (Sabah)
- Widest network of over 10,000 retail touchpoints, including 48 new CelcomDigi retail stores

INTELLECTUAL
- Enhancing data protection and cybersecurity controls
- Expanding business and SME digitalisation initiatives
- Up to RM250 million investment in Innovation Centre over five years

HUMAN
- 3,079 employees, of which 52% are male and 48% are female
- Implemented *OneCompliance* Integrity programme
- Introduced employer brand
- Implemented CelcomDigi Way of Work

NATURAL
- Committed to net-zero, aligned to Science Based Target Initiatives (SBTi)
- Climate Working Committee (CWC) formulates decarbonisation strategies, elevates climate resilience, and optimises efficiencies
- Robust climate data reporting to BGRMC
- Partnerships to stimulate green growth

SOCIAL AND RELATIONSHIP
- Implemented social impact programmes (digital inclusion, digital entrepreneurship and digital skills) and humanitarian efforts
- Managed 322 National Information Dissemination Centres (NADI) nationwide
- Curated 23 supplier training modules

OUR BUSINESS MODEL

OUR BUSINESS MODEL AND GUIDING FACTORS

Four strategic pillars drive us to achieve our corporate ambitions, influenced by these Guiding Factors:

- **Operating Landscape and Outlook**
- **Materiality**
- **Key Risks**
- **Key Relationships**
- **Sustainability Statement**

ADVANCING & INSPIRING SOCIETY

STRATEGIC PILLARS

- **Deliver Sustainable and Profitable Growth**
- **Enrich Customer Experience for Our 20 Million Loyal Customers**
- **Drive Operational Excellence (OE)**
- **Invest for the Future**

OUR KEY OUTPUT

Performance | **Material Matters**

FINANCIAL
- RM12.7 billion in revenue
- 14.3 sen dividend to shareholders

Material Matters: G1, EC2, S1

MANUFACTURED
- Maintained >99% network uptime
- Achieved 75% of overall network integration target
- 97.5% 4G LTE and 94.4% 4G LTE-Advanced population coverage
- Achieved customer satisfaction score (CSAT) of 57.2% for contact centre and 96.6% for retail
- Ookla's Best Mobile Coverage award, alongside PC.com's Best 5G Network Service Provider award
- 8.8 million app users

Material Matters: G4, EC1, EC2, S5

INTELLECTUAL
- 20.4 million subscriber base
- Grew home & fibre subscriber base to 188,000
- Over 50 product campaigns, including unified 5G offerings for mass consumers
- 50% year-on-year growth in awareness of CelcomDigi as a merged brand
- Won 5 Gold, 4 Silver, and 5 Bronze brand awards, strengthening brand leadership and perception
- Implemented a Privacy Control Framework to govern customer personal data
- Converged 5G mobile and fibre offerings
- Drove digital adoption among Malaysian SMEs
- MY5G Series 2024 engaged over 400 Malaysian SMEs
- Launched CelcomDigi AI Experience Center and formed key partnerships to explore Metaverse, 5G, AI and green tech innovations

Material Matters: G1, G2, G3, G4, EC1, EC2, S1, S2, S5, EN1

HUMAN
- >55,000 hours of total employee learning
- 100% employee pass-rate for e-learning in Code of Conduct, Conflict of Interest, Anti-corruption, HSE, Supply Chain Management (SCM) and Wellbeing
- 0.44 Lost Time Injury Frequency (LTIF) rate
- Zero fatalities across operations
- 93% participation rate for Employee Engagement Survey (EES), 86% engagement score
- Awarded ISO 45003: Psychological Health and Safety at Work certification

Material Matters: G3, S1, S2, S3, S4

NATURAL
- 896.58 GWh energy consumed
- 561,755.57 tCO_2e emissions
- 4.42 GWh renewable energy generated
- 39 tonnes of e-waste resold and recycled

Material Matters: EC2, EN1, EN2, G1, G4, S2

SOCIAL AND RELATIONSHIP
- Zero material corruption cases
- 8 million reach (online and physical) for digital safety and empowerment engagement programmes
- 26,687 hours of supplier training
- 2,724 suppliers signed Agreement of Responsible Business Conduct (ABC)

Material Matters: G1, G2, G3, EC1, EC2, S4, S5, S6, S7/EN3

Operating Landscape **and Outlook**

The role of telecommunications operators has never been more critical. In this age of 'digital-everything', connectivity influences nearly every aspect of our daily lives, driving a growing demand for data and digital services. CelcomDigi recognises significant market potential in 5G, robotics and AI advancements, and the rising consumer appetite for data-rich services and connected devices.

We continue to witness today long-term systemic changes that will shape economic growth and the future direction of our sector, including the acceleration of emerging technologies, widening social inequalities driven by demographic shifts, changes in the balance of geopolitical power and the impact of our business on the environment.

As a key enabler of connectivity and digitalisation, we collaborate with the government, civil society, businesses, partners, and customers to tackle these challenges and strengthen Malaysia's position as a thriving digital nation.

1 Macroeconomic

Impact on Business and Industry

- Malaysia recorded a gross domestic product (GDP) growth of 5.1% in 2024[1], driven by strong investment activity and continued growth in exports
- There has also been sustained expansion in domestic demand and improvement in external demand to support growth:
  - Domestic catalysts include expansionary fiscal policy, favourable labour markets (buoyed by higher salaries for civil servants, a new minimum wage in the private sector starting in 2025, and flexible Employees Provident Fund (EPF) withdrawals), the implementation of national masterplans and high impact projects, as well as stable interest rates
  - In the external sector, exports continued to strengthen on the back of recovering external demand and positive spillovers from the global tech upcycle. Imports also grew at a faster pace, following strong demand for capital and intermediate goods to support rising investments and trade. On the supply side, most sectors remained supportive of growth
- Cross-border economic activity is expected to grow as visa requirements for Chinese and Indian nationals are lifted, mirroring similar policy changes that facilitate easier visa entry for Malaysians into various Asia-Pacific countries. This has led to stronger tourism rates, increased spending, and higher exports
- BNM continues to maintain a 3% interest rate to keep inflation stable at 1.8%[2], while the Ringgit strengthened due to a combination of favourable external and internal factors

Our Response

- Maintained highest network leadership position based on consistency score and average download speeds, demonstrating our strong commitment to providing excellent quality of experience to our customers and enabling all aspects of their digital lives
- Delivered affordable 5G postpaid and prepaid bundles, roaming passes with extra data quota, value-added services (VAS), and device bundles to enhance ARPU/ARPA growth and offset higher costs
- Provided attractive home, fibre and convergence offerings (CelcomDigi One Plans) and business enterprise solutions to support various customer segment needs and boost growth of the local digital ecosystem
- Collaborated with the government to launch accessible and affordable *Rahmah* packages for youth, seniors, the disabled, and the B40 segment

2025 Outlook

- Economic outlook appears optimistic, with a mix of opportunities and challenges and a projected growth of 4.5–5.5% in the Budget 2025[3]
- Moving forward, the growth of the Malaysian economy is expected to be driven by robust expansion in investment activity, continued improvement in exports, and resilient household spending
- By focusing on structural reforms and economic restructuring, the MADANI Economic framework continues to support economic growth and infrastructure spending, boosting job and business opportunities for enterprises
- The positive effects of government policies, favourable taxes and subsidies for data centre hubs, and advancements in technology and AI are expected to drive productivity. However, risks to the 2025 growth outlook have increased in view of potential trade and geopolitical measures by the new US administration and its potentially broader repercussions

Factors Linked

Capitals Involved:	*Material Matters:*	*Strategic Pillars:*	*Risks:*
Financial, Manufactured	EC1, EC2	Strategic Pillars 1, 2, 3, 4	• Regulatory and Compliance Risk • Integration Risk • Market and Competition Risk

Sources:
[1,2] *BNM: https://www.bnm.gov.my/-/qb24q4_en_pr*
[3] *MOF 2025 Budget Economic Outlook*

2 Competition and Industry Developments

Impact on Business and Industry

- Growing focus on new technological advancements including AI, Metaverse and Industrial Revolution 4.0 (IR4.0) to generate new growth streams
- Limited growth potential in core connectivity services, with mobile penetration approaching 135%[1] and a declining rate of new households for fixed broadband. However, the resurgence of cross-border travel is contributing to an influx of tourists, and rising 5G adoption presents new growth opportunities in digital services and enterprise solutions
- Despite the government's announcement of a second 5G network, there is no current direct impact on other operators delivering 5G services to customers
- MNOs continue to innovate various VAS, product innovation and customer experience strategies to create differentiation in end-to-end proposition and experience
- Rapid growth in AI has increased the spread of data centers being set up in country, leading to varied opportunities for telcos in both connectivity and solutions in the enterprise segment

Our Response

- Completed network integration and modernisation to support greater coverage, data traffic demand and improve quality of experience
- Enabled 5G across all new Postpaid and Prepaid plans to drive adoption in consumer and business segments
- Built an end-to-end content and digital services ecosystem around our core telco business to offer 'on-the-go' digital VAS
- Collaborated with industry leaders, such as DHL Supply Chain, to launch Malaysia's first 5G-powered AI autonomous warehouse, showcasing the real value and benefits of 5G use cases and AI applications
- Hosted MY5G forums at CEO and SME level and collaborated with AWS to promote awareness and provide education on 5G use cases in Malaysia

2025 Outlook

- Increasing 5G penetration in the nation, driven by intense competition in 5G products
- Anticipated increase in data consumption due to accelerated speeds of 100 Mbps and above, along with higher adoption of 5G-enabled devices, services, and use cases among enterprises
- Prioritising of superior customer experience and unrivalled convergence propositions to drive industry development across consumer segments – including tourism and migrant – along with large and small enterprises

Factors Linked

Capitals Involved:	*Material Matters:*	*Strategic Pillars:*	*Risks:*
Financial, Intellectual, Manufactured	EC1, EC2, S1, S5	Strategic Pillars 1, 2, 3, 4	• 5G Transition Risk • Integration Risk • Regulatory and Compliance Risk • Market and Competition Risk • Vendor Management and Supply Chain Risk

Source:
[1] *https://www.statista.com/statistics/1051176/malaysia-mobile-broadcast-subscriptions-penetration/#statisticContainer*

3 Government Initiatives and Regulations

Impact on Business and Industry

- The Cyber Security Act 2024 – effective from 26 August 2024 – along with four supporting regulations, aim to bolster Malaysia's cyber defences and improve resilience against evolving threats. The Act also introduced significant regulations to safeguard National Critical Information Infrastructure (NCII)
- The Communications and Multimedia Act (Amendment 2024) was passed in December with stricter penalties enforced under new amendments to combat online crimes
- The Malaysian Communications and Multimedia Commission (MCMC) has intensified its enforcement of Quality of Service (QoS) regulations, with non-compliance leading to stricter mitigations and higher penalties
- The Online Safety Bill 2024 was also passed in December to protect online users from harmful content like cyberbullying and misinformation
- The Data Sharing Bill 2024, passed in December, enables secure data sharing among Malaysian government agencies, boosting digitalisation and innovation while ensuring privacy
- From a single wholesale network model to a dual 5G network approach, ending Digital Nasional Berhad's (DNB) role as the country's exclusive 5G network provider with the impending deployment of the country's second network
- The National AI Office (NAIO), launched by the Digital Ministry in December, advocates and expedites AI adoption while fostering investments, driving innovations and encouraging collaborations in the AI ecosystem
- Amendments to the Personal Data Protection Act 2010 (PDPA) were passed in July 2024 to enhance data protection, aligning with international standards. Key changes include mandatory data protection officer appointments, expanded definitions of sensitive data, and stricter penalties for non-compliance, with implementation starting in stages in April and June 2025

Our Response

- Maintained ongoing engagement with regulators and authorities to support government initiatives as part of second 5G network development
- Ensured high compliance with MCMC on new standards and regulations to avoid non-compliance penalties
- Conducted and completed the necessary assessments and reports in accordance with NCII appointment requirements

2025 Outlook

- As Malaysia assumes the ASEAN Chairmanship, CelcomDigi has a strategic opportunity to support government initiatives in shaping the regional digital landscape. As a key industry player, CelcomDigi will focus on fully realising opportunities from critical areas such as AI and cybersecurity, reinforcing our commitment to advance Malaysia's leadership in ASEAN
- The NAIO will develop the AI Technology Action Plan 2026-2030, to increase innovation and competitiveness within Malaysia's AI ecosystem
- Starting 1 January 2025, social media platforms with over 8 million users in Malaysia must obtain a license to operate, focusing on improving online safety for children and vulnerable groups
- Malaysia's Budget 2025 allocates RM2.55 billion[1] to the Ministry of Communications, focusing on enhancing telecommunications infrastructure to improve rural and educational internet access (in public universities, schools, army camps and MARA campuses), and supporting the creative economy

Factors Linked

Capitals Involved:

Material Matters: G1 G2 G3 EC2 S5 S6

Strategic Pillars:

Risks:
- Cyber and Data Security Risk
- Data Protection Risk
- Regulatory and Compliance Risk
- Corruption Risk

Source:

[1] *https://www.bernama.com/en/news.php?id=2362472*

4 Technological Development

Impact on Business and Industry

- New technological advancements such as AI, extended reality (XR), and Industrial Revolution 4.0 (IR4.0) are becoming more prominent in this 5G-AI era. This unlocks innovative use cases to generate new growth streams
- 5G adoption continues to grow, supporting adoption of advanced applications such as IoT, AI and edge computing to drive enterprise growth
- The advancement of technology and growing opportunities from reliance on AI, connectivity and the internet inevitably increases security, privacy and data integrity risks
- Increasing vigilance and regulations regarding cybersecurity and data protection across the industry in order to halt frequency and complexity of cyber-attacks and create a more mature operating environment

Our Response

- Established a new state-of-the-art CelcomDigi AI Experience Centre (AiX), a one-stop immersive innovation and collaboration hub, to accelerate AI adoption among enterprises
- Deployed AI and GenAI strategies and use cases across CelcomDigi, integrating AI into customer experience – including contact centres and retail stores – to further enhance sales and operational efficiencies. This supports our transformation into a data-driven, analytics-focused, and AI-enabled organisation
- Improved customer experience with faster speeds and lower latency over 4G and 5G connectivity, and adoption of AI in customer service to improve response time and create personalised solutions
- Leveraged advanced 5G use cases – such as network slicing, network exposure, APIs, edge computing and IoT – to drive new revenue streams by offering innovative services and solutions to businesses and consumers
- Used AI to drive greater network efficiency via network optimisation and automation in tasks such as predictive maintenance, resource allocation and anomaly detection
- Improved AI literacy for employees in key functions and upskilled AI experts in relevant business areas to meet the needs of both the organisation and external clients
- Strengthened defence against cyber-attacks through continuous monitoring and managing of information security in accordance with ISO27001 standards
- Explored AI-powered threat detection using machine learning to enhance cybersecurity measures and protect sensitive data and network infrastructure

2025 Outlook

- Development and adoption of various technological services – such as AI, cloud, edge computing, IoT, AR|VR, Metaverse and 5G use cases – by organisations and businesses in tourism, healthcare, logistics, security and other sectors
- MyDIGITAL, NAIO, and 5G implementation will drive Malaysia's advancement as a technologically advanced nation, accelerating socioeconomic transformation by creating new tech-related job opportunities
- Maturing technology and security infrastructure to address risks related to adoption of emerging technologies and ensure compliance to applicable laws and regulations
- Continuous engagement with the government and industry to upskill employees and implement AI factory and GenAI use cases
- Convergence in AI, IoT and 5G opens new opportunities but also require the right skill set to innovate and capitalise on them
- AI will play a more prevalent role in the everyday life of Malaysians and our subscribers
- Security continues to be a focus as the internet and digital lifestyle are infused into daily lives, and the emergence of sophisticated AI threats requires AI capabilities to defend and counter these risks

Factors Linked

Capitals Involved:

Material Matters: G2 G3 EC1 EC2 S5 S6

Strategic Pillars:

Risks:
- Cyber and Data Security Risk
- Interruption to Technology Platforms and Services Risk
- Data Protection Risk
- 5G Transition Risk

Operating Landscape and Outlook

5 Social

Impact on Business and Industry

- Changing local laws and public policies governing personal data, cybersecurity and AI heightened the need for enhanced controls, transparency and protection of customer data privacy within MNOs
- Increased consumer expectations for ubiquitous, high-speed internet as Malaysia rolls out 5G networks
- Growing need to address digital literacy to maximise the adoption of telecommunications services, especially in underserved regions
- Increased demand for skilled labour in telecom sectors, such as network engineers and cybersecurity experts, driven by 5G and IoT adoption
- Heightened focus on corporate governance, transparency and anti-corruption measures to meet investor and public trust standards
- Higher expectations for responsible data collection and usage, with emphasis on privacy, ethical AI and transparency to reinforce consumer trust
- From January 2023 to July 2024, Malaysia reported RM1.6 billion[1] in losses due to online scams, underscoring the need for greater national concern over cybersecurity threats

Our Response

- Refreshed ESG strategy with focused pillars aligned with material sustainability matters such as Inclusive and Safe Internet Access
- Implemented the Privacy Control Framework across the organisation to monitor compliance with privacy regulations
- Established the Trust Circle forum to enhance data guardian roles of privacy and data protection experts from multiple sectors
- Created partnerships with educational institutions and NGOs to expand digital literacy programmes that prepare Malaysians for jobs in the digital economy, focusing on future skill development
- Deployed nationwide campaigns, training and surveys to combat cyberbullying, misinformation and online scams
- Continued to uphold good governance via our Code of Conduct and high standards in ESG performance and reporting

2025 Outlook

- Employee upskilling and reskilling in areas like AI, cybersecurity and sustainability
- Co-developing tech solutions that address education gaps, healthcare access and rural development
- Using big data for policymaking in social domains such as public safety and environmental protection
- Innovation hubs and partnerships to scale impactful solutions
- Collaborating with regulators to strengthen AI and cybersecurity frameworks
- Implementing capacity-building programmes to enhance data privacy, digital safety, scam awareness and digital skills, and promote greater socio-economic participation
- Continuing to monitor effectiveness of governance controls in areas of privacy, cybersecurity, health and safety, and business partner management
- Assessing maturity of privacy, cybersecurity and compliance practices through third-party assurance

Factors Linked

Capitals Involved:

Material Matters: G2 G3 S1 S2 S4 S5 S6

Strategic Pillars:

Risks:
- Cyber and Data Security Risk
- Data Protection Risk
- Regulatory and Compliance Risk
- People and Change Management Risk
- Health and Safety Risk

Source:

[1] *https://www.bernama.com/en/news.php/crime_courts/news.php?id=2398423*

Operating Landscape and Outlook

6 Environment

Impact on Business and Industry

- Regulation, access to capital and rising stakeholder concerns drive focus and investments in climate action
- Energy Efficiency and Conservation Act (EECA), passed in June 2024, mandates compliance with energy efficiency standards
- Budget 2024 allocated funds to accelerate climate-resilient infrastructure projects and disaster response mechanisms, and expanded subsidies and tax incentives for renewable energy projects, electric vehicles (EVs) and green technologies
- Expectation to invest in and transition towards renewable energy sources, improve energy efficiency, and reduce GHG emissions in operations
- Higher expectations to implement responsible e-waste recycling and disposal programmes, ensuring circular economy practices
- Nurture partnerships with sustainable vendors and suppliers, reducing environmental footprint across the value chain
- Higher expectations from investors, civil society and consumers demanding transparent reporting in alignment with frameworks such as Global Reporting Initiative (GRI) Standards, Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations and International Financial Reporting Standards (IFRS)

Our Response

- Strengthened our climate governance through the Climate Working Committee (CWC), which recommends strategic climate and environmental action to the Board
- Committed to achieving mid-term and long-term emission reduction targets and becoming net-zero by 2050, in alignment with the Science Based Target Initiatives (SBTi)
- Transitioned to hybrid solutions and renewable energy for powering network infrastructure, including towers and data centres
- Implemented AI-driven tools to optimise energy consumption in networks and reduce idle energy use, embedded stringent e-waste disposal requirements as part of the ongoing network integration and modernisation exercise
- Established partnerships to drive EV adoption, mature EV infrastructure and ecosystems, and integrate renewable energy
- Deployed EV charging points nationwide in support of Malaysia's vision to achieve net-zero carbon emissions by 2050
- Deployed EV charging points within the office premises to promote adoption of electric vehicles among employees

2025 Outlook

- Formulation of SBTi Net-Zero roadmap and emission reduction strategies in operations and value chain
- Investing in climate-resilient infrastructure, such as elevated facilities in flood-prone areas
- Implementing robust disaster recovery plans, including off-site data backups and mobile units to restore connectivity during emergencies
- Proactive engagement with stakeholders to anticipate and prepare for emerging national carbon pricing mechanisms
- Collaborating with thought leaders including CEO Action Network, Climate Governance Malaysia and UN Global Compact to foster dialogues and whole of society approach

Factors Linked

Capitals Involved:

Material Matters: EN1 EN2

Strategic Pillars:

Risks:
- Climate and Environmental Risk
- Vendor Management and Supply Chain Risk
- Integration Risk

Key Risks

CelcomDigi's proactive approach towards risk management enables us to evaluate emerging threats and prioritise resources for mitigation, providing our stakeholders with assurance that actions are taken to create and preserve value. We manage risks strategically through our robust risk management framework, safeguarding our ability to generate sustainable growth, nurture trust with stakeholders and reinforce their confidence in our capability to innovate and deliver our purpose of 'Advancing and Inspiring Society'.

Risk Management in Accordance with Strategic Goals

In the fast-evolving and competitive telecommunications landscape, CelcomDigi brings enterprise risk management to the forefront of strategic decision making and execution, safeguarding our ability to mitigate strategic risks. Our risk management approach integrates our strategy, governance and performance processes to analyse emerging risks and put in place mitigations to alleviate them. Significant risks are overseen by the Board Governance and Risk Management Committee (BGRMC) and the Board of Directors (the Board) to proactively ensure key risks and the associated adverse impacts are monitored and mitigated. Further details of our Enterprise Risk Management Framework are available in the Statement on Risk Management and Internal Control on pages 135 to 144 of this report.

Key Risks of 2024

Key risks that have been identified are prioritised and managed within acceptable levels, following thorough assessments of their impact on our value chain. Risk responses and mitigation plans are monitored by the CelcomDigi Management team and reported to the BGRMC and the Board on a quarterly basis. This maintains the highest level of accountability.

5G Transition Risk

Description

Following the Government's announcement on the implementation of Malaysia's second 5G network, we remain in close discussions with strategic stakeholders to consider viable options ahead of us. We are committed to providing world-class 5G services to our consumer and business customers, as part of our efforts to accelerate Malaysia's digitalisation journey.

Impact to Value Creation

- Increased competitive intensity for mobile offerings
- Impact on margin due to shift from own 4G to wholesale 5G network

Mitigations

- Proactively engaged with the government, regulators, and key stakeholders to secure 5G policy directions that promote long-term development and health of the sector
- Developed differentiated and competitive 5G propositions including B2B digitalisation solutions

Strategic Pillars:

Capitals Impacted:

Material Matters: G1 EC1 EC2 S1

Climate and Environmental Risk

Description

Climate and environment-related risks continue to be a global challenge that requires businesses to embrace and adapt strategies to achieve a sustainable carbon economy. CelcomDigi continues to play an active role in managing climate and environmental risks to minimise potential operational disruptions which may affect customers' experiences.

As climate-related risks such as extreme weather, rising temperatures and flooding have become more prevalent, risk management and decarbonisation efforts are pivotal for swift emission reductions and transitioning to an environmentally responsible, low-carbon economy.

Impact to Value Creation

- Infrastructure damage, disruptions in delivery of services that impact customers
- Impact on company finances
- Loss of investor confidence and ESG ratings in key indices
- Brand and reputational impact

Mitigations

- Developed carbon emission reduction roadmap to drive Science Based Targets initiative (SBTi) goals and conducted climate risk assessment to guide network integration strategies
- Implemented initiatives on e-waste management as part of network consolidation programme
- Deployed sustainability reporting and data collection systems to meet Bursa's requirements for Task Force on Climate-Related Financial Disclosures (TCFD)-aligned disclosures and transparent reporting

Strategic Pillars:

Capitals Impacted:

Material Matters: G1 G4 EC2 S1 EN1 EN2

Corruption Risk

Description

CelcomDigi has zero tolerance for acts of corruption as these undermine legitimate business activities, distort competition and violate local laws, exposing CelcomDigi and its leaders to significant risks. We are steadfast in our commitment to set the highest governance standards and uphold our promise on business integrity to build trust.

Impact to Value Creation

- Non-compliance to the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and Personal Data Protection Act 2010 (PDPA), or failure to adhere to them, could jeopardise the company's reputation and lead to legal consequences
- Reputational impact and customer distrust
- Breach of local telecommunications license conditions

Mitigations

- Corruption risks assessed across core functions and relevant remediation measures applied
- Built capacity and awareness through compulsory learning programmes and a sign-off on CelcomDigi's Integrity Pledge to uphold commitment
- Implemented a holistic governance approach for our business partners via due diligence and compliance measures
- Dedicated resources for ongoing risk-based compliance monitoring and testing across our business value chain

Strategic Pillars:

Capitals Impacted:

Material Matters: G1 G3 S1 S2 S7/ EN3

Cyber and Data Security Risk

Description

As the digital ecosystem and landscape continue to evolve, attempts by malicious actors to exploit vulnerabilities have become increasingly sophisticated, demanding a robust cybersecurity infrastructure. CelcomDigi remains vigilant and committed to strengthening our Network/IT architecture and infrastructure for better security resilience and positioning.

Impact to Value Creation

- Business disruption leading to financial setbacks
- Loss of intellectual property such as financial data and customer information
- Media coverage affecting reputation and stakeholder trust
- Potential legal consequences and compliance violations

Mitigations

- Implemented continuous security monitoring, incident handling and threat intelligence controls for detection
- Deployed defendable architecture to protect network and systems, ensuring resilience and resistance to attacks
- Continuous governance via ISO 27001 and independent audit, testing, and assessment
- Maintained regular cybersecurity awareness and training
- Conducted security assessment and cybersecurity due diligence review on partners within CelcomDigi's ecosystem

Strategic Pillars:

Capitals Impacted:

Material Matters:

G1 G2 G3 G4 EC1 S1 S6 S7/EN3

Data Protection Risk

Description

Considering the rapidly evolving digital landscape, the convergence of data privacy and Artificial Intelligence (AI) has become a focal point for both innovation and data breach concerns. A surge in online data sharing amid rising concerns of data theft, leakage and loss poses significant threats to privacy. Understanding the implications and mitigating the potential data privacy threat is paramount for CelcomDigi as the custodian of customer data.

Impact to Value Creation

- Non-compliance to the Personal Data Protection Act (PDPA) could compromise CelcomDigi's reputation, and raise potential associated legal consequences
- Breach of local telecommunications license conditions
- Reputational impact and customer distrust

Mitigations

- Administered Privacy Control Framework with defined control requirements and procedures throughout data life cycle management
- Continuously monitor privacy compliance at enterprise-level on a periodic basis to measure effectiveness of controls and align to latest regulatory requirements
- Strengthened customer data protection measures through cybersecurity testing
- Conducted organisation-wide programmes and training to enhance employee awareness and knowledge in data privacy and protection

Strategic Pillars:

Capitals Impacted:

Material Matters:

G1 G2 G3 G4 EC1 S1 S2 S6

Health and Safety Risk

Description

CelcomDigi continues to prioritise workplace health, safety and wellbeing of our employees, partners and vendors to minimise workplace hazards and prevent accidents and injuries. To meet high expectations for continuous data centre and network operations, and as part of our commitment to being a responsible business, safety practices go beyond compliance and are embedded in CelcomDigi's day-to-day operations.

Impact to Value Creation

- Unsafe working conditions leading to serious injury or fatality
- Destruction or loss of assets
- Reputational impact

Mitigations

- Promoted an advanced mindset and culture on health and safety for employees and business partners
- Implemented continuous training and awareness programmes for internal and external stakeholders
- Actively monitored potential incidents and accidents by increasing on-ground inspections and audits, including visibility at Board and Management levels
- Implemented comprehensive preventive measures and Fire Fighting Systems across all technical facilities
- Maintained certification for a safe working environment and compliance to applicable rules and requirements

Strategic Pillars:

Capitals Impacted:

Material Matters:

G1 G3 EC1 S1 S2 S3 S4 S7/EN3

Integration Risk

Description

As CelcomDigi continues into the advanced stages of our integration journey, we remain committed to monitor potential risks while focusing on realising savings and synergy ambitions, and delivering the best possible experience to our customers.

Impact to Value Creation

- Negative customer experience, high churn, and brand and reputational impact
- Potential network and service disruption
- Delay in realising synergy value
- Impact on human capital

Mitigations

- Applied careful planning, effective communication and proactive management throughout integration process and operating model changes
- Deployed robust integration strategies with the aim of prioritising customer experience
- Closely monitored key performance indicators, including thorough follow-up at Board and Management levels

Strategic Pillars:

Capitals Impacted:

Material Matters:

G2 G4 EC1 EC2 S1 S2 S7/EN3 EN2

Interruption to Technology Platforms and Services Risk

Description

Driven by the ambition to become the leading telco-tech company, CelcomDigi has embarked on a transformative journey to modernise our IT systems and build a future-ready, efficient technology stack. The transition exposes us to potential disruptions in services due to various factors such as migration delays, technical issues, cyber-attacks, application or system failures.

Impact to Value Creation

- Customer dissatisfaction, brand and reputational impact
- Penalties for not meeting Quality of Service (QoS) requirements
- Revenue loss due to service interruptions to customers

Mitigations

- Augmented resources and specialists to improve scaling capability and operational efficiency
- Proactive assessment and thorough planning that addressed potential migration issues and adverse customer experiences
- Prepared clear and comprehensive contingency plans to manage unexpected system failures
- Effectively engaged with partners and vendors to ensure commitment
- Maintained constant communications with customers and key stakeholders

Strategic Pillars:

Capitals Impacted:

Material Matters:

G1 G2 EC1 EC2 S1 S7/ EN3

Market and Competition Risk

Description

CelcomDigi operates in a highly competitive market, where intense and hyperactive competitors are constant risks. In addition, changing market conditions are impacting customer spending and wallet sizes, while rapid technological advancements are driving customer preferences toward digital connectivity, faster networks, entertainment and commercial solutions. To sustain our resilience, growth and leadership position, we actively monitor our operating landscape for insights and develop proactive strategies to manage these risks.

Impact to Value Creation

- Competitiveness and market share
- Growth and financial performance
- Brand and reputational impact

Mitigations

- Enhanced service portfolio with digital value-added services and convergence offerings to strengthen customer loyalty and reduce churn
- Revamped and enhanced customer experience across all network, retail, product, support and digital services touchpoints
- Enabled 5G across all new plans to drive adoption in consumer and business segments
- Fostered collaboration with partners, modernised and expanded distribution channels to acquire quality customers

Strategic Pillars:

Capitals Impacted:

Material Matters:

EC1 EC2 S1

People and Change Management Risk

Description

The company is exposed to people and culture risks associated with company-wide harmonisation and integration of workforce, cultures and operations, which are typical in any post-merger scenario.

Impact to Value Creation

- Morale, motivation and productivity
- Ability to deliver business targets in a timely and efficient manner
- Potential increase in talent attrition rate

Mitigations

- Instituted constant communication and updates on people issues and associated plans
- Closely monitored on-ground concerns and sentiments
- Adopted cultural integration efforts and employee engagement initiatives company-wide to boost a positive and inclusive working environment
- Leadership aligned on change management

Strategic Pillars:

Capitals Impacted:

Material Matters:

G3 EC1 S1 S2 S3 S4

Regulatory and Compliance Risk

Description

The telecommunications sector operates in a rapidly evolving regulatory landscape, where shifting policies and oversight shape market dynamics and industry growth. Regulatory risks remain a key challenge, affecting spectrum access, service quality compliance, data privacy, cybersecurity and broader industry regulations designed to ensure sustainability and long-term development. Key areas of regulatory focus include changes in legislation, enforcement mechanisms and evolving operational models, all of which influence the sector's strategic and investment decisions.

Impact to Value Creation

- Competitiveness and growth
- Investment and cost strategies
- Future investments

Mitigations

- Engaged in proactive dialogue with regulators to anticipate emerging regulatory changes and advocated views as an industry player to ensure fair and sustainable regulatory framework and operating models
- Collaborated with key stakeholders and industry players to actively address issues with policymakers and regulatory authorities
- Implemented *OneCompliance* model to foster a sustainable compliance culture via a single language of compliance and comprehensive support to businesses

Strategic Pillars:

Capitals Impacted:

Material Matters:

G1 G2 G3 EC1 EC2 S1 S7/ EN3

Key Risks

Vendor Management and Supply Chain Risk

Description

As telecommunications infrastructure becomes more interconnected, proactive supply chain and vendor risk management is crucial to ensuring resilience, business continuity and security. At CelcomDigi, we prioritise supply chain risk management to ensure we protect our networks from uncertain geopolitical conditions or trade policies, and continuously maintain reliable services through a diverse supplier network and robust network infrastructure.

Impact to Value Creation

- Service or operations disruptions leading to negative customer experience
- Impact on the availability and delivery of critical network equipment, leading to integration delays
- Impact on service revenue

Mitigations

- Developed supplier relationship and post-contract management framework
- Optimised procurement processes, negotiated favourable contracts and minimised supply chain risk
- Employed technology solutions such as supply chain management systems and analytics tools
- Integrated sustainability considerations into all aspects of supply chain management, from procurement and sourcing to supplier relationships and performance evaluation
- Provisioned an independent integrity hotline for reporting of any misconduct or human right violations

Strategic Pillars:

Capitals Impacted:

Material Matters:

G2 G3 G4 EC1 EC2 S7/EN3 S1

Sustainability **Statement**

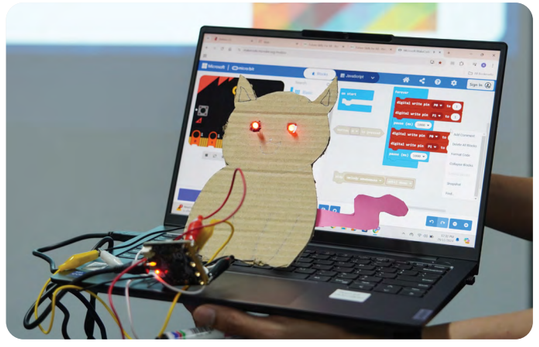
CelcomDigi is driven by our purpose of 'Advancing and Inspiring Society' through connectivity, technology and innovation. Coupled with a strong commitment to lead in sustainable business practices, we enable an inclusive and responsible business institution. By understanding stakeholder expectations, setting clear and measurable Environmental, Social and Governance (ESG) targets, and establishing effective governance at the highest level, our aim is to elevate sustainability performance across our value chain.

In 2024, CelcomDigi advanced its sustainability journey by driving inclusive digital growth, empowering communities and fostering trust in an increasingly digital world – reinforcing our role as a responsible and trusted enabler of Malaysia's digital future. Through our innovative connectivity solutions, the company is uniquely positioned to address societal challenges and drive meaningful impact. Initiatives such as the Future Skills programme, S.A.F.E. Internet and scam awareness campaigns promote digital inclusion, safety and resilience, while our SafetyPLUS programme helps suppliers improve human rights practices as well as mature health and safety standards. We aim to empower communities and bridge societal gaps by broadening access and enhancing best practices and skills. Additionally, our network has been modernised and future-proofed with fit-for-purpose, energy-efficient equipment, which are adaptable to evolving demands, reinforcing our commitment to a lower-carbon future.

Process automation is progressing steadily, including GHG data measurement using an AI-powered digital platform. Our goals also remain on track to complete Scope 3 baselining and submit our Science Based Targets Initiatives (SBTi) goals by the end of 2025. We aligned our reporting with Bursa's requirements effective from FY2023 and are preparing to fully align with the IFRS Sustainability Disclosure Standards.

These investments in environmental action, data protection and cybersecurity solutions contribute to stronger partnerships and greater social impact, addressing technology-related social risks and advancing digital inclusion. This reinforces our commitment to achieve our ESG goals and build trust in this age of 'digital-everything'.

We welcome feedback and inquiries at sustainability@celcomdigi.com.



Schoolchildren enhancing digital literacy via CelcomDigi's Future Skills programme

Feature Story: ESG Day 2024 Summit

At our inaugural ESG Day 2024 summit, the company unveiled a comprehensive five-year ESG strategy focused on four key priorities that communicate and build capacity for our business partners, employees and key stakeholders.

Read about our ESG Day 2024 Summit at https://corporate.celcomdigi.com/news/celcomdigi-shares-5-year-esg-strategy-advances-focus-to-build-an-inclusive-sustainable-and-trusted-digital-society

Feature Story: Creators IRL

As part of the Creators IRL initiative, CelcomDigi hosted an exclusive Online Safety and Scam Awareness Masterclass workshop to equip content creators, social media influencers and radio presenters, in an effort to build a dynamic community of online safety advocates.

Read about the Creators IRL initiative at https://corporate.celcomdigi.com/news/celcomdigi-builds-a-dynamic-community-of-online-safety-advocates-in-malaysia

Feature Story: Scam Awareness Masterclass

The interactive masterclasses, led by experts in law enforcement, cybersecurity and behavioural psychology, equipped officers from *Jabatan Penerangan Malaysia* (JaPen) with the knowledge and skills to enhance scam prevention awareness in their community outreach programs.

Sustainability Governance

CelcomDigi's sustainability governance structure is integrated into our corporate governance framework. The Sustainability Department governs and coordinates implementation of the Group's sustainability initiatives.

Sustainability Governance Structure

Board of Directors

Board Governance and Risk Management Committee (BGRMC)

Selected members from the Board of Directors

Board Governance and Risk Management Committee (BGRMC)

The BGRMC supports the Board of Directors, which holds ultimate responsibility for setting the Group's strategic direction on sustainability. The Board strengthens stewardship of sustainability matters by maintaining responsible business leadership in Malaysia and ensuring that sustainability-related competencies are periodically assessed. All Directors have completed the Mandatory Accreditation Programme Part I. In 2024, all directors have committed to attending the Mandatory Accreditation Programme Part II on Leading for Impact within the stipulated timeline in 2025.

As the governing committee for sustainability matters, the BGRMC oversees the Group's sustainability priorities, processes, standards and performance. The Committee recommends the Group's sustainability strategies, targets, policies and materiality assessment process for the Board of Directors' approval. It also ensures integration of sustainability and climate-related risks within the Enterprise Risk Management (ERM) framework and monitors the implementation of sustainability strategies and performance against targets.

Governance, Risk and Compliance Committee (GRC)

CHAIR-CEO
DCEO, CTXO, CFO, CCAO, CHRO

Compliance, Internal Audit, Enterprise Risk Management, Sustainability

Governance, Risk and Compliance Committee (GRC)

The GRC is chaired by the Chief Executive Officer and comprises relevant CelcomDigi Management. The GRC assists the CEO and BGRMC in strengthening the effectiveness of CelcomDigi's sustainability policies and procedures implemented at the management level. Together, they convene regularly to address governance, risk, compliance and other non-financial performance matters, which are then escalated to the Board via the BGRMC every quarter. The GRC consistently promotes a culture of ethical business conduct and compliance with the Code of Conduct, policies and procedures, and responsible business practices.

Climate Working Committee (CWC)

CHAIR-CCAO, CTO
Heads of Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, Workplace & Procurement

Climate Working Committee (CWC)

The CWC is represented by the Heads of Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, and Workplace & Procurement. The CWC oversees climate-related risks and opportunities, and recommends environmental actions and initiatives to the GRC, or, when necessary, escalates issues to the BGRMC. These recommendations include reports on climate matters and disclosures aligned with the Task Force on Climate-related Financial Disclosures (TCFD) and other internationally recognised standards.

Read more on the integration of sustainability governance into CelcomDigi's overall corporate governance framework in Section 5: Statement on Risk Management and Internal Control (SORMIC), pages 135 to 144

Read about our commitment to the SBTi Net-Zero Standard towards setting a robust emissions reduction target at the pace and scale required by climate science: https://sciencebasedtargets.org/target-dashboard

Climate-related Financial Disclosures

As the impact of climate change intensifies, CelcomDigi has a responsibility to take immediate and meaningful action to protect our business, surrounding communities and the environment.

In response, the company has pledged to achieve Net-zero carbon status by 2050, establishing clear climate goals aligned with the SBTi Business Ambition for 1.5°C, which is pending validation. Our adoption of the TCFD framework enables us to improve the transparency and comparability of our progressive climate risk and opportunity assessments.

Read about our TCFD at https://celcomdigi.listedcompany.com/sustainability_management.html

SDG Impact and Priorities

CelcomDigi has continued to support the United Nations Sustainable Development Goals (UN SDGs), emphasising the importance of mobile technology and its ability to digitalise economies, protect the environment and empower societies by promoting digital inclusion, internet safety and building skills for a digital future.

In advancing services and initiatives in relation to the performance of National SDGs, CelcomDigi recognises that certain areas are inherently related to the core of our company's business functions. Our strategic priorities remain focused on:

Focused SDGs	The Sustainable Development Goals Report (2024): Malaysia	Material Matters
Access to quality education	Medium progress on primary and secondary education	S5
Decent workplace and economic growth	Medium progress on fundamental labour rights	S2 S3 S4
Innovative and resilient infrastructure	Good progress on population using internet	EC1 EC2 S1 S5 S6
Reducing inequalities	Poor progress in income inequality	G3 S2 S4
Climate action	Medium progress on GHG emissions reduction	EN1 EN2
Peace, justice and strong institutions	Medium progress on Corruption Perceptions Index & Press Freedom Index	G1 G3 S4 S7/ EN3

This year, we continued to elevate our impact on the SDGs through our commitment to the United Nations Global Compact (UNGC) principles and the sustainability agenda, creating impact across the broad range of areas covered by the SDGs.

For more information on our commitment, please refer to https://unglobalcompact.org/what-is-gc/participants/162020-CelcomDigi-Berhad

For more information on the Sustainable Development Report Malaysia (2024), please refer to https://dashboards.sdgindex.org/profiles/malaysia

Environmental, Social and Governance (ESG) Strategy Framework

Our five-year ESG strategy details our sustainability efforts and promotes trust as a cornerstone of building a digital society. This strategy reflects our determination to leverage advanced technologies like 5G, AI and IoT to address immediate and long-term sustainability challenges in the telecommunications and technology sector. Our priorities balance efforts to create positive societal outcomes, set responsible business standards and manage our environmental impact for a cleaner future. Our approach is aligned with the UN SDGs and uses innovation to enhance digital inclusion, cultivate internet safety and develop digital skills for a more equitable future. Our ESG strategy prioritises four key areas:

Purpose	Focus Areas	Initiatives	Mapping to SDGs
Advancing and Inspiring Society	Building Trust in the Age of Digital-Everything		
	Inclusive and Safe Digital Access	• Service reliability and quality • Affordable and inclusive services • Cybersecurity and data protection • Digital empowerment • Scam awareness and child online safety	4, 9, 16
	Sustainable Value Chain	• Health, safety and environment • Supply chain management • Human rights and labour standards	3, 8, 10, 13, 16
	Governance and Performance Culture	• Anti-corruption and anti-bribery • Compliance-first mindset • Board oversight • Talent succession framework • Diverse and empowered skilled workforce	8, 10, 16
	Environmental Impact and Action	• Emission reduction and clean energy consumption • Waste and equipment management • Disaster preparedness • Tech-enabled solutions	7, 12, 13

Further information on the value created can be found in Section 4: Performance Review on pages 64 to 111

Learn more about our approach to sustainability management at https://celcomdigi.listedcompany.com/sustainability_management.html

2024 Recap: ESG Initiatives

Driving inclusive, sustainable, and trusted digital society

1 Inclusive & Safe Digital Access

- **60,000** Students & teachers engaged in future skills learning

- **Raising scam awareness** for Content Creators & Radio DJs

- Industry forum to build **Trust in the age of AI**

2 Sustainable Value Chain

- **26,000** Supplier training hours to elevate sustainability practices and compliance
- **98%** Annual Close-Out Rates on non-conformities by suppliers
- **First company** in Malaysia certified with **ISO 45003:** Psychological Health and Safety at Work

- **Health & Safety Day '24**

3 Governance & Performance Culture

- **100%** Completion of **Cybersecurity, Health & Safety**, and **OneCompliance** training and assessments
- LinkedIn Talent Awards 2024: **Best Employer Brand**

- HR Excel Awards 2024: Recognition for **HR change management efforts**

4 Environmental Impact & Action

- Committed to company-wide emission **reductions in line with the SBTi**

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Enhanced **climate data integrity** via digitised platform
- Sponsored the **National Climate Governance Summit '24**

2024 ESG Ratings

FTSE4Good
4-star rating
Maintained constituency in the FTSE4Good Bursa Index

MSCI
Upgraded to **'AA'** from 'A'

SUSTAINALYTICS
Achieved **medium risk rating score of 23.7**
Outperformed industry average scores

ESG Performance Scorecard

Our ESG performance scorecard benchmarks performances of the four focus areas outlined in our ESG Strategy framework on page 49.

Focus Areas	Material Matters	Targets	Targets Due/ Tracking Frequency	FY 2024 Performance & Updates
Inclusive and Safe Digital Access	S1 Customer Satisfaction	Maintain positive customer satisfaction	Tracked monthly	Customer Satisfaction (CSAT) score: • Retail: 96.6% • Contact Centre: 57.2%
	S6 Online Safety S5 Digital Inclusion	• 2 million online S.A.F.E. Internet public awareness reach • 50,000 trained in Future Skills For All (FS4A) programme	Tracked annually	• 8 million online reaches • 63,374 active users* in Future Skills For All (FS4A) programme
	G2 Data Privacy and Cybersecurity	100% of Privacy Control Framework implemented for high-risk data processing functions in 2024	Tracked annually	• 96% completed***. Remaining to be completed by Q3 2025
Sustainable Value Chain	S7/ EN3 Supply Chain Management	20,000 supplier training hours in 2024	Tracked monthly	• 26,687 hours
	S3 Occupational Safety and Health	Expand ISO 45001: Occupational Health and Safety (OH&S) certification to CelcomDigi key premises nationwide	Tracked annually	• Certification completed for key premises in Central region. Remaining premises in regions to be completed by Q2 2025
Governance and Performance Culture	G3 Business Ethics and Corporate Governance	100% employee pass rate in Integrity programme assessment in 2024	Tracked annually	• 100%*
Environmental Impact and Action	EN1 Climate Change and Environmental Action EN2 Energy Consumption	Develop a Net-Zero 2050 roadmap and aligning targets to SBTi by 2025	Mid (2030) to long-term (2050)	• Commenced emissions baselining and verification exercise

Legend for FY 2024 Performance: • Achieved / Completed • Partial / In Progress • Unmet / Delayed

* *Limited External Assurance*

** *Our overall FY2024 CSAT score for Contact Centre reflects the challenges of adapting to new operating models and integrating people and systems. While this transition has impacted customer experience, our Retail segment has delivered positive CSAT results, demonstrating resilience and strong customer engagement. We remain committed to continuous improvement, and encouragingly, our mitigation efforts are already showing positive early results. For more details, refer to Section 4: Manufactured Capital on pages 70 to 75.*

*** *Completion of Privacy Control Framework implementation rescheduled due to strategic realignment. Remaining controls are being implemented in FY25, reinforcing our commitment to protect personal data across our value chain.*

Key Relationships

CelcomDigi acknowledges the importance of continuous engagement with all our stakeholders. By fostering effective communication and positive relationships, we can better understand their expectations and align them more closely with our business strategies. This approach enhances our ability to create value and fulfil our purpose of 'Advancing and Inspiring Society'.

Frequency: D Daily W Weekly M Monthly Q Quarterly Y Yearly

Board of Directors

M Q Y

Descriptor

Responsible for setting strategic priorities and providing guidance to management to act in the interest of the company and its stakeholders.

Engagement Channels

- Annual General Meeting
- Quarterly/Special Board meetings
- Strategy workshops
- Board and leadership effectiveness evaluation
- Corporate events

Stakeholder Expectations

- Financial and non-financial performance
- Oversight on ESG-related matters and performance
- Governing shareholder interests and stakeholder expectations

Our Response

- Updating CelcomDigi's purpose, strategy, company scorecard, risks and emerging opportunities
- Updating CelcomDigi's ESG strategy, including climate ambition
- Maintaining accuracy, completeness and consistency of CelcomDigi's disclosures

Government and Regulators

W Q Y

Descriptor

Ministries, government agencies and regulatory bodies responsible for establishing and implementing laws and regulations that govern our operations.

Engagement Channels

- Regular reports and periodic engagement
- Integrated Annual and Financial Reports
- Sharing information with relevant ministries and regulators
- Participation in regulatory and industry meetings
- Company website and other information channels
- Formal and informal engagements with key decision makers
- Yearly site audits and visits

Stakeholder Expectations

- Successful rollout of the *Jalinan Digital Negara* (JENDELA) plans
- Support Budget 2025 plans on digitalisation, telecommunications and other relevant initiatives
- Digital safety (online child safety and scam awareness) and inclusion (equitable and affordable access, improved coverage)
- Digital integrity and resilience (data privacy and protection, cybersecurity)
- Compliance to regulatory standards and requirements
- Support government's key national agendas such as the MADANI Economic Framework, National Energy Transition Roadmap (NETR)

Our Response

- Strengthened network infrastructure and accelerated deployment to meet JENDELA coverage and quality targets, ensuring seamless connectivity nationwide
- Strengthening compliance with data protection laws, enhancing cybersecurity frameworks based on requirements by regulators, and investing in robust digital security measures to safeguard user privacy
- Maintaining strict adherence to regulatory obligations through proactive engagement, continuous monitoring and seamless integration of compliance measures into operations
- Implemented nationwide campaigns and partnerships on safe internet and scam awareness
- Provisioned smart services at the National Information Dissemination Centres (NADI) including Future Skills training

Customers

D W M Q Y

Descriptor

Our retail and enterprise customers who have subscribed to CelcomDigi's products and services. Enterprise Business entails connectivity and solutions for customers in the public, corporate and SME sectors.

Engagement Channels

- In-person services via retail touchpoints
- Self-serve options via our kiosks and mobile applications
- Social platforms and applications
- Customer service channels
- Enterprise sales and support, dedicated account servicing managers for both direct and indirect channels, digital platforms and customer service

Stakeholder Expectations

- Consistent network experience
- Value-for-money and flexible plans
- Transparent billing
- Data security and privacy
- Responsive and efficient customer service
- Technology-enabled solutions to address the complexity of business needs in driving efficiency, innovation and growth

Our Response

- Deployed widespread retail touchpoints operating 365 days, digital platforms and self-serve kiosks
- Became a trusted brand by employing fair and transparent business practices
- Established 'Trust Circle' forum which gathers leaders across industries to advocate for responsible data practices across organisations and collectively safeguarding our digital future
- Launched nationwide scam awareness campaigns and workshops

Employees

D W M Q Y

Descriptor

Individuals directly and indirectly (through contracted parties) employed by CelcomDigi.

Engagement Channels

- Internal engagement and communication channels
- Leadership forums, training and development
- Company events or activities and communication channels
- Forums and conferences
- Learning and development platforms and initiatives

Stakeholder Expectations

- Performance management
- Career development opportunities
- Work-life balance
- Competitive compensation
- Recognition and appreciation
- Inclusive and diverse culture
- Healthy and safe work environment

Our Response

- Conducted annual performance review and development plans for each CDzen
- Established team structures (CD Management, CD Leadership, CD Extended Leadership)
- Ensuring clear succession and talent pipeline
- Reinforcing employee development initiatives and access to 24/7 learning
- Held Customer Obsessed Day, a company-wide event to foster collaboration
- Implemented first aid training to develop health ambassadors among employees
- Implementing mental health and well-being programmes
- Benchmarked pay, compensation and benefit competitiveness

Key Relationships

Shareholders, Analysts and Investors

M Q Y

Descriptor

Our owners, financial analysts, the investor community and providers of capital.

Engagement Channels

- Integrated Annual Report
- Annual General Meeting
- Quarterly earnings calls
- Non-deal roadshows and investor conferences
- Investor Relations website
- Sustainability Performance website
- Analyst briefings

Stakeholder Expectations

- Financial and non-financial performance
- Effective leadership, transparent decision-making processes and accountability
- Regular updates and communication
- ESG performance and environmental responsibility

Our Response

- Maintaining market share and earnings consistency in a highly competitive industry
- Maintaining strong stock market performance and investment portfolio
- Sustaining effective cost-management strategies
- Instituting clear communication on company's strategy, risks and performance
- Committed to net-zero and SBTi-aligned targets

Community, Sustainability Partners, and Non-Governmental Organisations (NGOs)

M Q Y

Descriptor

Collaborative partners we engage with, united by common objectives of advancing our sustainability agenda to achieve Sustainable Development Goals (SDGs).

Engagement Channels

- Programme collaborations
- Advocacy, public engagements and forums
- Collaborative research, surveys, academic studies and consultation papers

Stakeholder Expectations

- Partnerships for impactful projects
- Efforts aligned towards UN SDGs
- Education and digital literacy programmes
- Emergency response and public safety

Our Response

- Organising capacity-building programmes (Scam Awareness and S.A.F.E. Internet workshops, GoIT and Future Skills training)
- Nurturing strong collaborations with like-minded partners
- Implementing smart services at the National Information Dissemination Centre (NADI)
- Activating internet access (5G Home Wifi) for charity homes and relief centres
- Providing flood relief aid and flash SMS alerts (early warning system)
- Donated refurbished laptops to schools

Key Relationships

Media

W M Q Y

Descriptor

Public and private agencies that cover print, broadcast and online media.

Engagement Channels

- Press releases
- Strategic and operational media interviews and events
- Monitoring and sentiment analysis
- Formal and informal briefings
- On-demand requests for information

Stakeholder Expectations

- Customer satisfaction
- Adherence to industry regulations
- Innovation and technology updates
- Industry thought leadership
- Crisis communication preparedness

Our Response

- Featured stories highlighting customer satisfaction, successful service implementations and innovative customer-centric approaches
- Procuring expert opinions and contributing to industry discussions
- Providing media access to company events, product launches and major announcements
- Establishing partnerships on scam awareness campaigns

Business Partners

W M Q Y

Descriptor

All third parties the Group engages with including:

- Suppliers and vendors (any manufacturer, contractor, consultant and service provider)
- Distributors and franchisees
- Recipients of sponsorships, donations and other contributions, including sustainability partnerships
- Business partners with digital or online business models involving revenue, platforms or other sharing arrangements
- Merger and acquisition, joint venture and divestment partners

Engagement Channels

- Exploratory meetings
- Tenders and commercial agreements or partnerships
- Regular check-in discussions
- Site inspections and audits
- Supplier training
- Product presentations

Stakeholder Expectations

- Ethical business practices
- Mutually beneficial partnerships
- Access to resources (e.g. seamless technological integration)
- Training and enablement
- Market development support
- Fair and timely payment

Our Response

- Enforced requirement for all business partners to enter into an Agreement on Responsible Business Conduct (ABC) which legally obliges the business partner to adhere to CelcomDigi's Business Partner Conduct Principles (BPCP)
- Performing Integrity Due Diligence prior to the appointment of business partners
- Created communication channels that allowed concerns of non-adherence to the ABC to be anonymously reported
- Spearheading partnerships to enable next-gen connectivity solutions

Materiality

CelcomDigi recognises the pivotal role of identifying and addressing dynamic and material sustainability issues that evolve over time, and integrating these perspectives into our planning and strategy decisions. Through our materiality assessment process, the company engages with a wide range of stakeholders to gather feedback for anticipating and prioritising both current and emerging material issues.

Our material matters are identified through comprehensive materiality assessments conducted every two years, with an annual limited scale review in the interim. These assessments incorporate stakeholder perspectives, current sustainability issues, and relevant industry and regulatory changes. Double materiality is central to our approach: the company considers both potential direct and indirect impacts of our activities on society and the environment, and how these matters may affect our business.

Building on our thorough materiality assessment from FY2023, the company conducted a limited validation exercise in FY2024 to ensure these material issues remain relevant to our business and stakeholder interests and concerns. This review process ensured alignment of our enterprise risk parameters with business priorities, while adhering to best practices outlined in the Bursa Malaysia Enhanced Sustainability Reporting Framework and Toolkits, and the Global Reporting Initiative (GRI) standards.

Our FY 2024 Materiality Review Process

Phase 1: Review Material Matters

Existing material matters were reviewed to ensure relevance to the following ESG standards and industry trends:

- Bursa Main Market Listing Requirements (MMLR) on sustainability reporting (nine common sustainability matters)
- Sustainability Accounting Standards Board (SASB)
- GRI Topic Standards
- United Nations Sustainable Development Goals UN SDGs
- Global analyst reports (i.e. FTSE Russell ESG Index, MSCI ESG Index)

Phase 2: Stakeholder Engagement

- Targeted materiality assessment via an online survey for selected stakeholders, namely Customers, Government and Regulators, Shareholders and the Analysts and Investors community.
- The survey's top six material matters prioritised four from the FY2023 Integrated Annual Report's "very high importance" quadrant. "Online Safety" and "Climate Change and Environmental Action" were added in response to the national agenda and impending legislation.
- Stakeholders rated scores on a scale of 1 to 5 for the top six material matters, based on the following criteria:
  - Importance to society, environment and the economy (sustainability impact)
  - Importance to CelcomDigi (financial impact)
- Stakeholders' feedback and concerns were gathered to better understand their needs and expectations.

Phase 3: Review and Approvals

- Materiality validation and online survey results were tabled to the Board of Directors and CelcomDigi Management for discussion and approval.

Materiality Matrix

Our Materiality Matrix represents the importance of our 15 material matters from the perspectives of stakeholder, business and financial impact. The definition and management of our material maters are detailed on our website. The company plans to conduct a comprehensive review in FY2025.

Read more about our material matters at https://celcomdigi.listedcompany.com/sustainability_management.html

Although there are slight changes in the ranking of some material matters compared to last year's matrix, reflecting changes in stakeholder priorities and emerging industry trends, our review confirms that our materiality issues still align with current stakeholder interests and require no further adjustments.

Legend:

- EC1 Service Reliability and Quality
- EC2 Business Development, Expansion, and Investments
- G1 Regulatory Compliance
- G2 Data Privacy and Cybersecurity
- G3 Business Ethics and Corporate Governance
- G4 Crisis Management and Response
- S1 Customer Satisfaction
- S2 Talent and Culture
- S3 Occupational Safety and Health
- S4 Respecting Human Rights and Freedom of Expression
- S5 Digital Inclusion
- S6 Online Safety
- S7/ EN3 Supply Chain Management
- EN1 Climate Change and Environmental Action
- EN2 Energy Consumption

Materiality

Legend	Material Matters	Description
Very High Importance		
EC1	Service Reliability and Quality	Providing quality and consistent network experiences to customers.
S1	Customer Satisfaction	Employing customer-centric solutions for a differentiated user experience in our highly competitive markets.
G2	Data Privacy and Cybersecurity	Upholding strong governance to strengthen privacy controls and to protect stakeholders' data and information against cyberattacks.
G3	Business Ethics and Corporate Governance	Maintaining an effective governance framework and internal controls to uphold corporate values and ethical standards across our value chain.
High Importance		
S6	Online Safety	Nurturing safe internet skills and scam awareness among stakeholders.
S4	Respecting Human Rights and Freedom of Expression	Upholding human rights by mitigating the risk of potential abuse across our value chain and ensuring access to the right information.
EN1	Climate Change and Environmental Action	Protecting the environment by transitioning towards a low-carbon economy and employing effective waste management within business operations.
S3	Occupational Safety and Health	Providing a conducive environment with improved health and safety conditions for employees and contracted workers across the supply chain.
EC2	Business Development, Expansion, and Investments	Robust strategies to acquire and expand businesses and value creation to drive growth and profitability.
S5	Digital Inclusion	Enabling greater access to enhance digital inclusion among stakeholders.
G1	Regulatory Compliance	Maintaining robust controls to meet existing and emerging legislation and regulations.
G4	Crisis Management and Response	Ensuring we are well prepared for crises with a rapid and adequate response plan, and clear lines of reporting.
EN2	Energy Consumption	Implementing measures to improve energy efficiency and promote sustainable practices to mitigate environmental impact.
S7/ EN3	Supply Chain Management	Raising standards in our supply chain to positively influence social equality and environmental protection.
S2	Talent and Culture	Fostering an environment that attracts and retains highperforming talents while encouraging continuous development of digital competencies.

Materiality

Legend	Material Matters	Justification	Movement (vs. FY 2023)
G2	Data Privacy and Cybersecurity	• Increased cyber threats • Stakeholders focused on data protection and robust cybersecurity measures • See the Intellectual Capital section (pages 76 to 83) for details on data protection and cybersecurity controls	↑
G3	Business Ethics and Corporate Governance	• Growing demand for transparency, accountability and ethical conduct, strengthening governance frameworks for integrity and trust • See the Intellectual Capital section (pages 76 to 83) for details on governance and internal controls	↑
EC1	Service Reliability and Quality	• Improved performance shifted stakeholder focus to other emerging issues • See the Manufactured Capital section (pages 70 to 75) for details on service improvements	↓
S1	Customer Satisfaction	• Shifting stakeholder priorities lessened relative importance • Prioritised 24/7 customer support, gathering feedback through multiple channels and promptly addressing concerns • See the Manufactured Capital section (pages 70 to 75) for details on customer satisfaction initiatives	↓
S6	Online Safety	• Increased digital platform usage heightened stakeholders' concerns regarding user protection from online threats (scam and fraud, misinformation) • See the Social and Relationship Capital section (pages 102 to 111) for details on digital safety and empowerment initiatives	↑
EN1	Climate Change and Environmental Action	• Growing awareness and urgency around climate change increased stakeholders' prioritisation of environmental sustainability and impact mitigation • See the Natural Capital section (pages 92 to 101) for details on climate action initiatives	↑

Strategy

CelcomDigi has established a robust five-year strategy to steer our growth trajectory and ensure long-term success. Our strategy emphasises expanding our market presence, leveraging operational strengths and positioning innovation as a key driver of future value. In 2024, we made significant progress in delivering our purpose of 'Advancing and Inspiring Society' by providing value to stakeholders and fostering sustainable growth. These objectives remain our top priorities as we move forward.

The merger of Celcom and Digi has been a transformative journey over the past two years. From 2023 to 2024, we accelerated integration, captured synergies, streamlined our organisational structure and processes, and optimised costs. This has laid a strong foundation for our continued success.

As we move beyond integration towards delivering sustainable and profitable growth, our focus is now on realising our five-year ambition. Our strategy has evolved to place greater emphasis on growth, trust and customer excellence as our guiding principles. We remain committed to operational excellence by driving efficiencies, unlocking new opportunities and investing in building sustainable growth engines to fuel our future. These strategic pillars bring us closer to our vision of becoming the telco-tech leader of tomorrow.

Deliver Sustainable and Profitable Growth

We are evolving into a unified operations and market leader across all business segments, paving the way for long-term sustainable and profitable growth. Our goal is to build a trusted brand that Malaysians can trust and rely on, delivering exceptional services, exceeding expectations, and creating meaningful, positive experiences that cultivate customer loyalty and satisfaction.

1. **Lead in serving diverse business segments:** address the unique needs of consumer mobile, home and enterprise (both public and private) sectors by offering tailored solutions that drive success and deliver value.
2. **Achieve the best network performance with unmatched reliability:** deliver the widest coverage, superior quality and enhanced security to ensure our customers stay seamlessly connected anytime, anywhere.
3. **Establish leadership in 5G and new revenue streams:** strengthen our position as a leader in 5G by enabling all our customers to experience enhanced network features, product innovation and 5G-related use cases, while building new revenue streams through innovative value-added services (VAS) and AI-powered services. These cutting-edge solutions will fuel business growth and allow us to adapt to the evolving needs of our customers.

Enrich Customer Experience for Our 20 Million Loyal Customers

We are committed to deepening our relationship with existing customers by offering convergence bundles and value-added services with greater value. We also aim to shift customer activities and interactions to our digital platforms, enhancing their overall experience.

1. **Expand our service portfolio:** enrich our offerings by providing a broad range of digital VAS, fixed-mobile convergence propositions, and delivering tailored enterprise solutions in cloud, security and IoT to meet the diverse needs of our customers.
2. **Enhance customer experience across all touchpoints:** revamp and improve customer engagements across network, retail, product, support and digital services touchpoints, and to shift more engagements to digital channels for differentiated, high-quality service and support that exceeds customer expectations.
3. **Foster customer loyalty and retention:** cultivate long-term engagement via a loyalty programme and build a suite of services across connectivity and VAS to add value to customers to foster loyalty and reduce churn.

Drive Operational Excellence (OE)

We are committed to becoming the most efficient telecommunications provider in the region by enhancing operational excellence throughout the company. We will achieve this through simplification, adopting new operating models, instituting structural changes through technology-driven efficiencies, and by fostering an OE mindset.

1. **Achieve cost efficiency and boost productivity:** improve cost efficiency, increase productivity, and capitalise on economies of scale in day-to-day business functions, while fostering a sustainable OE mindset across the organisation.
2. **Implement robust structural and operating model changes:** drive efficiency by adopting structural and operational model changes in key business functions, ensuring that CelcomDigi is future-proofed to remain competitive and agile in the evolving market landscape.
3. **Leverage technology to drive performance and reduce costs:** incorporate new technologies and system enhancements to improve performance while simultaneously reducing cost and delivering greater value.

Invest for the Future

Investing in future capabilities, including AI and Generative AI (GenAI), is crucial to support our operations and enhance our ability to serve customers. We aim to achieve technology leadership through continuous innovation that extends beyond traditional telecommunications networks and IT infrastructures.

1. **Accelerate digital, data-driven and AI transformation:** intensify the adoption of these technologies in response to the growing presence of AI and GenAI across various business functions, enabling smarter operations and enhancing customer experiences.
2. **Enhance B2B ICT solutions through strategic partnerships:** build robust B2B ICT capabilities to better serve enterprises and drive significant revenue growth in the business sector, positioning CelcomDigi as a leader in innovative enterprise solutions.
3. **Future-proof CelcomDigi with an autonomous technology stack:** implement advanced automation to optimise operational efficiency and security, foster innovation and better meet the evolving needs of our customers.

Driving innovation through AI-powered technologies and robotics to meet the evolving needs of our customers

Connectivity you can rely on

Our network engineers are always on the ground – listening, testing, and optimising our network to keep customers connected with a superior quality of experience, anytime, anywhere.

From left: Toh Soo Jin, Yasir Azad Ali Bin Mohd Yaseen, Cheong Chen Hoong, Ramzi Bin Mat from Network Engineering & Operations, travelled nationwide as part of Skuad 5G to ensure you get the best network experience with CelcomDigi.

Financial Capital

Our Approach

Guiding Factors:

Material Matters

G1 EC2 S1

Stakeholders Affected

Strategic Pillars

UN SDGs

In 2024, CelcomDigi Berhad concluded the company's second year of operations as a merged entity, building upon the solid foundation established in the first year post-merger. In the year, we achieved respectable and stable performance while executing an extensive integration programme. Our topline remained stable with strong underlying profitability. Strategic decisions made during this period positioned us for enhanced growth opportunities in 2025, driven by focused market execution and efficient cost management, enabling us to deliver shareholder value in line with our 2024 guidance.

In our second year of integration, we achieved a net synergy savings of RM1,600 million, underscoring our focus and commitment to fully realising the merger's potential and boosting operational efficiency. Our integration and transformation efforts across various areas of the business have progressed well. We completed 75% of our network integration and modernisation by end 2024, ahead of our target. IT integration is on track, including successfully concluding the first phase of harmonising our billing and customer relationship management systems. We rolled out 48 new retail stores as part of our retail transformation programme that is now delivering improved sales productivity and enhanced customer and digital experiences. These initiatives, along with improvements in customer experience and refreshed operating models, have laid a solid foundation for the company's sustainable long-term growth.

We are making substantial strides in our transformation into a leading telco-tech company, while strengthening our commercial resilience to navigate industry challenges and meet the rising demand for digitalisation and innovation. Leveraging the enhanced capabilities from our merger, we are driving consistent growth in our core mobile business while strategically investing in new opportunities, positioning ourselves to deliver strong performance and sustained value to our shareholders.

Key inputs in 2024

- Ranked among the top eight companies by market capitalisation in Malaysia
- Strong overall revenue performance across key segments
- Robust EBITDA margin
- Consistent and healthy operating cash flow
- Efficient allocation of capital expenditure (CAPEX)
- Resilient and well-structured balance sheet

Outputs

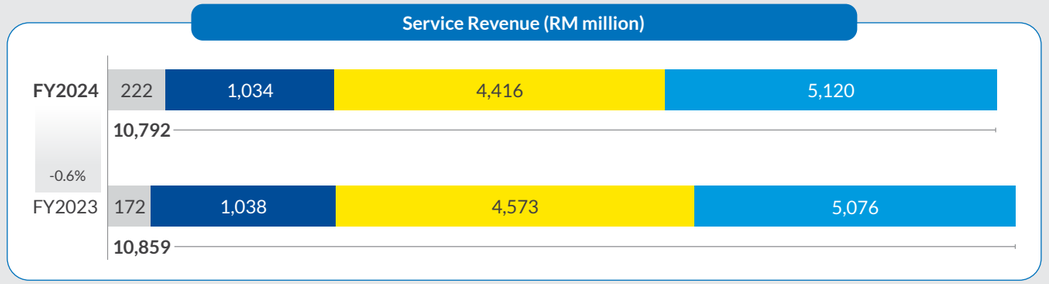
- Strengthened market leadership through growth in all core segments, supported by an expanding subscriber base
- Sustained robust core profitability margins driven by solid underlying performance
- Optimised CAPEX
- Realised gross synergies from structural initiatives and sourcing efficiencies
- Maintained a solid balance sheet to support long-term financial strength and future growth
- Ensured sustainable returns for shareholders

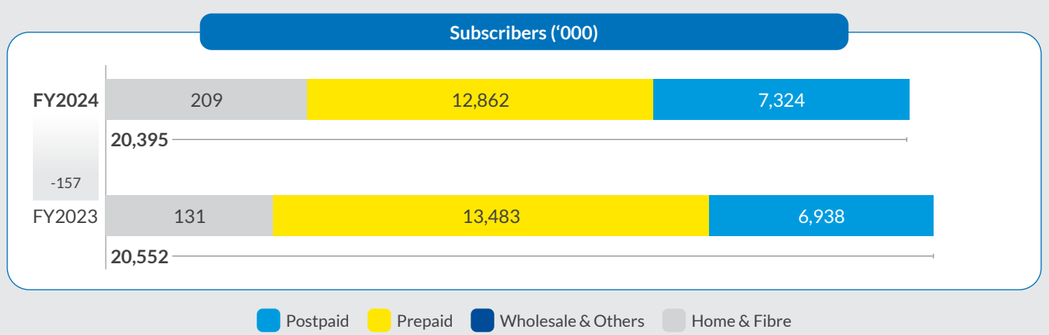
Looking ahead

CelcomDigi proudly serves 20.4 million customers across the country, underscoring the strength and resilience of our unified telecommunications offering. With our enhanced capacity for growth investments and a strong ability to address macroeconomic and industry challenges, we are well-positioned to achieve our integration and synergy objectives. We remain committed to building on this momentum and aim to deliver greater value to our customers in the coming years.

- Sustain growth in service revenue and EBIT performance
- Maintain consistent CAPEX investment
- Foster a culture of operational excellence (OE) and focus on financial discipline
- Deliver synergies while driving digital transformation and innovation
- Explore technological solutions and new avenues for revenue generation
- Invest in new AI and data platforms, and ICT capabilities
- Ensure a balanced capital structure and effective cost allocation

Sustained Growth in Postpaid and Home & Fibre, with Steady Postpaid Trajectory and Improving Prepaid Base





In FY2024, Service Revenue reached RM10,792 million, reflecting a slight 0.6% decline in the second year of integration. This was primarily due to lower activations and a strategic shift away from temporary SIM cards used for short-term deals in the Prepaid segment, with growth in Postpaid and Home & Fibre providing a strong counterbalance.

Postpaid revenue grew 0.9% YoY to RM5,120 million, driven by a 386K subscriber increase from enhanced convergence plans. This growth was supported by optimised plan enhancements, an expanded subscriber base and targeted campaigns. Upgrades to convergence offerings also boosted Average Revenue Per Account (ARPA).

Prepaid revenue declined 3.4% to RM4,416 million, with slower subscriber losses in Q4 2024, indicating a turnaround resulting from effective base management. Growth was constrained by fewer SIM acquisitions and post-merger SIM consolidation, though retention campaigns targeted at high-churn segments helped stabilise the base. Average Rate Per User (ARPU) remained steady for the fifth consecutive quarter, reflecting resilient customer value, while monthly Mobile Internet (MI) activations exceeded Q3 2024 levels due to portfolio enhancements.

Home & Fibre revenue saw strong double-digit growth of 28.3% YoY, reaching RM222 million. Subscribers increased by 78K YoY, to end the year at 209K, outpacing the industry's growth rate. This momentum was driven by convergence, competitive offerings and channel push, leading to a 30% increase in ARPA.

ARPU (RM)	Postpaid	Prepaid	Home & Fibre	Blended
FY2024	65	28	112	41
FY2023	68	28	126	41

With a growing number of digitally-connected, tech-savvy smartphone users, supported by our enhanced network quality and coverage, there has been a noticeable rise in monthly data usage per user, reaching 36.6GB for Celcom and 31.6GB for Digi from 31.2GB and 26.1GB respectively the year before.

36.6 GB/user
Celcom (▲ 17.3% YoY)

31.6 GB/user
Digi (▲ 21.1% YoY)

Data Consumption

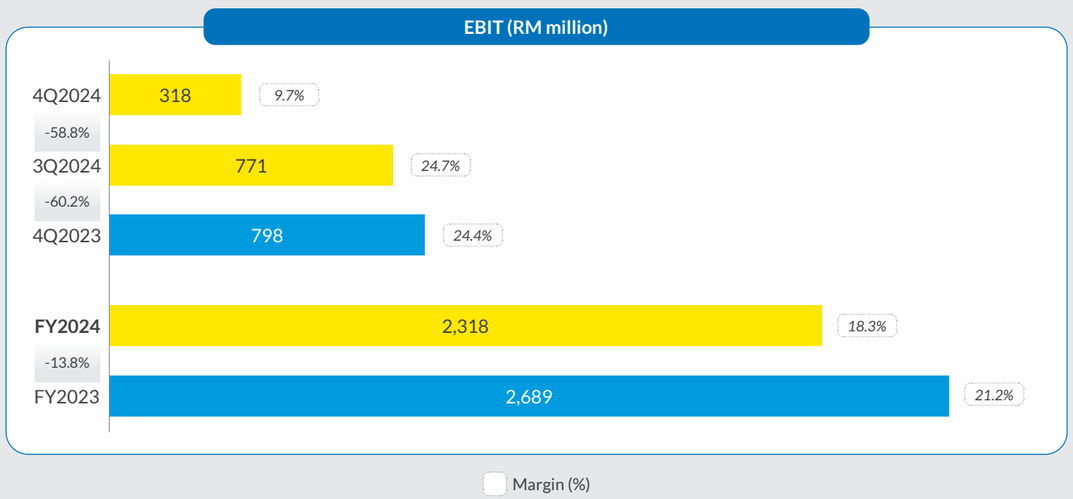
93.6%
Celcom

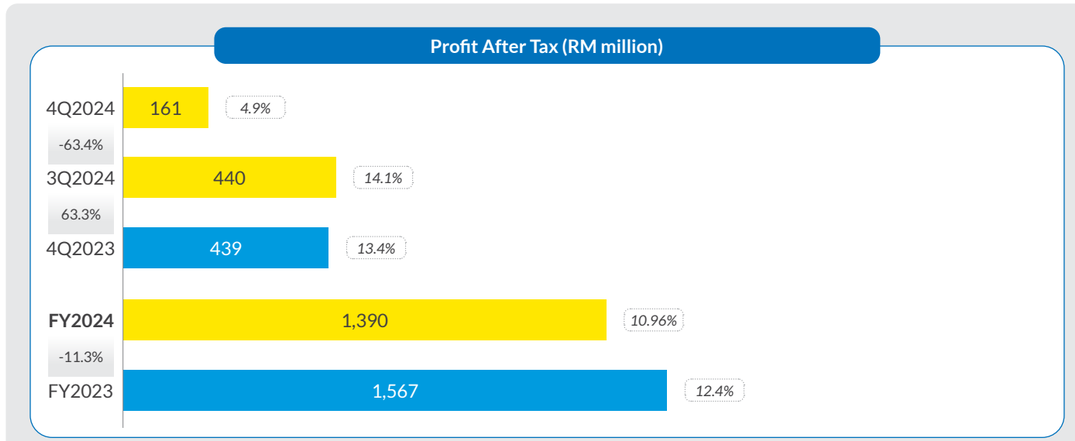
93.5%
Digi

Smartphone Users

Driving Underlying Profit Growth Through Topline Expansion and Enhanced Cost Efficiencies

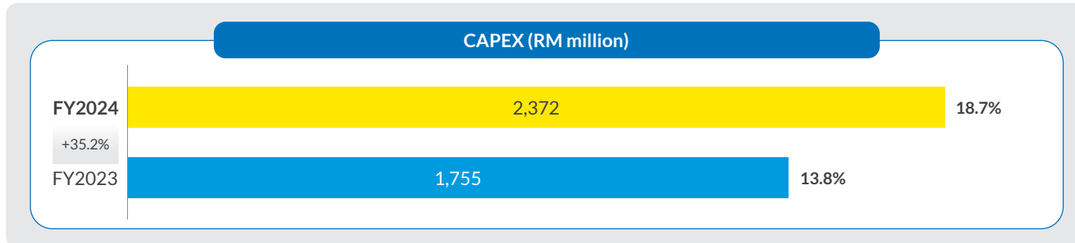
- Earnings Before Interest and Tax (EBIT) stood at RM2,318 million. Excluding the non-cash adjustments related to the impairment of our rights of use assets and the organisational restructuring charge in 2024, our EBIT would have been close to RM2,800 million. This would represent an EBIT margin of 25.9% over Service Revenue, reflecting a 110-basis point improvement in our margin trajectory compared to 2023.
- Our Profit After Tax (PAT) was reported at nearly RM1,400 million. Excluding the two caveats previously mentioned, our PAT would have been RM1,750 million, resulting in a PAT margin of 16.2%, a 180-basis point improvement compared to FY2023.





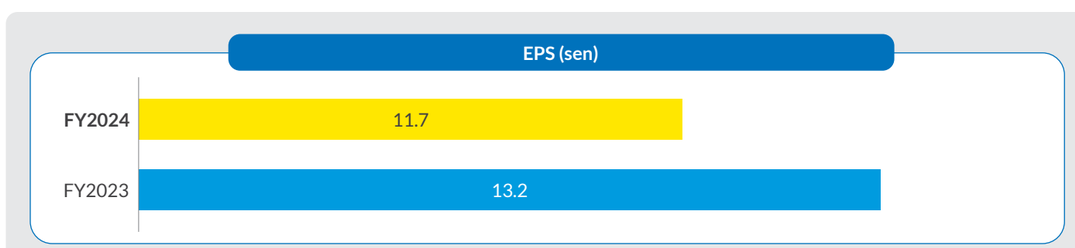
Optimising Strategic Investments in Network, Retail and Business Transformation to Drive Efficiency and Operational Excellence

CAPEX in FY2024 amounted to RM2,372 million, reflecting a CAPEX intensity of 18.7%, compared to 13.8% in FY2023. Our guided CAPEX intensity was between 15% and 18%, which increased due to expenditure on JENDELA projects, without which CAPEX intensity would have been approximately 18%, aligning closely with our initial guidance. Most of the CAPEX was allocated to support our integration and transformation initiatives during the year.

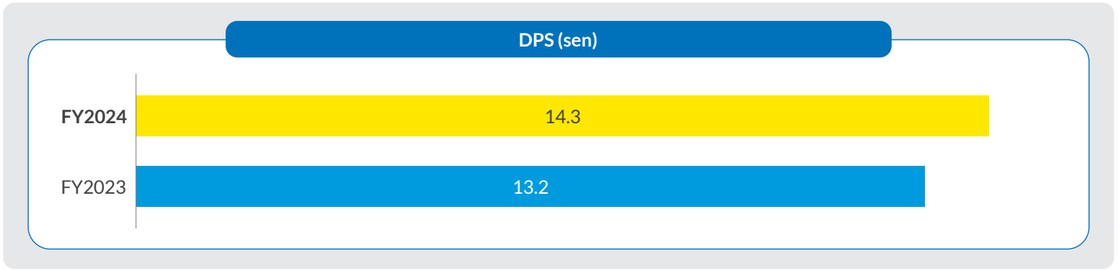


Delivering Sustainable Returns to Shareholders

- Despite lower Earnings Per Share (EPS), reflecting lower profitability, the Dividend Per Share (DPS) increased with a strong cash flow from operations and effective cost management.
- Total FY2024 dividend payout amounted to RM1,654 million, exceeding the company's dividend policy of a minimum 80% of net profits.

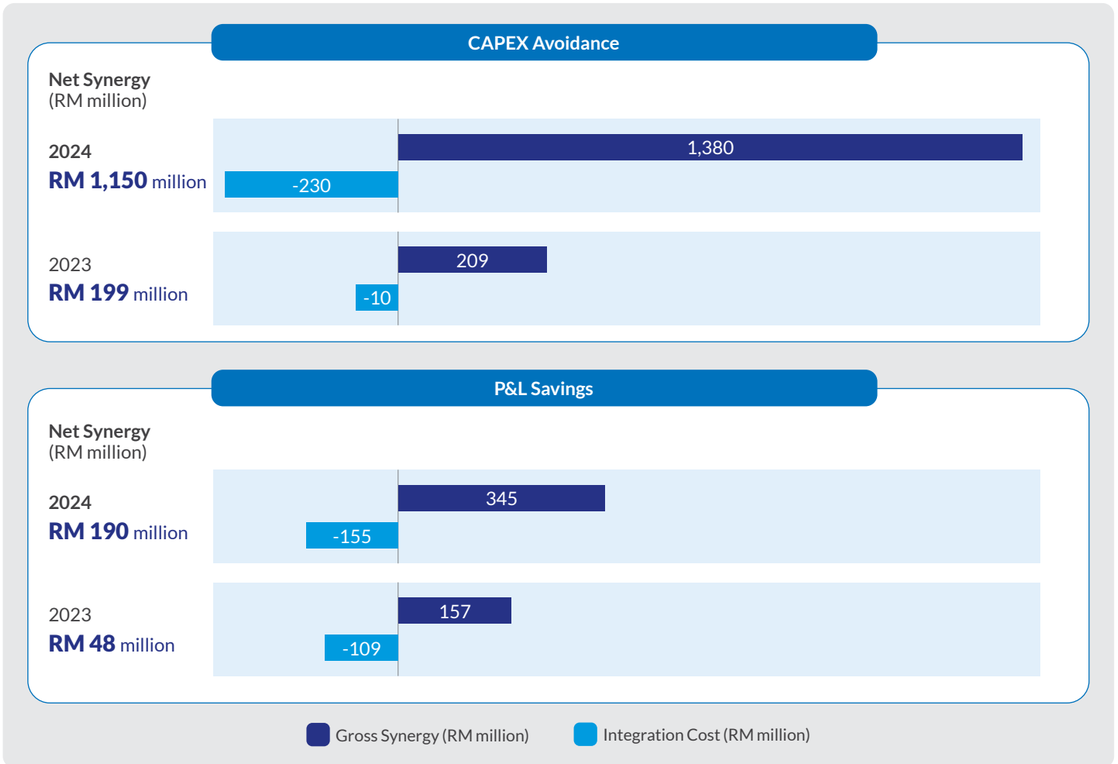


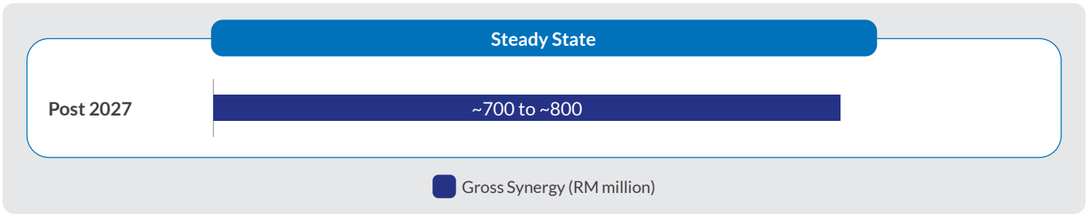
Financial Capital



Synergy Realisation from Structural Initiatives and Sourcing Efficiencies is on Track

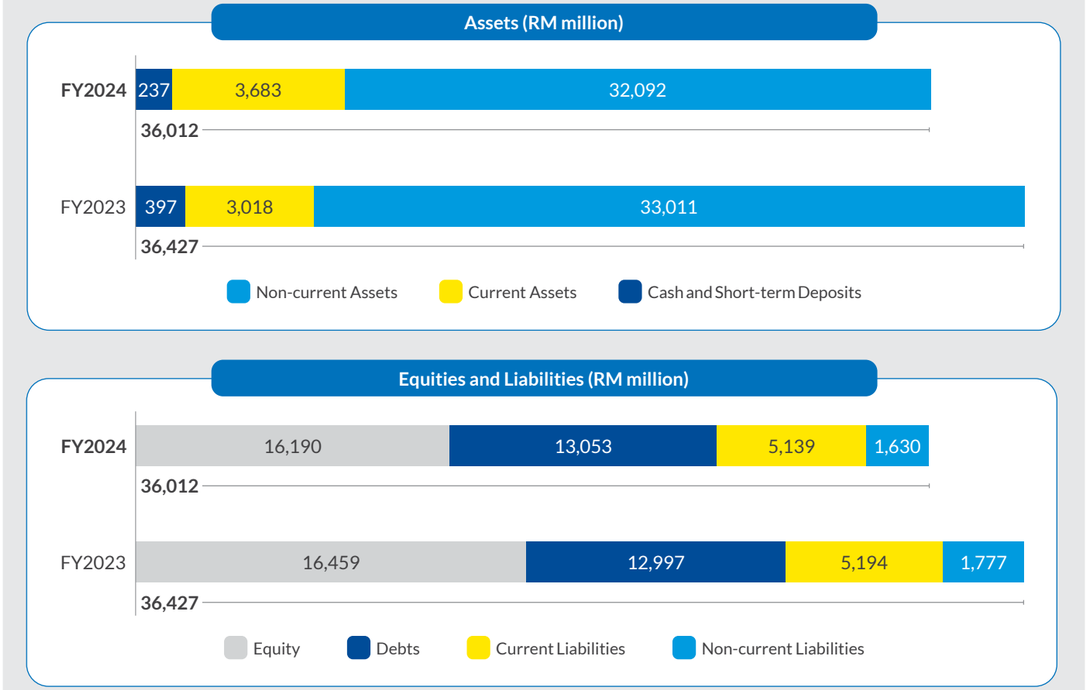
- Successfully completed the first two years of our integration programme, across network, IT, and retail. These efforts have enhanced sales productivity and elevated customer and digital experiences. Additionally, our new single-branded CelcomDigi 5G product portfolio serving all consumer, home and enterprise segments have strengthened our market presence.
- Net synergy savings stand at RM1,600 million after incurring integration costs of RM385 million in 2024 to support these extensive integration initiatives. This keeps the company on track to deliver steady-state savings of approximately RM700 to RM800 million post-2027.





Prudent Balance Sheet Management Supporting Financial Stability and Future Growth

- We have demonstrated effective balance sheet management, with a reduction in both assets and liabilities compared to the previous year. This strategic approach has led to a decrease in equity and liabilities, further strengthening our financial position for sustained growth moving forward.
- Leveraging our strong balance sheet and robust cash flow, we received AAA ratings affirmation from both MARC and RAM Ratings, a testament to our financial strength and operational excellence.



Manufactured **Capital**

Our Approach

Guiding Factors:

Material Matters

G4 EC1 EC2 S5

Stakeholders Affected

Strategic Pillars

UN SDGs

As Malaysia's largest telecommunications and digital services provider, CelcomDigi is at the forefront of accelerating the national digitalisation agenda and shaping a robust digital ecosystem. The integration and modernisation of our legacy Celcom and Digi networks into an integrated CelcomDigi network provides a competitive edge as the country's widest and fastest mobile network, enabling us to deliver the most consistent, high-speed and secure connectivity solutions.

Beyond connectivity, our network and IT infrastructure are key differentiators in an increasingly dynamic industry. We are advancing towards becoming an AI-first company, integrating AI across our internal operations and driving adoption of AI solutions for enterprises. By leveraging AI alongside 5G, we equip businesses to fuel innovation and unlock new efficiencies, spurring the nation's transformation into a 5G-AI-powered digital society.

We are expanding digital touchpoints within our distribution network for a seamless and accessible customer experience. By integrating smart technologies and reimagining service delivery, we are setting new benchmarks for connectivity and digital services in Malaysia.

Key inputs in 2024

- Widest network population coverage for 4G LTE and 4G LTE-Advanced
- Modernised network infrastructure with 5G-ready equipment
- Integrated IT infrastructure
- Introduced new concept retail stores across the nation
- Synergised digital touchpoints

Outputs

- Built Malaysia's future digital network and delivered the widest and fastest network experience nationwide
- Drove modernisation and AI automation initiatives towards operational excellence
- Connected with our customers through digital and physical touchpoints

Looking ahead

Digitalisation is transforming everyday life, reshaping how people live, work and do business. As data consumption continues to surge, CelcomDigi is committed to delivering superior network quality through our industry-leading 4G experience while driving the widespread implementation of 5G services across consumer and business applications. We are also fast-tracking the adoption of 5G-AI solutions that empower businesses, enhance efficiencies and transform industries. CelcomDigi is building an intelligent, future-ready digital ecosystem that unlocks new possibilities and drives Malaysia's progress within the global digital economy. Our ongoing goals include:

- Completing a three-year network integration and modernisation exercise to build Malaysia's future digital network, uplifting network quality, capacity and coverage
- Investing in future network operating models including network virtualisation, transition to cloud-based infrastructure, automation-driven network management and adoption of AI tools
- Completing three-year IT integration and modernisation programme, prioritising security and reliability in managing large volumes of data, increasing business intelligence capabilities and business efficiency
- Accelerating utilisation of touch-free operations for greater productivity
- Continuing research and development in next-generation digital and network technologies such as AI-IoT, edge computing, network slicing, open Radio Access Network (RAN) and 6G
- Enhancing customer-centric innovations, including using advanced analytics and AI to further understand our customers' needs and enable personalised services for elevated customer satisfaction and loyalty

Building Malaysia's Future Digital Network

CelcomDigi completed the second year of a three-year programme to integrate and modernise legacy Celcom and Digi networks, creating Malaysia's largest and most advanced 4G network with LTE and 5G-ready technologies. This is one of the most extensive technology deployment projects in the country, significantly enhancing mobile network coverage, capacity and performance. Customers in areas where networks have been integrated now experience stronger signal strength, faster download speeds, and improved overall connectivity.

As we progress, we remain committed to delivering the widest, fastest and most reliable 4G network while accelerating 5G development. Superior network quality is critical in providing both consumers and enterprises seamless digital experiences, real-time applications and next-generation services. This is especially vital as we gear up towards an AI-driven future, where high-performance connectivity will enable AI-powered solutions, automation and data-driven innovation across industries. Our strengthened network capabilities provide customers with coherent voice services, enhanced video streaming, lower gaming latency and improved voice-over-LTE (VoLTE) experiences, driving increased data consumption and digital engagement.

CelcomDigi deployed specialised teams of network engineers, known as Skuad 5G, tasked to stress test the nationwide network and ensure service levels match desired ambitions and quality standards. This initiative is part of the ongoing network integration and modernisation exercise to build Malaysia's leading digital network.

Read more at https://corporate.celcomdigi.com/news/celcomdigi-skuad-5g-stress-tests-and-customer-engagement-on-malaysias-newest-5g-ready-digital-network

Skuad 5G team on-the-go, stress testing the network and engaging customers from Peninsular to East Malaysia

Network integration and modernisation exercise

Completed **75%** of network integration and modernisation in 2024

Integrated more than **12,000 sites** as of December 2024

Improved customer experience in post-consolidated areas

Download speeds: Up to **50%** improvement

Signal quality: **>80%** experienced improvement with an average signal of 3 bars and above

Network-related customer complaints: **>70%** reduction

Population coverage

97.5% 4G LTE

94.4% 4G LTE-Advanced

>99% **network availability** with 24/7, 365 days monitoring of network health

Combined fibre footprint

31,600km including Celcom Timur (Sabah)

Average monthly data consumption	Gigabytes (GB) per user
Celcom	**36.6 GB**
Digi	**31.6 GB**

CelcomDigi was recognised as Malaysia's Best Mobile Coverage network at the Ookla® Speedtest Awards™. The award reflects our diligence in continuously improving our network coverage, quality and performance. Ookla is a global leader in testing applications and analysing data of fixed broadband and mobile networks. The Speedtest Awards represent real-world network performance in terms of internet speeds and coverage provided to customers, based on consumer-initiated tests and background scans from Ookla's applications.

We also won 3 out of 5 Overall Experience awards in download speed, upload speed and voice application, from an independent global network performance research company that analyses consumer mobile experience on wireless networks.

Over the year, we embedded AI capabilities into our networks to proactively manage network performance, improve customer experience and boost operational efficiency. These advancements have driven innovation, optimised operations and enhanced service delivery for customers. Our AI initiatives included:

- **Intelligent field operations** – Leveraging machine learning (ML) and automation to analyse correlation, conduct remote actions and perform root cause analysis (RCA) before dispatching field teams, reducing response time and improving efficiency.
- **Intelligent performance management** – AI/ML-powered trend analysis to forecast potential network issues ahead of time, ensuring reliable and seamless connectivity.
- **Customer experience insights** – Analysing sentiments from Net Promoter Score (NPS), social media and customer complaints to effectively detect and address service experience issues.

These AI-driven initiatives strengthened our network resilience, enabling consistently superior connectivity and supporting the evolving digital needs of consumers and businesses.

Driving Modernisation and AI Automation Initiatives Towards Operational Excellence

We reinforced our ambition to become an AI-first company by modernising IT infrastructure, implementing AI-driven automation and enhancing digital capabilities to expedite our digital transformation journey. We made significant progress in IT consolidation and integration initiatives; a key milestone was completing the first phase of harmonising our billing and CRM systems, which streamlined operations for a more seamless customer experience.

Additionally, we implemented AI-powered automation across our IT ecosystem to improve efficiency, enhance predictive analytics and optimise service delivery. These initiatives were pivotal in building a future-ready organisation, ensuring we remain highly responsive to the evolving digital needs of our customers and increasing data consumption patterns. As we move forward, CelcomDigi's commitment to AI-driven transformation will continue to shape the future of our connectivity, digital services and enterprise solutions. Our automation initiatives in 2024 also included the following:

- Modernised our data analytics platform with cloud migration.
- Standardised and simplified business processes by consolidating platforms such as MNP, USSD and IMEI Portal.
- Redesigned our Go-To-Market Revenue Assurance (GTM RA) solutions to enable quicker time-to-market timelines for sales channels.
- Implemented AI use cases to automate IT delivery.
- Continued uplifting the capabilities of Touch Free Operations.

Our Transformation Towards Touch-Free Operations and Driving AI Adoption

We are propelling towards 100% touch-free operations via digital transformation initiatives that enhance automation, efficiency and security. Key technologies include:

Process-led via Robotic Process Automation (RPA)	Data-enabled via AI/ML	Proactive detection and self-healing in cybersecurity	Energy efficiency	Development Security & Operations (DevSecOps)

In 2024, we advanced our RPA and AI-driven automation efforts by implementing three key AI use cases:

- IT Document Assistant (IDA) to streamline documentation and improve workflow efficiency.
- Testing Satisfaction Agent (TESA) to automate testing for IT consolidation programmes and Business-As-Usual (BAU) requests.
- Test Data Specialist to improve the efficiency of test data generation, shortening the process from two weeks to just three days.

To further drive AI integration, we established an AI Centre of Excellence in ITDevOps, supported by three AI Mentors. We also initiated the development of a common AI Technology Framework and upskilled our employees to strengthen GenAI competencies across divisions: 38 participated in an AWS Bedrock hackathon, ten developed skills in building chatbots and five received training on Databricks.

Improving Service Levels, Resilience and Recovery

We continuously modernise our IT tools and technologies to enhance service efficiency and business agility by leveraging AI-driven automation and cloud-based solutions. These technologies enable swift issue detection, automated incident resolution and improved recovery times, ensuring minimal disruption to critical IT services during outages or crises. By strengthening IT resilience and service continuity, we ensure seamless operations, enhance customer experience, and promote greater efficiency across our digital ecosystem. These improvements include:

- Standardised Service Level Agreement (SLA) performance management across all business partners to ensure effectiveness and quality in our infrastructure.
- Introduced comprehensive IT performance metrics to boost effective service delivery.
- Strengthened governance via monthly steerco meetings with all business partners to review performance, address challenges and drive follow-up improvements.

Connecting With Our Customers Through Digital and Physical Touchpoints

We continue to deliver superior customer experiences through our extensive distribution network, spanning both physical and digital touchpoints. We opened 48 CelcomDigi new-concept retail stores, offering a refreshed, interactive retail experience. Alongside our contact centres, mobile apps and online platforms, these stores provide seamless, personalised support. By integrating AI-powered assistance, real-time support and omnichannel engagement, we are making it easier for customers to connect with us anytime, anywhere, ensuring a more intuitive and convenient experience.

Largest retail network in Malaysia

10,000+
retail touchpoints

Launched
48 new CelcomDigi retail stores nationwide

8.8 million users
on Celcom Life and MyDigi apps

Our customer service team is committed to delivering personalised and meaningful experiences across our retail stores, contact centre, mobile applications and online channels. As part of our continuous journey to deepen customer focus, we have established the Customer Experience Division (CXD) as a key CelcomDigi brand differentiator. This division is dedicated to shaping end-to-end customer journeys, strengthening governance, and enhancing holistic customer support to safeguard our customers' interests and deliver the best customer experience in our industry.

In line with this commitment, we continuously monitor service quality issues and implement solutions to address customer feedback. Our Customer Satisfaction Score (CSAT) reflected valuable insights from our customers on areas where we can improve. We see this as an opportunity to listen, learn and enhance our services. In response, we have strengthened customer support, improved digital experiences and introduced more personalised engagement initiatives. With these efforts, we remain focused on delivering a consistently superior experience, building stronger relationships and driving long-term customer trust.

Our new-concept retail store promises customers an engaging, superior store experience

Largest retail network in Malaysia

Customer Satisfaction (CSAT) scores:

Contact Centre:
57.2%

Retail:
96.6%

500
customer care agents
400 for voice calls and
100 for digital channels

Multiple 24-hour, 365-day touchpoints
such as CS helpline, MyDigi and Celcom Life apps, Live Chat, WhatsApp messaging, chatbot and online stores

Customer Service ticketing solution
via CelcomDigi portal to reduce wait time and track status of enquiry

Hall of Fame Legends of the Industry Award
by Contact Centre Association Malaysia (CCAM)

Over 3,500 CelcomDigi employees took to the streets across the country, engaging and appreciating 30,000 Malaysians as part of its annual Customer Obsessed Day (COD). Read more at https://corporate.celcomdigi.com/news/celcomdigi-engages-30-000-malaysians-on-its-annual-customer-obsessed-day

Intellectual Capital

Our Approach

Guiding Factors:

Material Matters

G1 G2 G3 G4 EC1
EC2 S1 S2 S5 EN1

Stakeholders Affected

Strategic Pillars

UN SDGs

CelcomDigi remains committed to advancing service innovations beyond connectivity, enriching our customers' growing digital lifestyles and building trust in this digital age. We stay ahead of the game through our diversified and reliable product portfolios and operate responsibly in accordance with our values. Our robust internal controls have resulted in strong Environmental, Social and Governance (ESG) performance, as benchmarked by independent voluntary sustainability rating indices.

We also have greater roles to play in advancing the nation towards being digitally competent, in safeguarding our network with advanced cybersecurity tools, and in advocating for strong data protection practices to protect our customers from cybersecurity threats.

Key inputs in 2024

- Developing an innovation hub for cross-industry collaboration, leveraging on 5G, Artificial Intelligence (AI), extended reality (XR) and other emerging technologies
- Driving adoption and amplifying CelcomDigi's brand visibility
- Growing and sustaining all segments with a unified range of customer-focused digital solutions
- Strategic partnerships to accelerate innovation and develop the Malaysian technology and digital ecosystem
- Comprehensive data protection and security governance
- Robust governance policies

Outputs

- Developed AiX, a robust innovation hub to transform business with 5G, AI and XR
- Enhanced our position as a trusted brand
- Delivered superior 4G, 5G, and Home & Fibre offerings to all segments
- Expanded business and SME digitalisation
- Leveraged multiple strategic partnerships to unlock new growth opportunities
- Strong governance and robust internal controls
- Enhanced data protection and strengthened cybersecurity controls

Looking ahead

CelcomDigi will continue to develop and deliver a comprehensive range of products and services, including convergence offerings that provide best-value deals and bundles for all customer segments. To drive uptake of 5G technology across Malaysia, we aim to develop inclusive and affordable bundled plans that cater to a wider group of customers and address industry-specific needs. Additionally, positive customer experiences and engagement initiatives will build trust, strengthening CelcomDigi's brand affinity.

- Sharpen CelcomDigi's brand proposition of 'Trust and Customer Excellence' through focused narratives
- Introduce more affordable and inclusive products and services
- Transform concepts from showcases or use cases into full-scale commercialisation that meet industry-specific needs, to encourage adoption of 5G, AI and other emerging technologies
- Advance data protection practices to safeguard customers against cybersecurity threats
- Assess maturity of all privacy controls and practices across the organisation

Enhancing Our Position as a Trusted Brand

In 2024, we strengthened CelcomDigi as a unified corporate brand, reinforcing our role as a trusted partner in connectivity and digital innovation for customers and the nation. Through impactful, customer-focused initiatives, we created meaningful connections that drove real value. CelcomDigi continues to earn industry recognition and prestigious brand awards as we progress.

Introduced a branded platform of Generasi 5G
Won 14 Awards (5 Gold, 4 Silver and 5 Bronze)

The Markies 2024
1. **Most Effective Use - Integrated Media (Gold)**
   CelcomDigi, Reimagine New Era for Malaysia
2. **Most Effective Use - Digital (Silver)**
   CelcomDigi Fibre, Innovating Speed Test Ads for Networks with Inconsistent Speeds
3. **Most Effective Use - Multicultural Marketing (Bronze)**
   CelcomDigi, Network Journeys

TikTok Awards 2024 - Best Performance Campaign (Gold)
CelcomDigi Fibre, Reimagine Home

The Appies 2024 - Best in B2B (Gold)
CelcomDigi MY5G Series

Kancil Awards 2024
1. **Entertainment Kancil - Use of Original Composition (Gold)**
   Brand Festive, CelcomDigi NADI
2. **Entertainment Kancil - Influencer & Co-Creation (Bronze)**
   CelcomDigi NADI

MEA Awards 2024
1. **Excellence in Data-Driven Marketing (Gold)**
   CelcomDigi Fibre, Reimagine Home with Data Driven Solutions
2. **Excellence in Communications/Public Relations (Silver)**
   CelcomDigi Brand, The Power of the Unthinkable: The CelcomDigi Story
3. **Marketing Innovation (Bronze)**
   CelcomDigi, Reimagine New Era for Malaysia
4. **Excellence in Launch Marketing (Bronze)**
   CelcomDigi Brand, The Power of the Unthinkable: The CelcomDigi Story

2024 MSA Awards
1. **Best Use of Radio/Audio (Silver)**
   CelcomDigi, Reimagine New Era for Malaysia
2. **Best Use of MSA for Good (Bronze)**
   CelcomDigi's ProjekMyMalaysia

MDA Awards 2024 - Best Use of Display/Rich Media (Silver)
CelcomDigi Fibre, Innovating Speed Test Ads for Networks with Inconsistent Speeds

CelcomDigi continues to be committed to embedding ESG practices in our business and raising standards in Malaysia. Our stakeholders remain confident in our ability to create long-term shared value. In 2024, we established our five-year ESG strategy to sharpen our focus on material matters, addressing both short- and long-term sustainability matters to secure a sustainable future. The ESG Day 2024 Summit was organised for stakeholders and CelcomDigi employees to share key priorities and strategies in building an inclusive, sustainable and trusted digital society.

FTSE4Good
FTSE4Good Bursa Malaysia Index
Achieved 4-star rating
A member of ESG indices within the top 25 percentile

SUSTAINALYTICS
Sustainalytics ESG Risk Rating
Ranked Medium Risk

MSCI
MSCI ESG Rating
Ranked AA

The Edge Billion Ringgit Club 2024
The Edge Billion Ringgit Club 2024
Best CSR initiatives for super big cap companies above RM40bn market capitalisation

MSWG NACGSA
MSWG
Top 20 Overall Excellence Award, National Corporate Governance & Sustainability Awards 2024

Delivering Superior 4G, 5G, and Home & Fibre Offerings to All Segments

- Enhanced 4G and 5G offerings for all segments – on-the-go, at home, roaming services bundled with digital services, and other value-added services including premium mobile streaming for both postpaid and prepaid.
- Enhanced 5G-enabled connectivity with new all-in convergence postpaid plans – combining mobile, fibre, content subscriptions and 5G devices. Additionally, CelcomDigi Prepaid 5G was streamlined, offering unlimited 5G and high-speed options for value-seeking customers.
- A unified CelcomDigi Online Store was launched, offering customers benefits and savings on latest devices and accessories.
- The best fibre-mobile convergence with a full suite of convergence add-ons – including home entertainment, gaming, smart home IoT, digital and home security services – offers a harmonious customer experience.
- A seamless transition for all Yoodo customers to CelcomDigi Prepaid 5G, following the product's discontinuation on 29 August 2024.

20.4 million
total subscribers

CelcomDigi ONE
– all in one postpaid plan

CelcomDigi Premium mobile streaming services

CelcomDigi Prepaid 5G
– Edisi Biru (unlimited data) and Edisi Kuning (high-speed)

188,000
Home & Fibre subscribers
(68% year-on-year growth)

5.9 million
5G users

First in Malaysia
Microsoft PC game pass
subscriptions charged to bills

Expanded roaming portfolio
– more plans, more countries, more data & free voice calls

First of its kind in Malaysia
AI Home Experience
showcased at stores and roadshows across Malaysia

Read more about our customer experience management in Manufactured Capital, pages 70 to 75

Expanding Business and SME Digitalisation

CelcomDigi continues to introduce new and innovative products and services that support the digitalisation of Micro, Small and Medium-Sized Enterprises (MSMEs), Small and Medium Enterprises (SMEs), and large enterprises. Our extensive range of solutions enables businesses to integrate digital tools across their operations and leverage emerging technological innovations to accelerate overall productivity.

- Introduced the Mobile Business for Corporate Individual plan in collaboration with retail stores to defend our market share.
- Expanded our portfolio of connectivity solutions with CelcomDigi Postpaid 5G packages for businesses with Fibre-to-the-Office (FTTO) or 5G Business Wifi.
- Widened our range of digital solutions in Fixed Mobile Convergence, Cloud, API-as-a-service, IoT, M2M and Cybersecurity to drive business digitalisation for enhanced operational efficiency.
- Developed new 5G, robotics and AI solutions to continue enabling digital transformation of enterprises across different industry sectors.
- Launched 'RAE', an AI-powered sales research assistant that provides market and account intelligence, building meaningful conversations with customers and decision makers.
- Launched CelcomDigi Business E-Store, a self-serve digital platform with 24/7 dedicated support and account servicing that enables SMEs to easily sign up for plans and purchase devices.
- Inspired industry-scale transformation with strategic partners, increasing SME awareness on digitalisation benefits and driving thought leadership on emerging technologies.

Highlights on New Business Digitalisation and Innovation Initiatives in 2024

Launched
Digital Healthcare Solutions

MY5G CEO Series
engaged over 150 corporate CEOs on 5G, robotics and AI-powered tech in the last two years

MY5G SME Digital Workshops and MY5G SME Conference 2024
empowered over 400 Malaysian SMEs with the capacity to adopt and leverage digitalisation and 5G

Collaborated with Ampang Jaya Municipal Council and PR1MA
to explore smart city solutions

Partnered with PETRONAS
to advance 5G techno-digital transformation and sustainability for the energy sector

Deployed 5G private network for PETRONAS flagship offshore platform
near Sarawak and a test bed for 5G use cases

Leveraging Multiple Strategic Partnerships to Unlock New Growth Potential

CelcomDigi is well-positioned to secure partnerships with technology companies to invest in and drive digitalisation, innovation and sustainable growth. In 2024, through our CelcomDigi Innovation Centre, we continued to forge partnerships with local and global experts to accelerate the adoption of 5G, AI, and IoT technology, creating greater value at the core of our business. Our aim is to catalyse and nurture a knowledge-based workforce, in line with Malaysia's digital aspirations. Local digital startups will also benefit from the platform, to enhance their technology and innovation capabilities. Over five years CelcomDigi will invest up to RM250 million in the Innovation Centre, keeping Malaysia at the forefront of global digital evolution.

We initiated multiple partnerships this year to explore innovations in the areas of Metaverse, 5G, AI, XR and green technology:

Explored opportunities to revolutionise the healthcare sector in collaboration with KPJ Healthcare and Pusat Perubatan Universiti Malaya (PPUM), leveraging telemedicine and holomedicine

Explored innovative solutions for the nation's agricultural industry through the integration of 5G, AI and XR via precision farming technology with BoomGrow, enhancing sustainable farming practices and food production in Malaysia

Collaborated on AI initiatives with SK Telecom Co Ltd, South Korea's leading wireless telecommunications operator, to commercialise AI services and explore new AI business opportunities in Malaysia

Launched CelcomDigi Metaversity™, Malaysia's first experiential and immersive learning environment that utilises metaverse, extended reality (XR) and Artificial Intelligence (AI). This initiative, in partnership with the Ministry of Higher Education, initiated by CelcomDigi's Innovation Centre and powered by our 5G network, collaborates with ten homegrown universities to pioneer learning and develop the next-generation IR4.0 talent pool

Read more : https://corporate.celcomdigi.com/news/celcomdigi-metaversity-set-to-bring-metaverse-xr-and-ai-learning-and-education-solutions-to-universities

Developing a Robust Innovation Hub to Transform Business with 5G and AI Technologies

In 2024, we launched the state-of-the-art CelcomDigi AI Experience Centre (AiX). A one-stop immersive innovation and collaboration hub, AiX leads, inspires and advances the creation of world-class solutions by deploying technologies such as 5G, AI, extended reality (XR), robotics, analytics and Metaverse across a range of sectors and verticals. With an investment of RM55 million, AiX was built with the support of a wide ecosystem through partnerships with global and local technology leaders. This enabled us to co-create real use cases with great potential at an accelerated speed.

Powered by over **40** global technology and ecosystem partners

45 solutions out of which 15 are live pilots within Malaysian enterprises

8 industry verticals

Strong Governance and Robust Internal Controls

Governance is vital in fostering a culture of integrity, ethical behaviour and professionalism to ensure business excellence. Our policies are aligned with applicable laws and regulations, and corporate governance best practices, fundamental for sustainable value creation for all stakeholder groups.

Code of Conduct (the Code)

- Outlines the obligations and principles of operating the business responsibly, built upon best practices brought forward from Celcom and Digi.
- Sets expectations for employees to behave transparently and honestly in various aspects, including anti-corruption and conflicts of interest. All policies and manuals, as approved by our Board, are aligned with the requirements prescribed by the Code.

Whistleblowing Policy

- Outlines the procedures for employees to report incidents of misconduct in violation of our governance policies, including the Code and our Anti-Corruption Policy.
- CelcomDigi's Integrity Hotline available at: https://celcomdigi.portal.speeki.com/

Compliance programme

- A programme designed to safeguard and strengthen integrity within the organisation, in alignment with the standards and requirements of the Guidelines on Adequate Procedures, published by the Prime Minister's Office of Malaysia.

We remain committed to continuously uphold high corporate ethics and integrity standards.

Read more about our business governance policies at https://corporate.celcomdigi.com/company/governance

Consistently improving the monitoring of governance risks across our value chain:

- High level of employee awareness and accountability through a consistent tone, measured by CEO KPIs.
- Employees achieved 100% pass rate in both year-end compliance assessment and compliance training and awareness for three core modules: the Code, anti-corruption and conflict of interest.
- Conducted self-assessment of policy implementation, including annual review of policies and manuals to ensure compliance with laws, regulations, technology updates and industry best practices.
- Ensured adequate anti-corruption control by conducting Corruption Risk Assessment (CRA) 2024 to identify and mitigate potential risks across the organisation's core functions and operational activities. Incidents were prevented through effective remediation.
- Applied an automated system that ensured effective documentation and management for declaring conflicts of interest and requesting hospitality.
- Implemented an automated due diligence system for background screening of new business partners to ensure risk-based compliance.

Read more about our OneCompliance programme in 'Statement on Risk Management and Internal Control', pages 135 to 144

Enhancing Data Protection and Strengthening Cybersecurity Controls

CelcomDigi remains committed to protect and secure our customers' personal data through robust privacy and cybersecurity processes and practices. We believe in building trust by prioritising compliance, responsible data practices and user transparency, moving towards a digital future built on trust.

Our Data Protection Practices

CelcomDigi is responsible for ensuring our customers' personal data is processed according to our Privacy Notice(s) and applicable laws.

Data Collection
CelcomDigi collects personal data to improve on our services to customers.

Data Access
Access to personal data within systems or applications is restricted to authorised employees only.

Data Security
CelcomDigi ensures personal data is always safe and secure.

Data Sharing
Sharing of personal data is limited to our approved business partners to fulfil the provision of our services.

Data Retention & Deletion
CelcomDigi does not store personal data any longer than necessary.

Individual Rights
Customers have the right to access and correct their personal data, as well as opt out from receiving marketing messages.

In 2024, we focused on evaluating privacy compliance across the organisation:

- Updated asset and processing inventory
- Refreshed records of business partners who are in possession of our customers' personal data
- Reviewed user access management
- Maintained records of consent
- Extended privacy notice infographics to Mandarin and Tamil languages

Active Engagements with Our Stakeholders

- Gathered over 150 attendees at our annual Trust Circle event. The event connected privacy and data protection experts from many sectors, including regulation, telecommunications, banking and finance, energy, and academic institutions. Discussions encompassed responsible AI practices, effective privacy governance and leaders delivering clear expectations.
- Participated in a panel session organised by LexisNexis that discussed people, processes and technology matters relating to privacy governance and accountability for organisations.

CelcomDigi's Trust Circle gathers leaders and experts from over 40 companies and across industries to discuss data protection challenges and opportunities to build trust in the age of digital-everything. https://corporate.celcomdigi.com/news/data-protection-and-privacy-experts-convene-to-discuss-challenges-of-effectively-building-trust-in-the-age-of-digital-everything

Preparing for Amendments to and Changes Brought On by the Personal Data Protection Act (PDPA)

As a responsible business, we are committed to making sure our customers' privacy rights are always respected. To ensure continuous compliance with legal and regulatory requirements, our data protection policies and practices are regularly reviewed. We conducted a readiness assessment to determine areas requiring further improvements in line with the recent amendments to the PDPA. These areas include:

- Refining our personal data breach handling process.
- Reviewing our cross-border data transfer mechanisms.

Read more about our stakeholders in Key Relationships, pages 52 to 55

Business Continuity Management

We implement robust Business Continuity Management (BCM) practices to guarantee operational reliability and strengthen our ability to credibly deliver products and services to our customers, even during unforeseen business disruptions. Our BCM practices are accredited in accordance with BCMS ISO 22301:2019, demonstrating our resilience, proactive approach and steadfast dedication to ensuring business continuity. This accreditation signifies our commitment to protecting critical functions, maintaining operational resilience, minimising the impact of unforeseen events, and sustaining our competitive standing in the market. We continuously strive to enhance our processes in ensuring uninterrupted service to our customers.

In addition, we actively maintained a comprehensive crisis management framework to respond to potential disruptions, ensure continuity of critical services and safeguard our stakeholders. This framework includes a well-defined crisis response plan and overarching communication strategies to enable swift and effective action in the event of a crisis. It also incorporates an end-to-end post-crisis review process to prevent the recurrence of similar incidents.

We also regularly conduct crisis simulation exercises to identify areas for improvement and strengthen our crisis management framework. Our priority is to uphold transparency, ensure timely communication, and make responsible decisions to minimise impact and maintain stakeholder confidence during challenging situations.

Being the largest telecommunications company in Malaysia, we continuously strive to enhance our processes in ensuring uninterrupted service to our customers.

Human Capital

Our Approach

Guiding Factors:

Material Matters	Stakeholders Affected	Strategic Pillars	UN SDGs
G3 S1 S2 S3 S4			3, 8, 9, 10

CelcomDigi understands the importance of an agile people strategy and talent value proposition to meet the changing needs of our workforce in the rapidly evolving telecommunications industry.

As the rise of 5G, AI and automation redefines job roles, skillsets and the way we work, the company is committed to fostering a diverse, future-ready team that fuels innovation and growth. We enable our employees to thrive – both individually and as a team – by creating an environment that inspires and empowers, driving our future as a leading telco-tech company.

Key inputs in 2024

- Introduced employer brand
- Implemented CelcomDigi Way of Work
- Launched CelcomDigi recognition programme
- Introduced 'GROW@CelcomDigi' to support CDzen growth and development
- Awarded ISO 45003: Psychological Health and Safety at Work certification

Outputs

- Built a diverse, inclusive, engaged and responsible workforce
- Cultivated an attractive employer brand to attract top talent
- Nurtured industry-best talents
- Protected employee health, safety and wellbeing

Looking ahead

CelcomDigi remains committed to being the best place to work, where employees are valued, supported and empowered to grow with purpose. Building on the company's strong foundation, our 2025 roadmap will focus on:

- Reinforcing competency-based reward structures
- Living our 'CelcomDigi Way' values and behaviours
- Expanding leadership development programmes under the 10/100/1000 framework of developing the next batch of senior and extended leadership, and next-generation talent
- Enhancing employer branding and industry partnerships to attract top talent
- Implementing future-ready hiring strategies and AI-driven workforce planning
- Creating dynamic workspaces that drive collaboration and innovation
- Expanding the safety and wellness programme and mental health support initiatives to support employee wellbeing

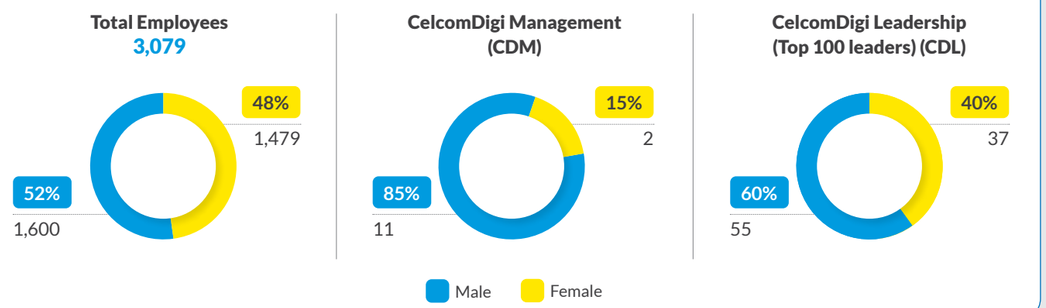
Building a Diverse, Inclusive, Engaged and Responsible Workforce

In 2024, CelcomDigi continued its post-merger journey of strengthening its unique culture, while also enhancing the employee experience. We believe a diverse workforce allows us to serve our customer base more effectively, giving us a competitive edge in the market.

Guided by the CelcomDigi Way's values and behaviours, we focused on building a progressive, dynamic, performance-driven organisation, underpinned by a strong emphasis on collaboration, inclusion and customer obsession. Simultaneously, we remained steadfast in our commitment to operate responsibly, strengthening trust in our brand through a culture of transparency, integrity and accountability.

Our workforce

Breakdown by gender and category

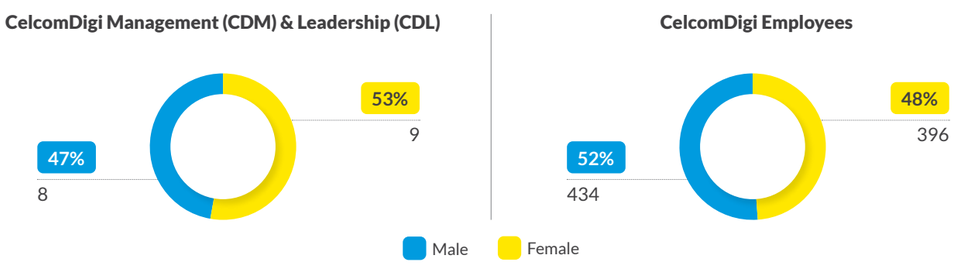


* *Reduction due to the Alternate Future Plan exercise, in which eligible confirmed employees participated in a voluntary separation scheme.*

Breakdown by age and category

	CelcomDigi Employees	CelcomDigi Management (CDM)	CelcomDigi Leadership (CDL)
<30 years	189	0	0
30-39 years	968	0	7
40-50 years	1,298	3	51
>50 years	624	10	34

Employee Turnover Rate



Prioritising Diversity, Equality and Inclusion (DEI)

- The People Policy details our commitment as an equal opportunity employer and to ensure a continuous focus on all people-related processes to ensure diversity and inclusion and minimise any sources of bias in the recruitment and selection process.
- DEI principles are implemented in all our decision-making processes.
- CelcomDigi is targeting 40% representation of women in senior leadership roles (CDM and CDL) by 2028, with the current percentage standing at 37%.
- CelcomDigi also conducts regular equal pay for equal work analysis to identify and address any gender pay gaps. CelcomDigi uses market benchmarking tools to ensure fair and competitive pay for all employees, regardless of gender.

Partnering with Women in Tech

CelcomDigi was the gold sponsor for the Women in Tech APAC Summit and Awards Gala Dinner 2024, reinforcing our commitment to diversity, inclusion and female empowerment in the telco-tech industry. The event, held on 8 - 9 October, gathered over 500 delegates, including 30 CDzens, with workshops, debates, panels and mentoring. The summit provided a platform to inspire women, showcase achievements and drive meaningful industry change.

Strengthening our CelcomDigi culture and strengthened employee engagement

- Introduced the 'CelcomDigi Way', a set of values and behaviours to foster an inclusive culture.
- Regular updates on business performance and organisational developments shared via monthly leadership forums, regional visits, company-wide and division townhalls, CEO updates, the 'Fusion Focus' CEO podcast, and more.
- Boosted collaboration and engagement through team building activities, festive celebrations and thematic events such as Customer Obsessed Day and International Women's Day.
- Leveraged the Employee Engagement Survey (EES) as the primary feedback mechanism, complemented by focus groups and pulse surveys conducted throughout the year to gather feedback from employees. The EES saw a 93% participation rate, demonstrating high engagement and willingness to share feedback.

These mechanisms allow employees and employee representatives to engage with management to address any disparities or concerns. All employees are also encouraged to report any suspected unethical or illegal behaviour to the CelcomDigi Integrity Hotline without fear of retaliation, as CelcomDigi does not tolerate retaliation of any kind against those who speak up in good faith.

These best practices are also in line with the standards in our Employee Handbook where we ensure that working hours are compliant with applicable local laws and regulations, ensuring that working hours are not excessive and that employees have adequate time for recovery as well as being compliant with minimum wage laws.

Integrating the Code of Conduct into our work ethic

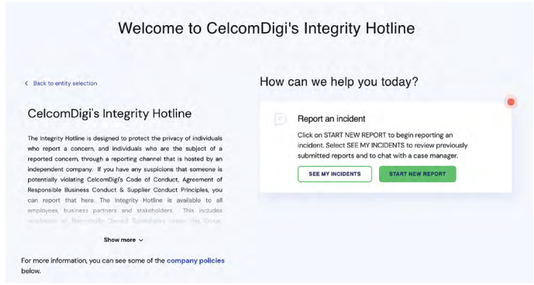
Our Code of Conduct is the cornerstone of our culture, setting high standards of business integrity and providing guidance on how to manage instances of bribery and corruption. Our Code of Conduct was internalised through the '*OneCompliance*' programme that implemented e-learning initiatives to ensure employees understand and commit to our ethical standards.

- **100% employee completion:** Mandatory compliance awareness and training on three core modules – Code of Conduct, Anti-Corruption and Conflict of Interest
- **Continuous Education:** Regional roadshows and monthly awareness newsletters

Encouraging a Speak Up Culture

All employees, business partners and stakeholders are encouraged to report any unlawful or unethical situations, breaches, or violations of CelcomDigi's Code of Conduct, Agreement of Responsible Business Conduct and Supplier Conduct Principles, and are accorded protection in line with CelcomDigi's Whistleblowing Policy.

A speak-up culture is actively promoted through our Integrity Hotline, managed independently by a third party and hosted on the Speeki platform to maintain anonymity.



Support human and labour rights and standards

- Our commitment to respecting the rights and dignity of all parties, including employees, entails complying with all applicable regulations and laws
- CelcomDigi acknowledges the fundamental labour right of Freedom of Association and Collective Bargaining:
  - Enables employees to organise, form unions and negotiate with employers to protect their interests
  - Our Employee Relations team engages with Unions through regular dialogue sessions and facilitates quarterly meetings with Management
  - Employees can express concerns, offer suggestions and influence decisions that shape the organisation's future. This allows the company to realise ambitions while prioritising the welfare of its employees
- 2 unions under CelcomDigi: National Union of Telecommunications Employees (NUTE) and Digi Telecommunications Sdn Bhd Employees Union (DGEU)

Our People Policy provides guidance for engagement between Management, employees and employee representatives to be based on mutual respect and dialogue. The Policy states that CelcomDigi shall:

- Be a responsible employer and maintain a consistent, accurate and non-discriminatory employer practice in accordance with applicable legislation and good corporate governance.
- Utilise the employees´ experience and insight to influence working conditions and contribute to sustainable business growth through dialogue with employees or their recognised representatives. This involves sharing information in meetings between management and employees when needed.
- Respect the applicable laws in Malaysia concerning freedom of association and the recognition of the right to collective bargaining, the elimination of forced labour and restriction of child labour.

CelcomDigi has zero tolerance for forced or child labour both in our operations and supply chain. Mechanisms such as unannounced inspections and a whistleblowing platform are implemented as proactive preventive measures.

Our Sustainability Policy includes our human rights principles which are based on the following international instruments:

- the Universal Declaration of Human Rights (UDHR),
- the International Covenant on Civil and Political Rights (ICCPR),
- the International Covenant on Economic, Social and Cultural Rights (ICESCR) and
- the principles concerning fundamental rights in the eight International Labour Organisation (ILO) core conventions as set out in the Declaration on Fundamental Principles and Rights at Work

The requirements reflect CelcomDigi's responsibility to respect human rights, in accordance with the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Global Compact.

Read more about our Human Rights Due Diligence initiative on page 105

Building an Attractive Employer Brand to Attract Talent

We developed a strong Employer Value Proposition (EVP) to position CelcomDigi as a leading employer in Malaysia and the best place for career growth and development, making it highly attractive to top talent.

- Introduced our EVP, 'Grow with Purpose. Build with Trust'. Our EVP reflects that CelcomDigi is the best workplace for talents to innovate responsibly and create products and services that advance society, which aligns with our purpose and vision
- Measures that ensured our employer brand was present and recognised where it matters:

Digital channel

Our LinkedIn strategy delivers consistent, engaging and relevant content to keep our followers inspired and informed about key events within CelcomDigi.

- Average **40 posts** per quarter
- **260%+** increase in follower growth
- reaching **64, 077** followers as of 31 December 2024 indicating strong engagement rate

Speaking opportunities

Participated in speaking engagements at Women in Tech APAC Summit, LeadWomen, EPF DT, and GRADUAN ASPIRE+ Conference, where our leaders shared insights on innovation, transformation, workplace DEI, emotional intelligence in leadership, and online safety.

Talent market

Engaged with job seekers, graduates and public and private university students through our UniConnect series, career fairs and mentorship programmes.

- Recognitions and awards received:

SEEK People & Purpose Award 2024 Gold *(Telecommunications category)*	**LinkedIn Talent Awards 2024** Best Employer Brand Talent Award *(Malaysia, 1,000-10,000 employees)*	**HR Excellence Awards 2024** Silver for HR Change Management	**GRADUAN Brand Awards 2024** Top 50 Malaysia's Most Preferred Employers

Nurturing Industry-Best Talents

As Malaysia's largest telecommunications company, CelcomDigi aspires to be a talent powerhouse, providing a space for rising talents to collaborate and deliver compelling innovations for our industry and nation. We are committed to continuous learning, ensuring every employee has the opportunity to reskill, upskill and grow with purpose.

To support this goal we introduced 'GROW@CelcomDigi', a company-wide initiative to provide equal access to structured career development platforms, opportunities and support for all employees, regardless of gender, ethnicity, or background. Employees are empowered to take charge of their career through:

- **Learning courses and platforms:** Access to 24/7 digital platforms like Fuse, LinkedIn Learning, and Coursera for flexible, self-paced learning, as well as in-house and public programmes for those who prefer collaborative and interactive learning.
- **Expert learning programmes:** Tailored courses to build functional skills (e.g., Sales Recharge programme) or future-critical skills (e.g., AIDA for Everyone).
- **Leadership development programmes**: Focused on building future-ready leaders who excel at strategy execution, change leadership and growing talent.
- **Career Development Transfer (CDT):** Internal job opportunities for career growth and development within the company.

Employee learning hours

Total learning hours: 55,143 hours

Average for male employees	Average for female employees	Average for management	Average for non-management
15 hours	**13 hours**	**16 hours**	**14 hours**

Note:

Based on total employees under active employment as of 31 December 2024. Includes permanent, contract and outsourced employees

CelcomDigi employees achieved 100% completion on mandatory learning, covering:

1. Compliance (Code of Conduct, Conflict of Interest and Anti-Corruption)
2. Occupational Safety & Health (OSH), Supply Chain Management (SCM), and Wellbeing
3. Information Security Awareness

Annual Performance Review and Development in 2024

Our approach to enhancing performance and development:

- Catch-ups are encouraged throughout the year between managers and their teams
- Development plans are continuously discussed in order to chart growth
- Annual performance reviews are a year-end exercise for managers and employees to discuss current performance and future plans

Protecting Employee Health, Safety and Wellbeing

Our goal is to empower employees to be their own safety and wellbeing advocates by 2027. We benchmark our performance against 'The Hudson Safety Culture Maturity Model' and Josh Bersin's 'The Healthy Organisation Maturity Model', which states that a safe and healthy organisation delivers maximum business benefit. This aligns with Malaysia's Ministry of Human Resources' mission to foster a more supportive, productive and safe work environment.

Integrating Occupational Safety & Health (OSH) within business activities

SAFETYPLUS HEALTH·SAFETY

Leadership oversight

- Trained in Hazard Identification, Risk Assessment and Risk Control (HIRARC) to effectively handle health, safety and environmental incidents
- Prioritised discussions on OSH at meetings and townhall sessions
- Inspected workplace safety conditions at all our premises

Employee awareness & support

- Organised SafetyPLUS Day and incorporated mental health assessments and health screening to create awareness and promote employee wellness
- Offered weekly fitness sessions and body composition analysis machines at our offices
- Included mental health benefits in our employee medical health insurance coverage
- Committed to provide support to affected employees and their immediate family members during times of crisis, like natural disasters

Supply chain safety

- Conducted compulsory training in CelcomDigi's safety requirements for medium to high risk business partners
- Enforced Permit-to-Work requirements and conducted regular OSH inspections to ensure compliance by business partners

Competency training

- The Safety Health Committee underwent comprehensive OSH training, covering HIRARC, emergency response and incident reporting
- Trained 32 new Mental Health First Aiders (MHFA), adding to a total of 70 MFHA to support employees in addressing mental wellness issues
- MHFA are now part of the Safety Health Committee to enable mental health-related input

Strengthening OSH compliance and monitoring

- Underwent independent audits and certification to ensure our practices align with global standards. Our ISO certifications are certified by Intertek, a global leading partner for Total Quality Assurance
- Annual internal audit, compliance evaluation, periodic inspection and management review

Indicator

0	0.44	9,329	4,491	96
Work-related fatalities *(2023: 0)*	Lost time injury frequency (LTIF) rate (count/million hours) *3 cases reported. (2023: 0.14)*	Training on health and safety standards (hours) *(2023: 6,967)*	Number of employees trained on health and safety standards (count) *(2023: 4,280)*	Occupational Safety and Health Coordinator (OSH-C) (headcount) *(2023: 92)*

Training	No. of participants / Completion rate
125 OSH-related training sessions conducted	1,386 employees
General First Aiders	55 employees
Mental Health First Aiders	32 employees
OSH and Wellbeing e-learning	100% completion

CelcomDigi is the first company in Malaysia to be awarded the prestigious 'ISO 45003: Psychological Health and Safety at Work' certification.

- Awarded on 14 October 2024 by NIOSH Certification.
- Certifies that CelcomDigi's practices comply to the global standard guideline for managing psychological health and safety risks in the workplace.
- Prior to this, the company had already attained the ISO 45001 certification for 'Occupational Health and Safety Management'.
- Having both certifications reflect the company's holistic approach in caring for their employees' wellbeing, with equal emphasis on psychological and physical safety.

Read more https://corporate.celcomdigi.com/news/celcomdigi-first-to-receive-iso-45003-certification-for-psychological-health-and-safety

Natural Capital

Our Approach

Guiding Factors:

Material Matters

EC2 EN1 EN2 G1 G4 S2

Stakeholders Affected

Strategic Pillars

UN SDGs

The mobile telecommunications industry plays a pivotal role in enabling a greener economy, with digital connectivity powering smarter, more efficient solutions across multiple sectors. CelcomDigi is committed to achieving a low-carbon pathway towards Net-Zero 2050, integrating sustainability across our operations and supply chain. In FY2024, we continued to develop our natural capital strategy, with efforts directed towards network modernisation, renewable energy adoption, improving operational efficiency and driving employee engagement.

We are on track to establish our environmental targets by the end of 2025, subject to Science-Based Targets Initiative (SBTi) approval. Key initiatives include emissions baselining, verifying Scope 1 and 2 greenhouse gas (GHG) data, and identifying high impact areas across our Scope 3 emissions. Additionally, CelcomDigi is implementing a digital platform to automate workflows and aggregate environmental data, enhancing accuracy, regulatory compliance and transparency.

Key inputs in 2024

- Externalised our ESG strategy and focus areas during CelcomDigi ESG Day 2024
- Strengthened stakeholder engagement on sustainability commitments
- Strong governance and leadership oversight on environmental impact and action
- Focused on implementing environmental efforts and tracking performance against Net-Zero targets
- Risks and opportunities aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, with an ongoing transition towards the International Financial Reporting Standards (IFRS) S2

Outputs

- Committed to achieving Net-Zero by 2050, in alignment with SBTi
- Advanced low-carbon operational practices
- Implemented climate adaptation and resilience measures
- Elevated sustainable innovation
- Enabled green transitions
- Whole-of-society approach to decarbonisation

Looking ahead

As Malaysia accelerates its sustainability agenda with policies such as the National Energy Transition Roadmap, we are aligning our strategies to support these national goals. By embedding sustainability into our operations and culture, CelcomDigi continues to make meaningful contributions towards a low-carbon, resilient future.

Within the short-term, CelcomDigi aims to:

- **Achieve SBTi validation:** finalise and submit near-term and long-term carbon reduction targets to the SBTi.
- **Implement energy efficiency initiatives:** electrify or deploy hybrid solar-battery solutions at off-grid sites to reduce dependencies on fuel-powered gensets.
- **Expand renewable energy usage:** increase the proportion of operations powered by renewable energy by leveraging local renewable energy markets.
- **Network modernisation:** invest in emerging technologies that enhance energy efficiency and reduce environmental impact.
- **Strengthen engagements:** collaborate via focused engagements with suppliers and organisations to promote sustainable practices.

celcomdigi

Powering a greener ecosystem

Advancing low-carbon operational practices

- Committed to set short-term and mid-term Net Zero targets aligned with SBTi
- Achieved 22% reduction of emissions across integrated sites in 23 representative clusters under the Network Integration & Modernisation exercise
- Deployment of greener network and e-mobility
- AI-driven tools to optimize energy consumption in networks
- Eco-friendly workspaces
- 37% reduction in POSMs

Implementing climate adaptation & resilience

- Future-ready network
- Raised plinths for sites at flood-prone areas
- Implemented robust disaster recovery plans, including off-site data backups and mobile units to restore connectivity during emergencies
- Protected biodiversity and responsible land use
- Maintained Leed & GBI certifications
- Promoted circularity - 38.7 tonnes of e-waste recovered

Elevating sustainable innovation

- Deployed 5G solutions for smart cities and sustainable infrastructure
- Data Centre (DC) transformation with DCIM implementation
- Explored migration of on-premise IT services to on-cloud
- Virtual monitoring of suppliers via CelcomDigi-Permit-to-Work app

Enabling green transitions

- Deployed connectivity solutions for Petronas' Kasawari Carbon Capture and Storage
- Launched lease-to-own rydeEV e-bike with 5G postpaid
- Partnered with ChargeEV to deploy >100 EV charging points nationwide
- Partnered with BoomGrow to revolutionize agriculture with precision farming technology
- 'Lights-out' warehouse in partnership with DHL Supply Chain

Partnering for environmental impact

- Committed to UNGC's "Forward Faster" initiative, aligning with SBTi to limit global warming to 1.5˚C
- Platinum Sponsor for the National Climate Governance Summit (NCGS) 2024
- Deployed EV charging points within office premises
- Commitment to transparency and stakeholder engagement

Committing to Net Zero 2050

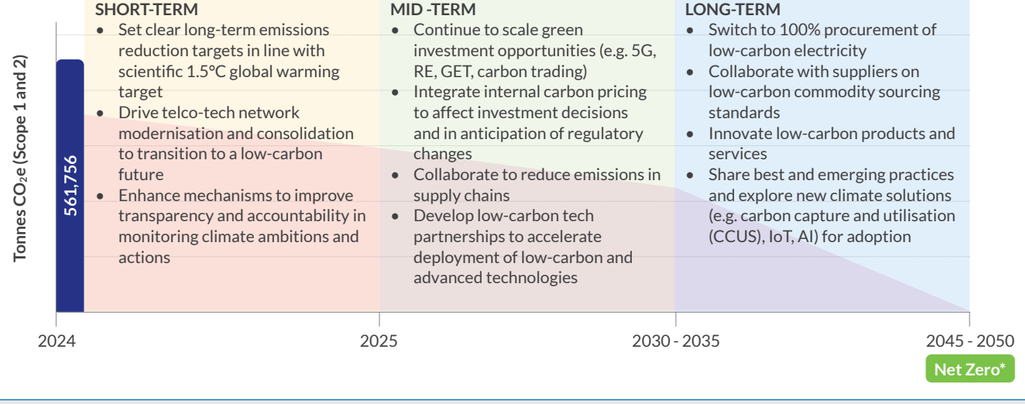
CelcomDigi has **committed to set near and long-term company-wide** emissions reduction in line with **science-based net-zero** with the SBTi

Advancing Low-Carbon Operational Practices

In 2024, we will execute the high-level decarbonisation roadmap initiated in early 2023, which outlined measures to reduce and mitigate GHG emissions across short-, mid- and long-term horizons. This roadmap continues to steer our efforts towards addressing climate change by setting clear pathways for emission reduction and advancing our transition to a sustainable, low-carbon future.

As we progress in establishing our Net-Zero target-setting process by the end of 2025, we are refining our roadmap, including revisiting initiatives and milestones to ensure that our strategies align with SBTi, global best practices and the evolving needs of our stakeholders.

CelcomDigi's Decarbonisation Roadmap



Notes:

a) Emissions data FY2024 is limited to Scope 1 and 2 only, and has been independently assured by SIRIM QAS International
b) EF references - Scope 1: DEFRA UK GHG Conversion Factors 2024 | Scope 2: Grid Emission Factors Malaysia 2022 | Scope 3: DEFRA UK GHG Conversion Factors 2024
*c) *Ref: Definition as per GSMA's Mobile Net Zero State of the Industry on Climate Action Report*

Network Integration and Modernisation (NIM)

In 2023, CelcomDigi commenced the NIM initiative to merge and enhance two of Malaysia's largest networks into a unified, advanced 4G and 5G infrastructure. More than 12,000 sites have been integrated as of FY2024, representing 75% of the planned nationwide initiative. This large-scale initiative enhanced connectivity and user experience, and incorporated energy-efficient technologies into our network, reducing energy consumption per data unit and directly contributing to lower carbon emissions.

An efficiency study conducted across a sample of 23 representative clusters nationwide has resulted in significant improvements in electricity consumption and efficiencies.

Key achievements

62,425 kWh to **48,863 kWh**
22% energy efficiency improvement

866,560 GB
High traffic volume maintained

Advanced radio technologies used: Twin Beam, 8T and Massive MIMO
- Deployed energy-efficient equipment
- Decommissioned redundant sites
- Optimised resource utilisation
- Reduced energy wastage

72.12 kWh/GB to **56.39 kWh/GB**
Improved energy intensity ratio

The overall impact highlights the effectiveness of modernisation strategies such as network consolidation and advanced technology deployment in achieving low-carbon operations. This supports sustainable growth by stabilising energy demand, despite increasing network complexity and data traffic.

CelcomDigi is collaborating with key technology partners, Huawei and ZTE, to deploy energy-efficient network equipment as part of our NIM efforts. By integrating advanced, low-power solutions, we aim to enhance network performance while reducing overall energy consumption. This partnership aligns with our commitment to sustainability, ensuring a greener and more efficient digital infrastructure.

Renewable Energy

In FY2024, CelcomDigi evaluated multiple renewable energy options, assessing their potential impact and alignment with long-term energy needs. The company concluded participation in the Green Energy Tariff (GET) programme while continuing to invest in rooftop solar panels. Evaluations and discussions in relation to on-site and off-site solar installations and power purchase agreements (PPAs) remained ongoing.

CelcomDigi aims to enhance energy self-sufficiency, reduce operational costs and reinforce its commitment to sustainability through tangible environmental impact.

Strengthened Governance of Climate Action

In 2024, the Climate Working Committee (CWC) forums, co-chaired by the Chief Technology Officer (CTO) and Chief Corporate Affairs Officer (CCAO), put forward key recommendations focusing on the following initiatives:

- Prioritise completion of Net-Zero baselining and target-setting and submission to SBTi for validation. Credible advisory experts have been appointed to assist in our decarbonisation journey.
- Assess impact and milestones of energy-efficient projects as part of network modernisation effort.
- Assess viability of existing renewable energy instruments and strategies for scaling up.
- Embark on IFRS S2-aligned disclosures upon successful establishment of environmental targets aligned with SBTi.

Recommendations were escalated to management prior to deliberation at the Board Governance and Risk Management Committee and Board of Directors meetings. For more information on the CWC and its integration within the overall Sustainability Governance structure, refer to Sustainability Statement on pages 45 to 51.

For more information on our approach towards Climate Action and Environmental Management, visit https://celcomdigi.listedcompany.com/climate_environmental_action.pdf

Greener Network Deployment

Our network modernisation initiatives leveraged cutting-edge technologies to optimise energy use and minimise our carbon footprint. These innovations included:

- AI-powered network optimisation that reduced energy consumption
- Liquid cooling for network infrastructure
- AI-driven energy management systems
- Advanced battery storage solutions

Other technologies adopted include:

Hybrid Solar Technology Deployment	• Equipped at 49 sites
Hybrid Battery Gensets Installation	• Fitted at 34 sites • Reduced up to 40% of diesel consumption • Remaining 79 sites have been identified under the Universal Service Provision (USP) programme, which will contribute to rural connectivity
Exploring Grid-Connected Solar Solutions	• Feasibility tested for solar panel installation at grid-connected sites • Potential energy savings of 10–15%, depending on site space

Sustainable Fleet Management & An Eco-Friendly Workplace

As part of our commitment to sustainable mobility and green workspaces, we are piloting the integration of electric vehicles (EVs) into our operations. This initiative serves as an initial step towards our fleet electrification transition goal while reinforcing our green building standards.

The company also aims to maintain Leadership in Energy and Environmental Design (LEED) and Green Building Index (GBI) building certifications for our corporate facilities.

We are set to expand our efforts under the '2025 Fleet Renewal Initiative' which includes:

- **Retirement of Ageing Fleet:** By end 2025, over 30 ageing vehicles are estimated to be phased out and replaced with new, fuel-efficient or electric models.
- **Smart Fleet Management Systems:** Most of our field-force vehicles are fitted with the *iFleet* tracking system to monitor travel distances, driver usage patterns, and vehicle performance for optimal efficiency and safety. Advanced route optimisation features are being explored for fuel efficiency improvements.

Eco-Friendly Workspaces

We continued to enhance the environmental performance of our workspaces by retrofitting office buildings with energy-efficient lighting and heating, ventilation and air-conditioning (HVAC) systems, and adopting smart energy management systems. CelcomDigi's corporate facilities maintained their LEED and GBI certifications. The company also extended these sustainable practices to regional offices, focusing on resource efficiency, waste management and the use of environmentally friendly materials.

Our Technology Operations Centre in Subang Hi-Tech, Shah Alam, is equipped with various water management features that support efficient water use, conservation, and environmental responsibility. The facility is designed to optimise water usage, incorporating water-saving fixtures and leak detection systems to minimize wastage. Wastewater generated within the facility is treated through an on-site filtration system, ensuring safe discharge and reducing water pollution risks. It is also equipped with a rainwater harvesting system, which collects and stores rainwater for non-potable uses such as landscaping and facility maintenance.

Climate Adoption For Resilience

CelcomDigi understands the significance of potential physical climate change impacts, including damage to infrastructure and assets, disruption to supply chains, and effects on business operations and employee wellbeing. Ensuring uninterrupted connectivity as an essential service remains a top priority for CelcomDigi.

To adapt and strengthen resilience, CelcomDigi has integrated climate-related physical risks into our TCFD framework and Business Continuity Management (BCM) exercises.

Business Continuity Planning for Climate-Related Physical Risks

- Rapid response team for recovery of service delivery and connectivity
- Backup generator for uninterrupted service (grid failure)
- Elevated plinths of network sites above flood levels
- Assistance for affected staff, dealers and suppliers
- Early warning SMS Alerts from NADMA
- Community relief 4WD & boats
- Disaster relief aid and recovery

Total sites with elevated plinths:
106 sites in flood-prone locations

Circularity and Waste Management

CelcomDigi implemented waste management protocols for handling of general waste and e-waste. Through strategic partnerships with full recovery organisations, the company facilitated responsible disposal and recycling of its network and information technology assets, contributing to the development of a circular economy.

Reduce and Reuse

- Functional equipment repurposed for future use
- Functional devices, furniture, office equipment donated or refurbished for employee purchase

Recycle, Recovery and Disposal

- Obsolete assets sent to certified recovery contractors
- Valuable minerals extracted for recovery
- A Certificate of Destruction (COD) is issued after disposal, ensuring secure and eco-friendly handling of all assets

In FY2024, e-waste generated from decommissioned network sites amounted to 387 tonnes, out of which 39 tonnes was recovered.

Protecting Biodiversity and Responsible Land Use in Network Expansion

During the deployment of new network sites, CelcomDigi worked closely with local state governments, municipal councils, the Fire and Rescue Department of Malaysia, and the Department of Wildlife and National Parks (Perhilitan) to ensure full compliance with environmental regulations and industry best practices.

Elevating Sustainable Innovation

CelcomDigi has been at the forefront of deploying 5G solutions to foster smart cities with sustainable infrastructure across our business operations and throughout the country.

Smart Cities: Driving 5G-Powered Sustainable Urban Transformation

- Partnered with the Ampang Jaya Municipal Council (MPAJ) to implement a 5G smart city ecosystem in Hulu Kelang. Supported with a robust fibre optics infrastructure, this elevated quality of life and stimulated business growth.
- Partnered with i-City to deploy fibre infrastructure and 5G connectivity (ultra-fast fibre plans, home entertainment, smart home applications) in Shah Alam, accelerating its development as a smart city by 2025.

Data Centre Transformation with DCIM Implementation

- Implemented a Data Centre Infrastructure Management (DCIM) system to improve asset management, equipment optimisation, cooling performance and operational reliability.
- Accurate tracking of energy consumption across the data centre's critical infrastructure identified inefficiency and facilitated implementation of energy-saving countermeasures.
- The DCIM system resulted in energy savings of up to 15% and reduced maintenance costs. It also enabled prediction of future demands and effective resource allocation by providing real-time data on resource utilisation.

Accelerating Cloud Adoption

- Aim to migrate approximately 80% of our on-premise IT workload to the cloud by 2026. This will enhance system resilience, scalability and security, ensuring our IT ecosystem remains future-ready, aligned with global sustainability best practices.
- By leveraging top-tiered cloud data centres powered by renewable energy and advanced green cooling systems, our carbon footprint and overall energy consumption are significantly reduced. This optimises operational efficiency and reinforces our commitment to responsible and sustainable digital transformation.

Enabling Green Transitions

CelcomDigi has collaborated with industry leaders on renewable energy, electric mobility and digital solutions, integrating cutting-edge technology with sustainable practices to reduce carbon footprints and enhance energy efficiency.

- **Powering sustainable energy: Connectivity solutions for Petronas' Kasawari Carbon Capture and Storage (CCS) project**
  CelcomDigi is supporting connectivity for one of the world's largest offshore CCS projects at the Kasawari gas field, enabling operational efficiency. CelcomDigi provides reliable and secure connectivity that facilitates real-time data transmission, remote monitoring and collaboration across the plant's operations. This complies with our sustainability goals and contributes to Malaysia's energy transition efforts

- **Empowering Malaysia's E-Mobility**
  Since 2023, CelcomDigi and Yinson have partnered to advance Malaysia's electric vehicle (EV) infrastructure. CelcomDigi's extensive 4G LTE and 5G networks have powered connectivity for the chargeEV network – the nation's largest EV charging operator – as well as its rydeEV and driveEV services. This initiative reflects a shared commitment to driving green energy adoption and supporting Malaysia's energy goals

Partnering for Environmental Impact

Adopting whole-of-society approach towards decarbonisation opportunities

National Climate Governance Summit (NCGS) 2024

- Platinum Sponsor for the National Climate Governance Summit (NCGS) 2024 organised by Climate Governance Malaysia
- During the NCGS, CelcomDigi took part in the inaugural International Advisory Panel (IAP) gathering, which brought together policymakers and regulators to strategise on strengthening national climate resilience

SBTi and Climate Symposium 2024

- Sponsored the SBTi and Climate Symposium 2024, themed 'From Climate Pledges to Action', organised by the UN Global Compact Network Malaysia & Brunei (UNGCMYB)
- CelcomDigi was recognised as one of 15 Malaysian companies committed to the UNGC's 'Forward Faster' initiative in our dedication to set science-based emission reduction targets aligned with the Paris Agreement, aiming to limit global warming to 1.5˚C

Employee Engagement in Sustainability

In FY2024, internal campaigns promoted environmental consciousness, focusing on practical actions such as reducing single-use plastics, encouraging carpooling and nurturing energy-saving practices. The 'World Environmental Month' initiative featured workshops, challenges and volunteer activities, fostering a culture of environmental stewardship across the organisation.

Commitment to Transparency and Stakeholder Engagement

Transparency remains a cornerstone of CelcomDigi's natural capital management. Enhanced ESG reporting frameworks provided stakeholders with clear insights into CelcomDigi's environmental performance. Our TCFD report highlights the most material risks and opportunities the company faces. The report can be read here: https://celcomdigi.listedcompany.com/sustainability_management.html.

Our regular stakeholder engagement activities include collaborations with regulators, NGOs and industry peers (e.g. CEO Action Network) to advance Malaysia's sustainability agenda. CelcomDigi is a steering committee member in the CEO Action Network (CAN) and also participates regularly in forums and initiatives to advocate for responsible environmental practices.

Environmental Performance Data Points

In 2024, CelcomDigi recorded lower energy consumption, indicating improved efficiencies through our on-going initiatives (network integration and modernisation exercise, site-level conversions of genset-to-grid/genset-to-hybrid solutions and phasing out of legacy fleet assets, among others). However, this efficiency gain is not reflected in our carbon emissions, which have increased. The increase in emissions may partially be attributed to the higher conversion multiplier due to revisions in the National Grid Emission Factor (GEF) and other operational factors.

Our annual greenhouse gas (GHG) emissions inventory for FY2024, prepared in accordance with the GHG Protocol Corporate Standard, is as follows:

Scope 1 & 2 Carbon Emissions (Tonnes)

43,809.96	517,945.60	561,755.57*
Fuel Combustion and Natural Gas	Purchased Electricity from Grid	Total
(FY2023: 53,670.04)	*(FY2023: 483,945.94)*	*(FY2023: 537,615.98)*

Scope 3 Carbon Emissions (Tonnes)**

1,249.15	3,101.30	4,350.45
Category 6: Business Travel	Category 7: Employee Commute	Total

Energy Consumption (GWh)

163.56	733.02	896.58*
Direct Energy from Fuel Combustion and Natural Gas	Indirect Energy from Grid and Solar Power Generated	Total
(FY2023: 200.17)	*(FY2023: 713.32)*	*(FY2023: 913.49)*

Others Indicators

20.4
Customer Base (million)
(FY2023: 20.6)

43.95
Energy Usage per Customer (kWh/customer)
(FY2023: 44.45)

0.028
Carbon Intensity per Customer (tCO_2e/customer)
(FY2023: 0.026)

0.14
Energy Usage per Data Terabyte (MWh/TB)
(FY2023: 0.17)

0.09
Carbon Intensity per Data Terabyte (tCO_2e/TB)
(FY2023: 0.10)

Notes:

*a) * Total carbon emissions (scope 1 and 2) and total energy consumption (direct energy from fuel combustion, natural gas and excludes fugitive emissions; and indirect energy from grid and solar power generated) has been independently assured by SIRIM QAS International*
*b) ** Scope 3 carbon emissions data limited to Category 6: Business travel (air and land travels) and Category 7: Employee commute only*
c) EF references - Scope 1: DEFRA UK GHG Conversion Factors 2024 | Scope 2: Grid Emission Factors Malaysia 2022 | Scope 3: DEFRA UK GHG Conversion Factors 2024

General Waste*

290 tonnes
Waste Collected
(FY2023: 664)

94 kg
Waste Generated per Employee
(FY2023: 182)

2 tonnes
Waste Recycled
(FY2023: 22)

Water Consumption*

65,485 m^3
Water Consumed
(FY2023: 151,284)

21.27 m^3
Water Consumed per Employee
(FY2023: 41.39)

E-Waste (Obsolete Electrical and Electronic Waste)

387 tonnes
E-waste Collected
(FY2023: 238)

39 tonnes
E-waste Resold and Recycled
(FY2023: 48)

- *E-waste directly produced from our operations is managed under the Environment Quality (Scheduled Wastes) Regulation 2005 and our internal guidelines*
- *Decommissioned network equipment constitutes the largest amount of e-waste generated by tonnes. We reuse equipment, and send those that are obsolete to be recycled and disposed of safely by a licensed vendor*
- *'Recycled' shall include e-waste treated by a professional service provider who has guaranteed that the waste is processed, sorted, resold, recycled, or disposed of in an environmentally sound manner*
- **Limited to data from selected CelcomDigi premises only*

CelcomDigi restated our climate data for FY2023 due to revisions in the National Grid Emission Factor (GEF) and verification undertaken with an independent advisor to improve our methodology in data collection and management approach. Corrective measures have been undertaken to ensure consistency, accuracy and transparency of the data presented here, in line with good climate governance practices.

Solar hybrid systems deployed at our network sites power renewable energy towards reducing carbon footprint and greater energy efficiency

Social and Relationship **Capital**

Our Approach

Guiding Factors:

Material Matters

G1 G2 G3 EC1 EC2 S4 S5 S6 S7/ EN3

Stakeholders Affected

Strategic Pillars

UN SDGs

CelcomDigi continues to place emphasis on strengthening relationships with all our stakeholders – customers, employees, suppliers, shareholders and business partners. By doing so, we are building a brand that Malaysians can trust and rely on through our consistent delivery of superior customer experience in this age of 'digital-everything'.

These partnerships are crucial for unlocking future growth opportunities. Our drive for digital transformation aligns with the 12th Malaysia Plan (2021-2025), contributing to the national agenda of boosting productivity and advancing the digital economy.

We also remain committed to Environmental, Social and Governance (ESG) practices within our value chain, ensuring that all stakeholders benefit from long-term value creation. We aim to be recognised among the top practitioners of sustainability in corporate Malaysia. We are driven by the principle of empowerment through access, and will continue providing safe, affordable and high-quality digital connectivity to build a thriving digital society.

Key inputs in 2024

- Responsible business practices across our value chain
- Empowering suppliers through training
- Social impact programmes (digital safety, digital skills) and humanitarian efforts
- Inclusive connectivity options and digital offerings
- Regular engagement with stakeholders

Outputs

- Trusted partner to the government, consumers and businesses
- Upheld human rights across the value chain
- Managed our supply chain responsibly
- Empowered societies through nation-building initiatives

Looking ahead

We recognise that driving meaningful progress on ESG issues – including better alignment between the public and private sectors – requires a 'whole-of-society' approach. In line with this, we will continue strengthening our collaborations with various government agencies, policymakers, academic and research institutions, business partners, social purpose organisations and communities, to drive positive change. Leveraging our core function as a facilitator of connectivity and digitalisation, we aspire to:

- Strengthen compliance procedures and protocols for transparency and adherence to regulatory standards
- Develop comprehensive training programmes and monitoring mechanisms to promote human and labour rights awareness
- Integrate sustainability practices and engage stakeholders to foster environmental responsibility
- Implement digital platforms for seamless training, inspection recording and non-compliance reporting and tracking
- Establish a structured vendor development programme to empower suppliers and drive mutual growth
- Define value-based procurement strategies and metrics that prioritise quality, sustainability and ethical standards

Trusted Partner to the Government, Consumers and Businesses

We continuously strive to raise standards across our value chain and drive the nation towards becoming a digitally savvy society as part of our aspiration to become the nation's most trusted partner. We remain committed to enabling an inclusive, accessible and safe internet experience for all while advocating for responsible business practices. Our combined strengths allow us to deepen our engagement with broader stakeholder groups on topics that are most material to them.

These are several partnerships we strengthened in 2024:

Scam Awareness

Jelajah Anti-Scam Kebangsaan
Partnered with Cybersecurity Malaysia (CSM), Malaysian Crime Prevention Foundation (MCPF) and *Gabungan Bertindak Anti-Scam* (GBAS) to safeguard Malaysians from scams and fraudulent activities

Scam Awareness & Online Safety Workshop Series
Partnered with experts to create a community of advocates amongst civil servants, radio deejays and journalists through a series of workshops

Royal Malaysia Police (PDRM) and Malaysiakini
Co-created content on scam awareness to amplify scam awareness reach through social media campaign partnership

Child Safety Online

Creators In Real Life (IRL) programme
Cross-industry collaboration with Ministry of Communications, Meta Platforms Inc and Multimedia Content Forum of Malaysia (Content Forum), to create advocates of online safety and scam awareness amongst social media influencers and content creators

Women Centre for Change
Trained educators on child online safety through interactive workshops

Digital Healthcare

Ambank
Partnered with Ambank to make digital healthcare solutions affordable for Malaysian medical providers

Universiti Malaya
Partnered with Universiti Malaya to drive digital healthcare innovation through 5G, AI and XR-powered solutions

KPJ Healthcare
Partnered with KPJ Healthcare to transform healthcare tourism with 5G-powered AI and Telemedicine solutions

Digital Infrastructure

Towercos
Strengthened partnership with Towercos to build Malaysia's new digital network

BoomGrow
Partnered with BoomGrow to enhance machine farm operation with 5G, AI and XR technologies

Digital Skills

Future Skills For All (FS4A)
Upskilled teachers and students with coding competencies via ARUS Academy, Malaysia Digital Economy Corporation (MDEC) and UNICEF Malaysia

CelcomDigi Young Innovators Programme (CDYDIP)
Upskilled students from rural and underserved schools to learn coding and robotics with Universiti Teknologi Mara (UiTM)

CelcomDigi go Innovate Together (goIT)
Prepared students for Science, Technology, Engineering and Mathematics (STEM), Computer Science, Design Thinking and Innovation subjects in partnership with Tata Consultancy Services (TCS)

Thought Leadership

MY5G CEO Roundtable 2024
Top minds gathered for strategic discussions around 5G

Elevating Esports

Microsoft
Partnered with Microsoft to bring Malaysian gamers an exclusive offer and experience

Alliance
Partnered with Alliance to elevate Malaysian esports athletes on the global stage

SRG
Partnered with Selangor Red Giants (SRG) to develop world-class esports athletes

Community Aid

Malaysian Relief Agency
Collaborated with Malaysian Relief Agency (MRA) to expedite the deployment of aid to those affected by the floods

Upholding Human Rights Across Our Value Chain

CelcomDigi's human rights policies and principles are aligned with the Universal Declaration of Human Rights (UDHR) and are guided by the United Nations Guiding Principles (UNGP). Our Sustainability Policy and Business Partner Conduct Principles (BPCP) clearly state our stance against child labour and forced labour. This applies to all partners and vendors who wish to do business with CelcomDigi.

Human Rights Due Diligence 2023-2024

A comprehensive, bi-annual due diligence process (completed in 2024) ensures continuous assessment of human rights risks and impacts, and drives ongoing improvement and stakeholder dialogue.

Human Rights Due Diligence Process

Our process aligns with the UNGPs on Business and Human Rights, UN Global Compact's Ten Principles, and the Global System for Mobile Communications (GSMA) Human Rights Guidance. The process encompasses:

Identifying actual and potential human rights risks → **Prioritising issues based on risk severity and impact** → **Implementing effective mitigation plans** → **Transparently communicating with stakeholders**

Human rights issues identified as relevant to CelcomDigi in descending order:

Top five human rights issues

1. Privacy and data security
2. Internet fraud and scam risk
3. Worker wellbeing and safe working environment
4. Corruption and bribery
5. Use and impacts of disruptive technologies

Other human rights issues

6. Data access and interception of legal authority requests
7. Environmental and infrastructure impacts
8. Freedom of expression, association and assembly
9. Online speech and offline harm
10. Child safety online
11. Non-discrimination and equity
12. Working conditions: wages, hours and benefits
13. Modern slavery, forced labour and child labour
14. Human trafficking (including child trafficking)
15. Access to education
16. Collective bargaining and freedom of association
17. Grievances and remedies
18. High-risk and conflict-affected contexts
19. Digital inclusion

Social and Relationship Capital

Addressing Key Human Rights Risks

In addition to human rights risks that closely align with the GSMA's top seven issues, which highlight key sector-specific challenges, we also prioritise issues unique to our operations. Our approach is driven by international best practices and a commitment to ongoing improvement.

- **Data privacy and freedom of expression** G
  Protecting user data and upholding freedom of expression are fundamental to our operations. Our robust governance framework, encompassing policies, procedures and technological safeguards, ensures the security and privacy of all personal data, in alignment with relevant Malaysian regulations.

- **Child rights and safety online** G
  We actively partner with government agencies and civil social organisations in our S.A.F.E. Internet programme contributing to public awareness and education on online child safety. We are also actively exploring further initiatives to enhance our efforts in this area.

- **Modern slavery, forced labour and child labour and human trafficking (including child trafficking)** G
  Our zero-tolerance commitment is embedded in our company policy, actively monitored through rigorous supply chain due diligence, regular audits and inspections. Our robust policies and management systems – Business Partner Conduct Principles (BPCP), Agreement of Responsible Business Conduct (ABC), CelcomDigi Permit to Work (CDPTW) – prevent and mitigate these serious human rights risks. We are committed to continuous improvement in supply chain transparency and ethical sourcing practices.

- **Community impacts from infrastructure** G
  We recognise the importance of minimising the environmental and social impact of our infrastructure projects. Our land-leasing practices incorporate strong governance to ensure responsible development and minimal disruption to local communities and their legal rights.

- **Conflict mineral standards** G
  Our business model, focused on telecommunications services rather than direct extraction of raw materials, significantly reduces our direct exposure to conflict minerals. However, we remain vigilant in our supply chain due diligence to ensure that our indirect exposure is also minimised. We are committed to responsible sourcing practices and will continue to monitor this area.

- **Internet fraud and scam risk, corruption and bribery**
  We have established dedicated enterprise risk management programmes to proactively identify, assess and mitigate these threats. These programmes include robust internal controls, employee training and collaboration with relevant authorities, and oversight by the senior management team of the company.

- **Use and impacts of disruptive technologies**
  We prioritise the assessment and mitigation of potential human rights impacts associated with disruptive technologies such as artificial intelligence, data analytics and other emerging technologies. This includes ongoing monitoring and stakeholder engagement.

G *Represents sector-specific human right risks covered in GSMA Human Rights Guidance for the Mobile Industry*

For more information on our approach towards Human Rights, visit https://celcomdigi.listedcompany.com/human_rights.pdf

Managing Our Supply Chain Responsibly

Our suppliers are crucial to the success of our business, as well as our social and environmental initiatives. We believe our supply chain plays a key role in enhancing business performance, reducing environmental impact, and promoting social equality by mitigating human rights and health and safety risks.

We hold ourselves and our suppliers accountable for upholding the highest standards of governance, environmental stewardship and social responsibility. All suppliers and business partners are required to abide by our BPCP. They must sign the Agreement of Responsible Business Conduct (ABC) and comply with our guidelines in the areas of Health, Safety and Security (HSS), ethical conduct, human rights, and environmental management. We also encourage them to act in accordance with our Code of Conduct and human rights principles.

Ongoing health and safety training with our business partners

Compliance
We ensure compliance with responsible standards through the implementation of our Integrity Due Diligence (IDD) process prior to engagement and execution of the ABC agreement with each supplier.

Capacity Building
We require suppliers to undergo periodic training via the CelcomDigi Knowledge Assessment Tool (CDKAT), which includes curated programmes and individual assessments to strengthen their understanding of responsibilities, instil safety-first habits, and promote responsible business practices.

Inspection
Using the CelcomDigi Permit-to-Work app, we conduct live monitoring of workers' check-ins and scope of work, followed by regular on-site inspections. If non-compliance is detected, suppliers are required to submit corrective action plans within the prescribed timeframe. Failure to meet minimum requirements may result in serious consequences, including suspension or termination.

Assessments
We conduct periodic assessments to ensure our business partners and suppliers adhere to legal and ethical standards and comply with our BPCP.

For more information on our approach towards Supply Chain management, visit https://celcomdigi.listedcompany.com/responsible_supply_chain.pdf

New suppliers who signed the ABC
237*
(FY2023: 242)

Total suppliers who have signed the ABC to date
2,724
(FY2023: 2,487)

Total supplier training hours
26,687
(FY2023: 23,478)

Number of inspections conducted

Unannounced	Announced	Total
872 *(FY2023: 795)*	7 *(FY2023: 10)*	879 *(FY2023: 805)*

Number of findings

Major	Minor
23 *(FY2023: 17)*	42 *(FY2023: 84)*

0 Number of suppliers terminated *(FY2023: 0)*

0 Number of suppliers suspended *(FY2023: 1)*

1 Number of suppliers reinstated *(FY2023: 0)*

Number of suppliers awarded contracts

558 local suppliers

207 foreign suppliers

Note:
* *Number of new suppliers that have signed the ABC has been independently assured by SIRIM QAS International*

Our Occupational, Safety and Health (OSH) team doing safety checks at one of our telco sites

Empowering Societies Through Nation-Building Initiatives

Digital Safety

Online scams and fraud have become more prevalent as businesses and consumers increasingly engage in digital transactions. We aim to strengthen digital safety by promoting responsible practices and raising scam awareness across all segments of society.

War Against Scams

CelcomDigi's National Scam Awareness Survey Report 2024 showed that 87% of the 10,893 respondents polled nationwide are more aware of scams, but two-thirds (66%) have encountered a scam attempt or incident in some form. Guided by the report, we strategically directed our efforts to address this widespread threat, strengthen trust, and foster a more secure digital environment for Malaysians.

Read the Survey Report at https://corporate.celcomdigi.com/news/2024-scam-report-malaysians-are-still-susceptible-to-scams-despite-high-awareness

The initiatives implemented within our operations included:

- A taskforce that investigated scams encountered by customers and strategies to improve mitigations. The taskforce consisted of experts from fraud management, consumer business, sales governance, network strategy and sustainability.
- A centralised scam reporting helpline that made it easier for customers to report scams or potentially fraudulent activities.
- Dedicated customer service agents offering additional support to customers to report scams.
- Alerts on the latest scammer modus operandi updated on our website's Get Help page within 24 hours.
- Implemented security enhancements in our apps and subscription services to strengthen scam prevention.
- Supported MCMC and industry efforts to block the sending and receiving of text messages from local and international mobile numbers with potential scam-related links.

National-level engagement initiatives include:

S.A.F.E. Internet

- **Smart, Aware, Fortify, and Empathy (S.A.F.E.) Internet sharing**
  - S.A.F.E. Internet is an awareness programme curated for various segments of society including students, civil servants, senior citizens and underserved communities
  - Produced simplified, easy-to-understand educational resources on staying safe online
  - Reached an audience of nearly 8 million via online channels including social media platforms

The S.A.F.E. Internet webpage is a dedicated resource page aimed at promoting online safety and awareness. Find out more at https://safeinternet.my/

- **Training-the-trainer (TTT) sessions**
  - Trained over 1,974 community leaders, including managers of all 322 NADI centres managed by CelcomDigi
- **Creators IRL campaign and Masterclasses**
  - Scam Awareness & Online Safety Workshops by experts to build a community of advocates amongst civil servants, content creators and radio deejays
  - Reached and audience of nearly 12 million with co-created social media videos

Read more : https://corporate.celcomdigi.com/news/celcomdigi-empowers-civil-servants-as-advocates-for-scam-awareness-in-malaysia

Scam Awareness

- ***Jelajah Anti Scam Kebangsaan (JASK)***
  - Co-organised roadshows in Johor, Kedah and Perak in collaboration with GBAS, CSM and MCPF, engaging over 20,000 people over a span of two years
- **CelcomDigi, Royal Malaysia Police and Malaysiakini scam awareness social media campaign**
  - Launched a 6-month social media campaign with real-life stories of scam victims to build greater resilience against scams
  - Ongoing campaign has achieved more than 1 million online reach and engagement

Pusat Sebaran Maklumat Nasional (NADI), formerly known as *Pusat Ekonomi Digital* (PEDi)

NADI, under the Universal Service Provision (USP) programme, expands network infrastructure to underserved areas in order to close the digital divide. We facilitate the operations of 322 NADI internet centres across Malaysia to provide web access to local communities, supporting e-learning, S.A.F.E. Internet and the development of digital skills and entrepreneurship, potentially reaching an audience of over 8 million.

Digital Empowerment

CelcomDigi is committed to bridging inequalities by providing education, access to the internet and opportunities to upskill to meet the demands for a digitally fluent workforce. We continue to drive digital empowerment for Malaysian teachers and students by future-proofing them with digital literacy and upskilling via these platforms:

Future Skills for All (FS4A)

- A digital learning platform with interactive modules and learning tools aligned with the national syllabus on coding and design-thinking

Read more at https://corporate.celcomdigi.com/news/future-skills-for-all-upskilling-sarawak-teachers-and-students-with-coding-capabilities

- The programme started in 2019, in collaboration with UNICEF, MDEC and Arus Academy
- A total of 3,956 students and 510 teachers from 956 schools nationwide received training
- 63,374* students and trainers (teachers and community leaders) are actively using the platform to access modules

CelcomDigi Young Digital Innovators Programme

- Aims to provide opportunities for students in rural areas and underserved communities to learn coding and robotics
- Several university lecturers and internet centre managers were trained to engage more schools for the programme
- Over 1,400 students participated in 2024

Note:
* *Total enrolment has been independently assured by SIRIM QAS International*

Providing relief aid, cleaning assistance and essential household supplies to communities affected by floods across Malaysia

Corporate Citizenship

We aim to accelerate digital inclusion and maximise positive impact among underserved communities through various initiatives such as donations, sponsorships and collaborations with partners.

Flood preparedness, relief and recovery

- More than 1.2 million early warning text messages were sent to potential flood victims
- Provisioned flood relief worth RM2 million for deployment via MRA to address severe flooding around the country
- These funds were used to provide essential items to more than 96,000 people, in addition to setting up mobile clinics

Provisioning of 5G Home Wifi

- Provisioned 5G Home Wifi to as many as 200 temporary evacuation centres nationwide to provide free internet connectivity during floods

Read more about our relief efforts here. https://corporate.celcomdigi.com/news/celcomdigi-allocates-rm2-million-for-nationwide-flood-emergency-response

For more information on our approach towards Community Empowerment and Outreach Programmes, visit https://celcomdigi.listedcompany.com/community_empowerment_outreach.pdf

Inspired by the next generation

We are inspired by our nation's youth and creators – providing the technology and connectivity to help bring bold ideas to life and build a brighter future for all.

Aspiring artist Wilson Ng's 40-foot masterpiece, The Dreamer, now stands tall in Kota Kinabalu – a symbol that dreams can come true. Behind the scenes, Sharidah Binti Sharudin and Liew Chie Bing from Network Engineering & Operations are strengthening Sabah's connectivity, paving the way for future generations to chase their ambitions.

Corporate Governance **Overview Statement**

CelcomDigi's Board of Directors (the Board) is committed to robust corporate governance that fosters effective leadership, supports long-term value creation, and emphasises transparent Environmental, Social and Governance (ESG) reporting. The Board has instituted a clear framework to govern these areas.

Aligned with the Main Market Listing Requirements (MMLR) of Bursa Malaysia, the Malaysian Code on Corporate Governance (MCCG) 2021, and international standards, the framework clearly delegates responsibilities to the Board and Management Committees. Key guiding documents, including the Board Charter, Limits of Authority (LOA) matrix and governance policies support this structure. Annual reviews ensure coherence with organisational priorities and transformations.

Stakeholders are encouraged to review the Corporate Governance Overview Statement (CG Overview Statement) alongside the Corporate Governance Report (CG Report), which outline the application of governance practices and any departures. The CG Report is accessible on our website at https://corporate.celcomdigi.com/annualreport.

As of 31 December 2024, CelcomDigi has successfully applied the majority of MCCG 2021 practices. While a few areas – Board independence, tenure of independent directors and CelcomDigi Management (CDM) remuneration disclosure – are not fully aligned, the Board is addressing them through phased enhancements and transparent decision-making.

Statement by the Board on Corporate Governance

The Board of CelcomDigi is steadfast in its commitment to foster strong leadership and maintain the highest standards of corporate governance. Drawing on the diverse expertise and deep industry knowledge of its members, the Board provides strategic oversight, drives innovation and delivers sustainable value for stakeholders, reinforcing CelcomDigi's position as Malaysia's leading telecommunications provider.

2025 Strategic Priorities

The Board has identified the following key priorities for 2025:

- **Integration and synergy:** streamlining operations, completing majority of integration and maximising merger synergies.
- **Strategy execution:** implementing strategic plans to strengthen our position as a market leader, and improving on and delivering superior customer experience, both ensure efficient operations and profitable growth.
- **Stakeholder engagement:** managing relationships effectively to support organisational goals.
- **Governance and compliance:** upholding strong governance, regulatory adherence, risk management, sustainability and operational excellence.

Internalising Governance and Integrity

The Board advocates ethical conduct and integrity as the foundation of sustainable and responsible business practices. Embedding these principles in leadership ensures their consistent application across the Group, safeguarding stakeholder interests and strengthening economic resilience.

To reinforce this commitment, CelcomDigi has established a framework that encompasses the Anti-Corruption Policy, Whistleblowing Policy and Business Partner Conduct Policy. These policies set robust standards of conduct, which are mandatory for all directors, employees and business partners. By promoting awareness and cultivating a culture of good governance, CelcomDigi demonstrates its unwavering dedication to integrity, transparency and accountability throughout all aspects of its operations.

Embedding Sustainability

CelcomDigi is steadfast in embedding sustainability into its core business strategy, ensuring that ESG considerations are integral to decision-making processes and align with our purpose and values. In the short- to medium-term, CelcomDigi is focused on:

a) Mitigating social risks, including scams and AI ethics, through safeguards, awareness and responsible tech use.
b) Strengthening stakeholder engagement with transparency and insights from the 2024 double materiality assessment.
c) Setting science-based emissions reduction targets aligned with SBTi for a low-carbon transition.
d) Advancing value chain sustainability by establishing a Scope 3 baseline and collaborating on emissions reduction.
e) Fostering innovation and continuous improvement in sustainability, adapting to global standards and stakeholder needs.
f) Enhancing disclosure and governance by aligning with regulatory frameworks and advancing ESG reporting.

By integrating governance, integrity and sustainability into operations, CelcomDigi makes these principles central to our corporate culture and long-term value creation. This commitment reinforces the Group's position as a responsible, forward-thinking organisation, driving sustainable growth and stakeholder trust.

Principle A – Board Leadership and Effectiveness

As custodians of corporate governance, the Board is dedicated to fostering an ethical culture rooted in integrity, enforcing effective internal controls and enabling sound decision-making processes. This commitment is integral to our continued success and the value we deliver to our stakeholders.

Board Charter

The Board operates under a clearly defined Charter and Terms of Reference (TOR), which outlines the roles and responsibilities of the Board and its Committees. These documents serve as guidance for Board members, reinforcing expectations for fulfilling their responsibilities effectively.

On 15 March 2024, the Board revised its Charter to improve timelines for the circulation of Board Committee papers and enhance preparation for Board Committee meetings. The Charter undergoes annual reviews to maintain its relevance, ensure alignment with regulatory requirements, and reflect best practices in governance.

Read more about our Board Charter:
https://celcomdigi.listedcompany.com/corporate_governance.html

Code of Conduct (the Code)

The Code is the cornerstone of CelcomDigi's ethical framework. It guides decision-making, clearly setting expectations for culture and daily conduct of Board members and employees. The Board steadfastly follows the Code, observing high standards of conduct and accountability.

Board Composition

CelcomDigi's Board composition is carefully structured, creating a balance between objectivity and diversity, ensuring efficient performance of collective responsibilities. This composition upholds strong corporate governance practices and facilitates holistic and strategic decision-making. The Board Nomination and Remuneration Committee (BNRC) regularly reviews the Board's composition and provides recommendations. More details on the BNRC's activities can be found in the BNRC Report.

Board Balance and Composition

Non-Independent Non-Executive Directors (NINEDs)

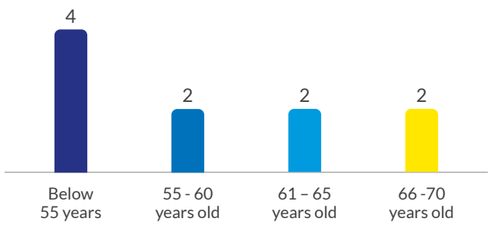
Independent Non-Executive Directors (INEDs)

Gender

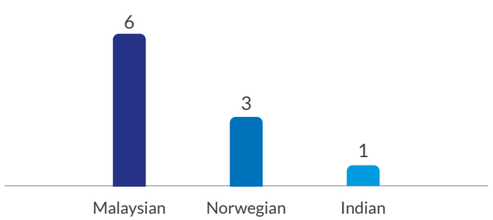
70% Males

30% Females

Age



Ethnic Diversity



Board Skills and Expertise

Note: The Board area of skills and experience are based on the Directors' BEE 2024 Self-Assessment

Length of Service

Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	2 years 2 months	Tan Sri Abdul Farid Alias	2 years 3 months
Vimala V.R. Menon	9 years 8 months	Khatijah Shah Mohamed	2 years 3 months
Datuk Iain John Lo	3 years 10 months	Kasper Wold Kaarboe	1 year
Vivek Sood	2 years 2 months	Nik Rizal Kamil Nik Ibrahim Kamil	Less than a year
Rita Skjaervik	2 years 3 months	Jon Omund Revhaug	Less than a year

Note: The above is based on information as of 21 March 2025

Board Roles and Responsibilities

The Board manages the Group's success with accountability and efficiency, acting in the Company's best interests and fulfilling duties to shareholders. The Board collaborates closely with management on long-term opportunities, while maintaining a clear separation of roles between the Chair and the CEO to maintain balance of power.

As Chair of the Board, Tengku Dato' Sri Azmil Zahruddin provides strategic direction for the Group, leveraging his extensive experience. Jon Omund Revhaug assumed the role of Deputy Chair upon the resignation of Haakon Bruaset Kjoel on 21 March 2025. The CEO is responsible for the Group's day-to-day operations and leads the CDM team in executing strategies, policies and embedding the company's corporate culture. The Deputy CEO focuses on ensuring operational and go-to-market efficiency aligns with the approved strategic plans.

The Board Audit Committee (BAC), the BNRC and the Board Governance and Risk Management Committee (BGRMC) assist the Board in its oversight function. Chairs of these committees report outcomes to the Board and present recommendations for approvals. Transparency is upheld through the circulation of meeting minutes and comprehensive updates from each committee Chair, ensuring the Board remains well-informed and aligned with the Group's goals.

Overview of Board Roles

Roles and Responsibilities	
1. Chair of the Board	• Ensures orderly Board conduct and function • Manages effectiveness in strategy, governance, risk and compliance • Leads meetings, sets agendas and encourages open debate among Directors • Engages regularly with the CEO and Deputy CEO for operational insights • Ensures effective communication with shareholders
2. Deputy Chair of the Board	• Assists the Chair • Chairs Board Meetings in the Chair's absence
3. Independent Non-Executive Directors (INEDs)	• Brings independent and objective insights, unbiasedly challenging CDM • Maintains independence through objective and unbiased relationships • Prioritises the interests of minority shareholders • Scrutinises and challenges the performance of CDM in executing CelcomDigi's strategies
4. Non-Independent Non-Executive Directors (NINEDs)	• Contributes to managing effectiveness in strategy, governance, risk and compliance • Acts objectively in the Company's interest, independent of CDM

Matters Reserved for the Board

- Review, approve and adopt CelcomDigi's strategic plans and annual targets.
- Oversee and evaluate the conduct and performance of CelcomDigi's business.
- Declare dividends, approve financial statements and annual and quarterly reports, ensuring integrity in reporting.
- Review and approve strategic investments, mergers and acquisitions, divestments and corporate exercises.
- Oversee material acquisitions and disposition of assets outside the ordinary course of business.
- Review the adequacy and integrity of CelcomDigi's internal control system.
- Identify and mitigate principal risks affecting CelcomDigi.
- Approve changes in CelcomDigi's policies, procedures and limits of authority.

Key features of the Board

- Ensure distinction between the roles of Chair of the Board and CEO.
- Verify that the Chair of the Board is not a member of the Board Committees.
- Verify that the CDM team does not sit on the Board.
- Meet Board diversity requirements, particularly in gender with three women serving as Board members (30% female representation).

CelcomDigi upholds the Board Chair's independence by controlling committee memberships, which reinforces Board governance and ensures objectivity in observations and recommendations from Board Committees.

Board Access to Management, Company Secretaries, Information and External Experts

The Board promotes transparency and facilitates informed decision-making via direct access to the CDM team and unrestricted access to CelcomDigi's business information.

Section 235 of the Companies Act 2016 (the Act) qualifies Company Secretaries to provide complete support to the Board. They attend Board and Board Committee meetings, prepare minutes and offer regulatory guidance on the Act, MMLR and other obligations, enabling Directors to fulfil their responsibilities effectively. The Company Secretaries stay updated on regulatory changes and corporate governance developments through continuous professional development. The Board is satisfied with their performance and support.

The company securely distributes meeting materials through an electronic Board portal, ensuring timely access at least 12 days before Board meetings and 7 days before Board Committee meetings. Board calendars and agendas are set in advance, and Board members are expected to attend all scheduled Board, Committee and general meetings. For urgent matters, ad hoc meetings are convened in consultation with the Chair and Deputy Chair. The Board and its Committees can seek external expertise as needed, with costs borne by the Company.

Board Meetings

Directors are expected to attend all Board meetings unless exceptional circumstances arise. A meeting calendar is prepared and presented to the Board well in advance, aiding in efficient management planning. In 2024, a total of six Board meetings and six special Board meetings were held.

	Board Meetings	
	Attendance	%
Current Directors		
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz (Chair of the Board)	11/12	92
Jon Omund Revhaug[1] (Deputy Chair of the Board)	N/A	-
Vivek Sood	11/12	92
Rita Skjaervik	12/12	100
Tan Sri Abdul Farid Alias	11/12	92
Vimala V.R. Menon	12/12	100
Datuk Iain John Lo	12/12	100
Khatijah Shah Mohamed	12/12	100
Kasper Wold Kaarboe[2]	10/10	100
Nik Rizal Kamil Nik Ibrahim Kamil[3]	N/A	-
Former Directors		
Petter-Boerre Furberg[4]	2/2	100
Dr. Shridhir Sariputta Hansa Wijayasuriya[5]	11/12	92
Haakon Bruaset Kjoel[6]	12/12	100

Note:

1. *Appointed as Deputy Chair on 21 March 2025*
2. *Appointed on 15 March 2024*
3. *Appointed on 12 February 2025*
4. *Resigned on 15 March 2024*
5. *Resigned on 12 February 2025*
6. *Redesignated as Deputy Chair on 15 March 2024 and resigned on 21 March 2025*

39.5 hrs
Total hours of Board meetings

96.7%
Overall % of Board meetings attended by Directors

81.5 hrs
Total hours of Board and Board Committee meetings

Summary of Board Activities

In 2024 the Board focused on five key areas:

	Activities
Strategy	• Reviewed and approved the Group Strategy plan, ambitions and targets • Oversaw the implementation of the Group strategy and business plan • Aproved participation in the bid for second 5G Network Tender • Discussed 5G and DNB Equity restructuring matters • Approved the Enterprise Resource Planning System • Approved the 2024 Corporate Scorecard, 2024 Business Plan and 2023 Corporate Scorecard Closing • Approved the 2025 Business Plan • Approved the Customer Care Target Operating Model and Network Operating Model • Approved Cloud Service Providers • Approved Retail consolidation and transformation • Approved the Merger Remedy on Yoodo Business • Approved the Sale of Equity in Sacofa Sdn Bhd • Approved renewal of the NADI program • Discussed people and cultural integration • Discussed succession planning • Reviewed and discussed network and IT/system integration
Financial Performance	• Reviewed and approved Q1 2025 Capital Expenditure • Approved Quarterly Financial Results and Quarterly Interim Dividend • Reviewed and approved Audited Financial Statements for FYE 2023 • Approved Related Party Transactions (RPTs) and/or Recurrent RPTs by CelcomDigi Group • Recommended appointment of PricewaterhouseCoopers PLT as external auditor for FYE 2024 • Discussed operational efficiency plan • Approved the issuance of Executive Share Grant Plan for CDM
Risk and Internal Controls	• Reviewed Enterprise Risk and Opportunities status update • Assessed risk assessment of financial and non-financial aspects • Reviewed internal controls and mitigation measures • Reviewed strategic investment proposals in relation to assessment-related key risks and mitigation plans • Approved the Internal Audit Plan for 2024 and 2025 • Approved the Statement on Risk Management and Internal Control for the Integrated Annual Report 2023
Governance	• Reviewed compliance with the MCCG, the Act and MMLR • Approved the Integrated Annual Report 2023 and CG Report • Approved Circular to shareholders in relation to the Proposed Renewal Shareholders' Mandate for Recurrent RPTs • Analysed Performance Evaluation for Board and Board Committee members • Reviewed governance policies and compliance updates • Approved Board Calendar and Meeting plans for 2024 • Received Minutes of Meeting of Board Committees • Recommended payment of Directors' fees and benefits payable to Non-Executive Director for shareholder approval • Approved convening the 27th Virtual Annual General Meeting (AGM) • Recommended Directors to stand for re-election at the AGM • Approved Board Annual Wheel and Board calendar for 2025 • Approved TOR of BAC, BGRMC and BNRC, Board Charter, CEO Charter, Fit & Proper (F&P) Policy and other policies & manuals • Reviewed and discussed governance on the Non-Wholly Investment Manual

	Activities
	• Reviewed and discussed regulatory matters • Reviewed and approved changes in directors and CDM across the company, subsidiaries and investment companies • Approved appointments of the Chief Financial Officer and Chief Customer Experience Officer
Sustainability	• Approved ESG Strategy • Reviewed and discussed Sustainability Framework • Reviewed 2024 material matters through a Materiality Assessment exercise conducted with external and internal stakeholders • Discussed short-, medium- and long-term climate actions and roadmap • Reviewed ESG Program and Activities

Board Appointment Process

The Board follows a meticulous appointment process to ensure Director selections are aligned with the company's values and strategic goals. The Board holds ultimate responsibility for appointments, acting on recommendations from the BNRC. In line with our F&P policy, appointments prioritise diversity, merit and objective criteria to achieve a well-balanced mix of personality, skills and experience, in line with approved selection standards.

The BNRC plays a crucial role in detailing specifications for required criteria. When necessary, the company engages external recruitment consultants to assist in the process. The Board deems the existing appointment process as adequate, as it includes a thorough assessment of each candidate's skills, experience, competency and knowledge. Additionally, every appointment undergoes comprehensive and independent legal due diligence to ensure compliance and to mitigate any potential risks.

Overview of the Process:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Identification of required skills	Selection and assessment of candidates/ Directors	Assessment based on the criteria in the F&P policy	Interaction with candidates(s)/ Director(s)	BNRC's deliberation and confirmation of suitability	BNRC's recommendation for the Board's approval	Decision by the Board on recommended appointment/ re-election

Board Effectiveness Evaluation (BEE)

An internal BEE was conducted in 2024 to assess the Board's performance and identify areas for improvement. The evaluation focused on leadership, committee performance, self and peer assessments, skills matrix and Director independence.

All ten Directors completed the mandatory annual self-assessment on independence. This step ensured the impartiality of Independent Non-Executive Directors (INEDs). The results of the assessments were kept confidential by the Company Secretary and were subsequently summarised and presented to the BNRC and Board for discussion.

The BEE 2024 confirmed that the Board was successful in providing strategic guidance, as well as monitoring and evaluating management proposals. It was evident that the Board effectively upheld the company's integrity with its financial, regulatory and internal processes while also remaining informed about ESG factors. The management and operation of the Board were effectively overseen throughout 2024.

The Board expressed satisfaction with the BEE 2024 findings and affirmed that their responsibilities were effectively fulfilled. They noted the diligent performance of all Board Committees and that the overall evaluation process was well managed.

Achievement of 2024 Priorities

The Board accomplished the following key areas:

Merger Integration and Synergies Strategy	Organisation Development	Sustainability and Corporate Responsibility
Successfully implemented most initiatives from a comprehensive merger integration plan, resulting in increased operational efficiencies and synergies.	Established new culture and values, placement of key leadership layers and the right organisation structure.	Integrated sustainability practices into the business strategy, emphasised environmental and social responsibility, and maintained a long-term commitment to sustainability.

Induction and Continuous Professional Development

The BNRC annually reviews training programmes to ensure Directors stay equipped with the latest knowledge and skills. CelcomDigi also organises market visits to provide firsthand insights into business operations and market outlook. As part of these efforts, the Directors visited the CelcomDigi AI Experience Centre (AiX) located at the CelcomDigi Hub in Subang Jaya Hi-Tech Park. They also engaged with 5G initiatives and participated in the CelcomDigi MY5G CEO Series, which accelerates 5G and AI adoption across enterprises and the public sector in Malaysia.

Most Directors, including Nik Rizal Kamil who was appointed on 12 February 2025, have completed the Mandatory Accreditation Programme (MAP) Part I. Jon Omund Revhaug, who was recently appointed on 21 March 2025, has not yet completed the programme. The Directors are committed to completing the MAP Part II on Leading for Impact within the required timeframe. In FY2024, our Directors participated in training programs listed below:

Name of Director	Training programmes attended
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • E-Invoice Implementation Training by BDO • Generative AI and Opportunities for Business by Sime Darby • Mandatory Accreditation Part II - Leading for Impact by ICDM • ICAEW Ethics course Module I: Practicing Professionalism by ICAEW • PwC Asia Pacific - TMT Leaders Meeting (Navigating Sustainability and Innovation) by PwC • Future of Cybersecurity with AI by Khazanah Nasional Berhad/Asia School of Business • Organizational Benchmarks – Corporate Secretary by GLG Group • Navigating the Future with Emerging Technologies by CIMB • IASB-MASB Outreach on IFRS 18 Presentation and Disclosure in Financial Statement by MASB • Awareness Training on Cybersecurity by CIMB • Islamic Finance for Board of Directors by CIMB Islamic Bank • Board Ongoing Education - Insider Threats by CIMB • Data, AI and Cybersecurity - a trinity to enable business success by CIMB Thai • CelcomDigi ESG Day • 2025 Business Plan & Budget Brainstorming Session by CIMB Thai

Name of Director	Training programmes attended
Vivek Sood	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • BoFA 2024 Asean Conference by BoFA • Asia Forum 2024 by International Institute of Communications • Anti-Money Laundering, Anti-Bribery and Anti-Corruption by Axiata Group Berhad • Microsoft CEO Connection by Microsoft • CLSA Asean Forum 2024 by CITIC Securities • Malaysian Cybersecurity Act 2024 by Wong & Partners • NIST 2.0 – Updated Cybersecurity Maturity Framework by KPMG • BRCC Training by Axiata Group Berhad • Innovate or Perish – Harnessing Generative AI for Strategic Business Advantage by Axiata Group Berhad • Preparing You for the Upcoming Regulatory Requirements by PwC • Axiata Group Risk & Compliance Annual Conference by Axiata Group Berhad • ICDM Advocacy Dialogue on CVC by ICDM • APOS CEO Forum by APOS • Khazanah Megatrend Forum by Khazanah Nasional Berhad • Insights into Fintech Landscape by Boost • Making Ecosystem Banking Work in Singapore by Boost • Fintech Landscape in Indonesia, Pockets of Opportunity in SEA and Driving Synergies between Telcos and Digital Banks by Boost • Driving Synergies for the Underserved by Boost • Winning Culture & Living with Change by Axiata Group Berhad • TEF Portfolio Rationalisation by Axiata Group Berhad • Vantage Towers Monetization by Axiata Group Berhad • Axiata Brand Workshop by Axiata Group Berhad
Rita Skjaervik	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • Leading in Complexity by Egon Zehnder & Mckinsey • Company and Security Laws, Code of Conduct by Telenor ASA • Sustainability Training – CSRD by PwC • CSRD – Expert Gathering Part 1 by Ministry of Trade, Industry and fisheries, Norway • CSRD – Expert Gathering Part 2 by Ministry of Trade, Industry and fisheries, Norway NHO Year Conference 2024 by NHO • Page Spring Seminar 2024 by Page Society • NHO AI Forum by NHO • Equinor's Autumn Conference 2024 by Equinor

Name of Director	Training programmes attended
Tan Sri Abdul Farid Alias	• CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics, and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • E-Invoice Implementation Training by BDO • Presentation & Demo Session on the Centralised Sustainability Intelligence Platform by London Stock Exchange • Sustainable Sustainability – Why ESG is not enough by Asia School of Business • Palm & Lauric Oils Price Outlook Conference & Exhibition 2024 by Bursa Malaysia • Invest Malaysia 2024 – Regaining Malaysia's Lead in Asia by Bursa Malaysia, China International & Capital Corp, Maybank Investment Bank • Cyber Crisis Simulation Exercise by Bursa Malaysia • AMLCFT Board and Leadership by Bursa Malaysia • Launch of the Future Skills Framework for the Malaysian Financial Sector by AICB • Invest Shariah Conference 2024 – Investing with a Clear Purpose by Bursa Malaysia • Awareness Talk on Exchange Traded Derivatives by Bursa Malaysia & CME Group • Invest Malaysia @ Iskandar Puteri – Where Policy Meets Progress by Bursa Malaysia • 63rd WFE General Assembly & Annual Meeting 2024 by Bursa Malaysia • Petronas' Cybersecurity Briefing by Petronas & PNB • Bursa Board Strategy Retreat 2024 by Bursa Malaysia • Bursa Board Offsite by Bursa Malaysia • Capitaland Board Strategy Retreat – Capitaland Investment Ltd
Vimala V.R. Menon	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • E-Invoice Implementation Training by BDO • Internal Audit Conference – Facing the Unknown by ICAEW • Crisis Prevention – Role of Directors and Board by ICAEW • Recovering from a Crisis – Lessons for the Board by ICAEW • Navigating the Governance of AI by ICAEW
Datuk Iain John Lo	• CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • E-Invoice Implementation Training by BDO • What Amounts to a Conflict of Interest by Asian School of Business • COP28 Overview and Implications for Financial Services by Ernst & Young • Cyber Risk Awareness by Firmus • Carbon Markets by FIDE • Navigating Ramsonware Landscape: Strategic Insights for Board Leadership in an Evolving Threat Environment by RHB • Fortify your ABC Fences by RHB • Briefing on MFRS9 ECL Refresher by PwC

Name of Director	Training programmes attended
Khatijah Shah Mohamed	• Mobile World Congress 2024 Barcelona by GSMA • Mandatory Accreditation Programme Part II: Leading for Impact by ICDM • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • E-Invoice Implementation Training by BDO • Answering Enterprise demands – Telco's role in transformation STL Partners and Red Hat by STL Partners • Growing Consumer ARPU's by STL Partners • Accelerating Sustainability through Network Automation STL Partners and Blueplanet by STL Partners • Telcos' Real-Life Progress with AI by STL Partners • Axiata Group Risk & Compliance Annual Conference by Axiata • Progressing to Net Zero: A blueprint from Singtel by STL Partners • Capturing the Surging Spend on Real Time Automation by STL Partners
Haakon Bruaset Kjoel	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • Annual Meeting of Singapore Institute of Director by SID
Dr. Shridhir Sariputta Hansa Wijayasuriya	• Mobile World Congress 2024 Barcelona by GSMA • CelcomDigi Directors Conflict of Interest Training by Zul Rafique & Partners • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey • BRCC Chairperson Conference by Axiata Group Berhad • IIC Asia Forum 2024 by Axiata Group Berhad • Mandatory Accreditation Programme Part II: Leading for Impact by ICDM • TM Forum by TM Forum • Mobile World Congress 2024 Shanghai by GSMA • TEF Portfolio Rationalisation by Axiata Group Berhad • Vantage Towers Monetization by Axiata Group Berhad • Special Training for Board Members & SLTs by Axiata Group Berhad • Ideas Workshop Axiata by Axiata Group Berhad • ERM Workshop with SLT by Axiata Group Berhad
Kasper Wold Kaarboe	• Mandatory Accreditation Programme by ICDM • CelcomDigi Board Strategy Workshops: Harnessing the AI Revolution & Navigating Market Dynamics and Strategic Integration • CelcomDigi Operational Excellence by McKinsey

Board Nomination and Remuneration Committee (BNRC) Report

Committee membership	Meetings attended
Datuk Iain John Lo (Chair of BNRC)	6/6
Tan Sri Abdul Farid Alias	5/6
Vimala V.R. Menon	6/6

The BNRC comprises of three INEDs and is chaired by Datuk Iain John Lo. The principal duties of the BNRC are to:

(i) Lead succession planning and appointment of Board members and CDM in CelcomDigi.
(ii) Oversee the development of a diverse pipeline for succession of the Board and CDM.
(iii) Conduct an annual review of Board efficacy, independently assessing the performance of the Board, each individual Director and the Chair of the Board.
(iv) Review the performance of CDM through company scorecards.
(v) Determine policies and structure for the remuneration of Directors and CDM.

Functions of the BNRC and Related Activities in 2024

Board Succession Plan

The BNRC oversees the Board Succession Plan, reviewing the necessary mix of skills and experience. The BNRC also assesses the tenure of Independent Directors, proposes retirements and recommends re-election of Directors.

In 2024, there were several significant changes to our Board composition.

(i) 15 March 2024 : Petter-Boerre Furberg resigned and Kasper Wold Kaarboe was appointed as a NINED, and Haakon Bruaset Kjoel was redesignated as Deputy Chair.
(ii) 12 February 2025 : Dr. Shridhir Sariputta Hansa Wijayasuriya resigned and Nik Rizal Kamil Nik Ibrahim Kamil joined as a NINED.
(iii) 21 March 2025 : Haakon Bruaset Kjoel resigned, and Jon Omund Revhaug was appointed as a NINED and designated as the Deputy Chair of the Board.

Stringent fit and proper requirements were applied to all board members. The BNRC conducted assessments and confirmed that each Director met the requirements outlined in the F&P policy.

CelcomDigi limits the tenure of independent directors to a maximum of 12 years, in accordance with MMLR guidelines. Their independence is confirmed via Annual assessments. As of FYE 2024, only one Director has served for more than 9 years. The Board is satisfied with the performance of all Independent Directors and their ability to act in the best interest of the Company.

Director Re-election

The Director retirement rotation list was endorsed by the BNRC, recommended to the Board, and then presented to shareholders for approval. This recommendation is based on BNRC's annual evaluation, independence assessment and fulfilment of F&P criteria.

Directors retiring pursuant to Article 104(A) and 104(E) of the Company's Constitution are as follows:

Article 104(A)	Article 104(E)
(i) Vivek Sood	(i) Nik Rizal Kamil Nik Ibrahim Kamil
(ii) Rita Skjaervik	(ii) Jon Omund Revhaug
(iii) Tan Sri Abdul Farid Alias	

During the BNRC meeting held on 10 March 2025, the BNRC assessed whether all Directors up for re-election met the F&P criteria, confirming their compliance with the policy. All eligible Directors have consented to re-election at the 28th AGM.

Directors' Remuneration

The Board remuneration structure aligns with our strategic objectives. It incorporates market practices and trends, with a specific focus on attracting and retaining qualified Non-Executive Directors (NEDs). Each NED abstains from participating in discussions or voting on their individual remuneration.

The NEDs, namely Haakon Bruaset Kjoel, Rita Skjaervik, Kasper Wold Kaarboe, Vivek Sood and Dr. Shridhir Sariputta Hansa Wijayasuriya, are nominee representatives from our major shareholders. In 2024, NEDs received remuneration from their employing companies within the Telenor and Axiata Groups, without any compensation from CelcomDigi.

Non-Executive Directors	Directors' Fees (RM)	Benefit-in-kind (RM)	Total (RM)
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	540,000	8,421	548,421
Jon Omund Revhaug[1]	Nil	Nil	Nil
Vivek Sood	Nil	Nil	Nil
Rita Skjaervik	Nil	Nil	Nil
Nik Rizal Kamil Nik Ibrahim Kamil[2]	Nil	Nil	Nil
Tan Sri Abdul Farid Alias	459,000	8,984	467,984
Vimala V.R. Menon	391,500	9,614	401,114
Datuk Iain John Lo	445,500	7,239	452,739
Khatijah Shah Mohamed	405,000	10,048	415,048
Kasper Wold Kaarboe[3]	Nil	Nil	Nil
Petter-Boerre Furberg[4]	Nil	Nil	Nil
Dr. Shridhir Sariputta Hansa Wijayasuriya[5]	Nil	Nil	Nil
Haakon Bruaset Kjoel[6]	Nil	Nil	Nil
Total	**2,241,000**	**44,306**	**2,285,306**

Note:
[1] Appointed on 21 March 2025
[2] Appointed on 12 February 2025
[3] Appointed on 15 March 2024
[4] Resigned on 15 March 2024
[5] Resigned on 12 February 2025
[6] Resigned on 21 March 2025

CEO and CDM Performance Appraisal

In March 2025, the BNRC conducted a comprehensive review of the CEO and CDM's 2024 scorecards, evaluating their performance against set targets. The remuneration packages and incentives align with best practices in remuneration, retention and reward, ensuring the Group's capability to engage top-tier talents.

The details of aggregate remuneration of the CEO for the financial year 2024 are as follows:

CEO	Salaries (RM)	Allowances (RM)	Bonus (RM)	Benefit-in-kind (RM)	Total
Datuk Mohamad Idham Nawawi	3,020,400.00	240,000.00	1,747,500.00	19,517.40	5,027,417.40

Additionally, the BNRC held several meetings to establish a robust management succession plan. The Second Executive Share Grant Plan for CDM was approved by the BNRC.

BNRC's Effectiveness Review and Performance

Based on the BEE 2024 findings, the Board confirms the BNRC is effectively fulfilling its duties. The BNRC has been instrumental in supporting the Board's objectives and providing sound advice and recommendations, particularly in competency management and succession planning for Directors and CDM.

Summary of BNRC Activities

Main Activities for 2024

- Conducted the annual assessment and review of the composition of the Board and Board Committees
- Reviewed the 2024 and 2025 Corporate Scorecard and Management Priorities
- Reviewed Directors' Fees and Benefits Payable
- Reviewed Directors' training requirements
- Recommended the re-election of Directors retiring at the 27th AGM
- Reviewed the BNRC Report for inclusion in the Integrated Annual Report
- Reviewed and approved the Executive Share Grant Plan for CDM
- Completed the assessment of CDM Remuneration
- Reviewed salary of CDM
- Reviewed the TOR of the BNRC
- Reviewed Succession Planning for CDM
- Reviewed the CDM Structure leading up to new position of Chief Customer Experience Officer
- Reviewed the proposed new directors for the Company, its subsidiaries and investment companies
- Conducted a comprehensive Board Effectiveness Evaluation

Principle B – Effective Audit and Risk Management

Board Audit Committee (BAC) Report

The BAC is committed to supporting the Board in fulfilling its statutory and fiduciary responsibilities to the company and its subsidiaries (the Group). The BAC plays a pivotal role in enhancing overall efficiency by independently reviewing the Group's financial, operational and compliance controls. This includes evaluating the effectiveness of both internal and external auditors, in accordance with the criteria outlined under Paragraph 15.21 of the MMLR.

The BAC's roles and responsibilities, detailed in its Terms of Reference, include reporting on any actual or potential Conflict of Interest (COI) situations within the Company or Group during the financial year, along with taking measures to resolve, eliminate or mitigate such conflicts. The BAC operates under the guidance of the Internal Audit Charter, which has been approved by the Board and is aligned with the MMLR, ensuring the effective handling of its responsibilities.

Composition of the BAC and Attendance of Meetings

The BAC comprises the following INEDs:

Committee membership	Meetings attended
Tan Sri Abdul Farid Alias (Chair of BAC)	7/7
Vimala V.R. Menon	7/7
Khatijah Shah Mohamed	7/7

The BAC carries out its responsibilities through scheduled meetings during the year, which cover matters under the purview of the BAC. A total of seven meetings were held for FYE2024.

Summary of BAC Activities

In 2024, the BAC performed the following activities:

	Activities
Internal Audit	a) Deliberated on the risk-based Annual Audit Plan to ensure adequate scope and comprehensive coverage of CelcomDigi's activities, prior to recommending it to the Board for approval. Monitored audit review progress and approved adjustments to the Annual Audit Plan to address evolving risks and ad-hoc requests from CDM. b) Reviewed significant audit findings, audit recommendations and the adequacy of the Management team's corrective actions. Significant issues were discussed at length with the presence of relevant CDM team members, ensuring satisfactory and timely remediation of agreed corrective actions. c) Monitored Management's progress on outstanding audit findings on a quarterly basis, ensuring that corrective actions to close identified gaps had been implemented within committed timelines. Followed up until the BAC was satisfied that adequate controls were in place. d) Provided guidance on ad-hoc matters arising from ongoing internal audit reviews and activities. e) Assessed the effectiveness of the Internal Audit function by evaluating its performance and competencies, as well as monitoring the adequacy of resources and total costs, confirming that it had the required expertise and professionalism. f) Reviewed investigation findings and the CelcomDigi Management team's recommendations that included disciplinary and/or corrective actions. Discussions focused on the root cause of the incidents and the risk of exposure to the company. Periodic updates were furnished to the BAC to track adequate and timely resolution of the remedial actions.
Financial Reporting	a) Reviewed CelcomDigi's unaudited quarterly financial results and audited annual financial statements and related announcements before recommending for Board approval, including: • Deliberation on significant audit and accounting matters, including Management's judgements, estimates or assessments, and the adequacy of financial statement disclosures; and • Discussion on significant financial matters to ensure compliance with the Malaysian Financial Reporting Standards (MFRS) and internal accounting policies. b) Reviewed Significant Accounting Adjustment for write offs and bad debt. c) Reviewed 2024 Guidance to the market. d) Reviewed Working Capital Management and Improvement Plans. e) Reviewed 2023 Results and 2024 Update on Internal Control Over Financial Reporting.
External Audit	a) Reviewed the scope of work of external auditors to confirm their independence and objectivity. b) Reviewed the external auditors' Management Letter and Management's responses, to ensure that appropriate actions have been taken. c) Monitored all non-audit services and fees incurred on a quarterly basis, in which the external auditors were engaged in, taking into account their independence and objectivity. CelcomDigi's audit and non-audit fees paid to external auditors are disclosed in Note 7 of the financial statements and in the Additional Compliance Information in this report. d) The BAC held private meetings with the external auditors to ensure there were no restrictions to the scope of their audit and discussed significant matters that arose during audit. e) Evaluated the performance of the external auditors and made recommendations to the Board, subject to the approval of CelcomDigi shareholders at the Annual General Meeting.
Related Party Transactions (RPTs)	a) Reviewed the mandate compiled for recurrent RPTs. b) Reviewed RPTs as disclosed in the financial statements and performed quarterly monitoring of the mandate for recurrent RPTs to ensure compliance with the MMLR and internal policies and procedures. c) Reviewed new RPTs to ensure that the terms and conditions of the transactions were commercially based and performed at arm's length.
Conflict of Interest (COI)	a) Reviewed the COI situations declared by Directors and reported them to the Board accordingly, ensuring that the interested Directors abstained from deliberating and voting on the transactions. b) Reviewed COI policies and procedures to report any actual or potential conflicts to the Board, in accordance with the MMLR. *Details of the COI can be found at page 129.*
Other Activities	a) Reviewed and recommended to the Board the BAC Report, Directors' Responsibility Statement and Statement on Risk Management and Internal Control, for inclusion into the Integrated Annual Report. b) Reviewed and recommended the revised BAC TOR for the Board's approval. c) Reviewed the proposed dividend payout on a quarterly basis, taking into consideration cash flow requirements, before recommending for the Board's approval.

Review of Conflict of Interest (COI) Situations

In November 2023, the Directors' established COI policy outlined principles and procedures for identifying, declaring and managing actual or potential conflicts of interest, including competing business interests. Complementing the Board Charter, it applies to the Board and Directors of the Company and its subsidiaries. Supported by the Code, the policy provides a clear framework for COI disclosures, reinforcing a culture of integrity in line with CelcomDigi's Core Values.

In accordance with Bursa Malaysia's Guidance on Conflict of Interest, the BAC has reviewed COI situations, assessed the measures taken to mitigate them, and reported findings to the Board. The BAC is satisfied that COIs have been effectively managed in compliance with the COI policy and regulatory requirements. COI cases involving Directors and CDM in FY2024, along with mitigation measures taken, are outlined below.

Conflicts of Interest Involving Directors in 2024

Nature of COI	Nature and Extent of Interest of Conflicted Director(s)	Measures Taken to Address COI
1 **Engagement with Digital Nasional Berhad (DNB):** Site Leasing, Access Agreement, Share Subscription Agreement, and Shareholders' Agreement as disclosed in the Additional Compliance Information section	Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz (Tengku Azmil), Vivek Sood (Vivek) and Dr Shridhir Sariputta Hansa Wijayasuriya (Dr. Hans)[1] are Board representatives of Axiata, a major shareholder of CelcomDigi. Axiata's largest shareholder, Khazanah Nasional Berhad (Khazanah) is owned by the Ministry of Finance (Incorporated) which is also the largest shareholder in DNB.	Tengku Azmil, Vivek and Dr. Hans declared their interest before Board meetings, abstained from discussions and voting, and recused themselves when necessary. They are also excluded from related Board materials and meeting minutes.
2 **Engagement with edotco Group:** Site Leasing for CelcomDigi's network integration and consolidation plan	Tengku Azmil, Vivek and Dr. Hans[1] are Board representatives of Axiata, which is also a major shareholder of edotco.	Tengku Azmil, Vivek and Dr. Hans declared their interest before Board meetings, abstained from discussions and voting, and recused themselves when necessary. They are also excluded from related Board materials and meeting minutes.

Conflicts of Interest Involving Directors in 2024

Nature of COI	Nature and Extent of Interest of Conflicted Director(s)	Measures Taken to Address COI
3 **Appointment of Axiata Digital Lab (ADL):** as System Integrator for the Business Support System Consolidation	Tengku Azmil, Vivek and Dr. Hans[1] are Board representatives of Axiata, which is also a major shareholder of ADL.	Tengku Azmil, Vivek and Dr. Hans declared their interest before Board meetings, abstained from discussions and voting, and recused themselves when necessary. They are also excluded from related Board materials and meeting minutes.
4 **Proposal on Sacofa Sdn Bhd equity interest:** Share Sale Agreement with the State Financial Secretary of Sarawak	Datuk Iain John Lo is a member of the Board of Guardians of the Sarawak Sovereign Wealth Future Fund, which is connected to the State Financial Secretary of Sarawak.	Datuk Iain declared his interest before Board meetings, abstained from discussions and voting, and recused himself when necessary. He is also excluded from related Board materials and meeting minutes.

Conflicts of Interest Involving CDM in 2024

Nature of COI	Nature and Extent of Interest of Conflicted CDM	Measures Taken to Address COI
1 **Celcom Timur Sabah Sdn Bhd (CT Sabah) new satellite service business:** Term Sheet/Memorandum of Understanding with Sabah Electricity Sdn Bhd and VSAT	Afizulazha Abdullah (Afiz), Chee Loo Fun (Loo Fun)[3], Kesavan Sivabalan (Kesavan) and Lucy Tan Moi Tsu (Lucy Tan)[2] were nominated as representatives of CelcomDigi, which owns 80% of CT Sabah.	Afiz, Loo Fun, Kesavan and Lucy Tan declared their interest in the engagement. They will abstain from discussions and recuse themselves from voting on the matter as and when the matter is brought up to the board of CT Sabah.
2 **CT Sabah's Advanced Metering Infrastructure (AMI) Project with Sabah Electricity Sdn Bhd (SESB):** SESB is a related party and is indirectly owned by Khazanah	Afiz, Loo Fun[3], Kesavan and Lucy Tan[2] were nominated as representatives of CelcomDigi.	Afiz, Loo Fun, Kesavan and Lucy Tan declared their interest in the AMI Project with SESB. They abstained from discussions, recused themselves from voting, and were excluded from any Board materials relevant to the approval of the recurrent related party transaction (RRPT).

Conflicts of Interest Involving CDM in 2024

Nature of COI	Nature and Extent of Interest of Conflicted CDM	Measures Taken to Address COI
3 **Joinder and Amendment to Lease Transmission Bandwidth Service Agreement involving CT Sabah:** CelcomDigi has interest in the proposed transaction	Afiz, Loo Fun[3], Kesavan and Lucy Tan[2] were nominated as representatives of CelcomDigi.	Afiz, Loo Fun, Kesavan and Lucy Tan declared their interest in the agreement. They abstained from discussions, recused themselves from voting, and were excluded from any Board materials relevant to the approval of the RRPT.
4 **Contracts with Digital National Berhad (DNB):** Disputed payment on 5G access fee between DNB & CelcomDigi	Datuk Kamal Khalid, CDM team member of the company, was nominated and appointed as a Director of DNB. His family member is a Board member at a financial institution that lends to DNB.	Datuk Khalid declared his interest in the agreement. He abstained from discussions and recused himself from voting.
5 **Mobile Virtual Network Operator (MVNO):** Access Agreement with Tune Talk Sdn Bhd (Tune Talk)	Erik Axel Sigurd Marell and Datuk Kamal Khalid were nominated and appointed as Directors of Tune Talk.	Erik Marell and Datuk Khalid declared their interest in the agreement. They have abstained from discussions and recused themselves from voting.

Note:
1. *Resigned w.e.f. 12 February 2025*
2. *Resigned as CFO on 2 January 2025*
3. *Resigned as Chief Home & Fibre Officer on 31 December 2024*

Internal Audit Function

The Internal Audit (IA) function prepares the Annual Audit Plan, which is then approved by the BAC. It covers governance, risk management and internal control processes, including regulatory compliance such as RPTs.

IA employs a risk-based methodology in its preparation of the Annual Audit Plan, aligning with the Company's objectives, risk appetite and profile, with input from BAC and the CDM Team.

At quarterly BAC meetings, IA presents progress updates of its Annual Audit Plan, including key findings from audit reports and the corresponding audit opinion, audit recommendations, and corrective actions. Agreed-upon corrective actions are tracked, ensuring resolution and closure within the specified completion date.

Scope and Coverage

IA employs the Audit Command Language (ACL) for data analytics, enabling digital and data-driven auditing to provide comprehensive coverage of audit reviews.

In 2024, a total of 16 engagements (including special reviews) were conducted over the following areas:

- Governance: employee data privacy and Business Continuity Management
- Data analytics: vendor data management, kiosk collection and testing of system controls against Postpaid and Prepaid business rules
- Operational: network decommissioning, Home Fibre operations, Enterprise incentives, dealer management and device management
- Minimum Baseline Security Standard (MBBS) 4.0 for Telco Assets (ex-Digi)
- IT General Controls and Application Controls over the legacy Celcom Customer Relationship Management System
- Joint IT audit on Celcom Timur (Sabah) Sdn Bhd over Network Cloud Engine.

Internal investigations into misconduct and breaches of the Code were also conducted.

Quality Insurance and Improvement Program

IA implements a Quality Assurance and Improvement Program (QAIP) to evaluate compliance with Internal Auditing Standards, with findings reported to the BAC yearly. IA leverages the Audit Management System, Pentana, to support a structured, digitised and consistent approach to conducting audits and documenting audit work.

Resources

The BAC regularly reviews IA's human resource requirements to ensure it is well-equipped with competent and proficient internal auditors. The educational background of the IA team is listed below:

Educational background	Total internal auditors
Accounting/Finance/Economics/Business	15
Information Technology/Computer Science/Science	11
Engineering/Network	3
Quality Management	1
Others	1

The total operational costs of the IA department for FY2024 amounted to RM 5.99 million (2023: RM4.84 million).

Professional Qualifications & Continuous Development

As digital technologies and data analytics become more integral to audits, internal auditors – including investigators – are encouraged to pursue professional certifications to maintain a high standard of expertise and expand their skill set.

The professional qualifications of the IA team are listed below:

Professional Qualification	Total internal auditors certified
Chartered/Certified Accountants	6
Certified Information Systems Auditor	4
Certified Internal Auditor	1
Certified Fraud Examiner	1
ISO 9001 Lead Auditor	1

Board Governance and Risk Management Committee (BGRMC) Report

Committee membership	Meetings attended
Vivek Sood (Chair of BGRMC)	3/4
Datuk Iain John Lo	4/4
Haakon Bruaset Kjoel	4/4
Khatijah Shah Mohamed	4/4

The BGRMC, led by Vivek Sood, a NINED, is responsible for governance, compliance and risk management. It integrates sustainability considerations into CelcomDigi's long-term strategy plans. The BGRMC comprises two INEDs and two NINEDs. The roles and responsibilities of the BGRMC are detailed in the BGRMC TOR, which is available at https://celcomdigi.listedcompany.com/corporate_governance.html

Summary of BGRMC Activities

The BGRMC conducted the following activities in 2024:

	Activities
Risk Management and Internal Control	a) Reviewed and deliberated on key business risks, ensuring proactive measures are in place to mitigate emerging threats associated with CelcomDigi's strategic objectives. b) Monitored the progress and evaluated the effectiveness of mitigation strategies taken to minimise risk within the defined risk appetite level. c) Oversaw organisational crisis preparedness, incident response and management of business continuity. d) Reviewed the effectiveness of responses to significant incidents, providing post-event evaluations and recommendations for improvement. e) Evaluated overall adequacy and effectiveness of internal controls by reviewing findings from internal and external audits.
Compliance	a) Reviewed and provided a quarterly report on the Compliance & Monitoring program roadmap, training, awareness and procedures, including processes for Integrity Due Diligence and all matters arising in dealing with Anti-Corruption matters. b) Reviewed updates on applicable areas, including Enterprise Risk Management, Compliance & Monitoring, Sustainability, Cyber Security, Occupational Safety and Health & Supply Chain Management, and Regulatory and Privacy, for discussion at the Governance Risk & Compliance Committee Meeting before the next BGRMC Meeting. c) Conducted a self-assessment of policy implementation and an organisation-wide review of policies and manuals, with periodic revisions and updates by policy owners for Board approval. d) Completed 100% of training and awareness modules (the Code, Anti-Corruption, COI) with a 100% pass rate in year-end compliance assessment. e) Conducted Corruption Risk Assessment (CRA) 2024. f) Regularly oversaw policy adoption and provided advice on compliance-related matters to non-wholly owned subsidiaries (NWOS).
Other Activities	a) Reviewed the Integrated Annual Report 2023 consisting of the CG Overview Statement, CG report, Statement on Risk Management and Internal Control. b) Reviewed the Quarterly Environmental, Social and Governance program and strategy. c) Reviewed and recommended the revised BGRMC TOR for Board's approval. d) Reviewed and recommended the Governance of Non-Wholly Investment Manual. e) Reviewed Health & Safety incidents. f) Reviewed Quarterly Cybersecurity update.

Corporate Governance Overview Statement

Principle C – Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Our Corporate Reporting Integrity

CelcomDigi is dedicated to upholding the highest standards of corporate reporting integrity. We diligently ensure that reports are accurate, reliable and comprehensive, reflecting our commitment to transparency and accountability.

At the core of these efforts is the Reporting Committee, a cross-functional team that includes representatives from the Finance, Company Secretary, Investor Relations (IR), Sustainability, Corporate Strategy and Corporate Communications departments. This committee thoroughly reviews reports to ensure it accurately represents CelcomDigi's performance and complies with both local and international reporting standards.

The review process also involves the BAC and the BGRMC, ensuring compliance to established governance practices. The report is ultimately approved by the Board, demonstrating the meticulousness and integrity embedded in our reporting framework.

Our Approach in Communicating with Stakeholders

The Board places importance on engaging with stakeholders to promote good corporate governance. We prioritise open and transparent two-way communications, valuing stakeholder insight on our business strategies and allowing their input to shape our disclosure practices. Our shareholder dialogue aligns with MCCG practices.

Our IR team uses digital platforms to share information about CelcomDigi's financial performance, business direction and strategic development with the investment community. Our dedicated IR website provides the latest updates, invites, feedback and inquiries from stakeholders and the public. For more details, including our digital engagement initiatives, please refer to Section 3: Our Key Relationships on pages 52 to 55.

Conduct of General Meetings

CelcomDigi is committed to conducting transparent and engaging General Meetings, notably the AGM, which is pivotal for effective shareholder communication. This meeting provides an essential platform for shareholders to actively participate in meaningful dialogue with the Board and CDM team.

Embracing our digital-first approach and advancements in video conferencing technology, we have successfully transitioned to a virtual format for our general meetings. This shift ensured seamless business continuity and received positive feedback from stakeholders, who appreciated the enhanced efficiency and transparency. Features such as live Q&A sessions, online polling and chat rooms further enriched the shareholder experience.

In accordance with recent announcements by Bursa Malaysia and the Securities Commission Malaysia, CelcomDigi will adopt to a hybrid format for its upcoming AGM in 2025.

The AGM for CelcomDigi Berhad has been scheduled for 22 May 2025. Notice will be issued to shareholders 28 days prior to the meeting, ensuring they have sufficient time to review the Company's performance for the year, as well as the resolutions to be tabled during the AGM.

The AGM minutes and summary of Q&A dialogues will be published on https://celcomdigi.listedcompany.com/agm.html for public viewing after the AGM.

Summary of IR Activities

Since merging in December 2022, CelcomDigi has strategically designed a series of IR events ranging from quarterly results briefings to company roadshows, keeping our IR stakeholders well-informed and updated on the Company's financial, operational and strategic advancements. The IR team worked closely with internal stakeholders to actively address shareholder and investor concerns and feedback. CelcomDigi expresses our sincere appreciation to all stakeholders who dedicated their time and effort to attend these events. The summary of our investor engagement activities and the comprehensive details of the IR calendar can be accessed at https://celcomdigi.listedcompany.com/financial_calendar.html

Statement by the Board

The Board approved this statement on 21 March 2025. They acknowledge that CelcomDigi adheres to the highest corporate governance standards, adopting principles and best practices from the MCCG, MMLR and relevant laws and regulations.

Statement on **Risk Management and Internal Control**

The Board of CelcomDigi is pleased to present this Statement on Risk Management and Internal Control. It highlights the framework, processes and measures implemented to effectively manage risks, protect the Group's assets and uphold strong governance practices throughout the fiscal year. This statement has been prepared in compliance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad's (Bursa Securities) Main Market Listing Requirements, and is jointly endorsed by the Board Governance and Risk Management Committee (BGRMC) and the Board Audit Committee (BAC).

Responsibilities And Accountabilities

The Board is committed to maintaining strong and effective enterprise risk management and internal control systems to safeguard our shareholders' investments and protect the assets of CelcomDigi and its subsidiaries (the Group). These systems are designed to proactively identify, evaluate and manage risks while supporting the Group's business objectives and sustainability strategies.

To ensure effectiveness, the Board has delegated oversight authority to the BGRMC and BAC to regularly review and assess the Group's risk management framework and internal controls, monitor key business risks and carry out ongoing proactive measures to safeguard the Group's assets and shareholders' interests.

CelcomDigi Management (CDM) and CelcomDigi Leadership (CDL) are responsible for carrying out risk management and internal control policies approved by the Board. Their roles involve identifying and evaluating risks, tracking business performance, and ensuring objectives are met within the Group's defined risk appetite and tolerance levels.

The Board acknowledges that the Group's risk management and internal control systems are designed to provide reasonable assurance in managing risks and safeguarding assets. However, these systems have inherent limitations and cannot entirely eliminate the possibility of significant losses or unforeseen events. Factors such as external uncertainties, market volatility and operational complexities may still pose challenges. Despite this, the Board remains committed to continuously strengthening the framework to effectively mitigate risks, respond to unexpected developments and protect the interests of the Group and its stakeholders.

Corporate Annual Statement on Risk Management and Internal Control (SORMIC) Assessment

CDM is committed to strengthening governance processes by maintaining an existing SORMIC Working Team jointly led by Enterprise Risk Management (ERM), Compliance and other relevant governance functions. These efforts are reflected in the annual SORMIC assessments conducted across CelcomDigi's divisions and subsidiaries.

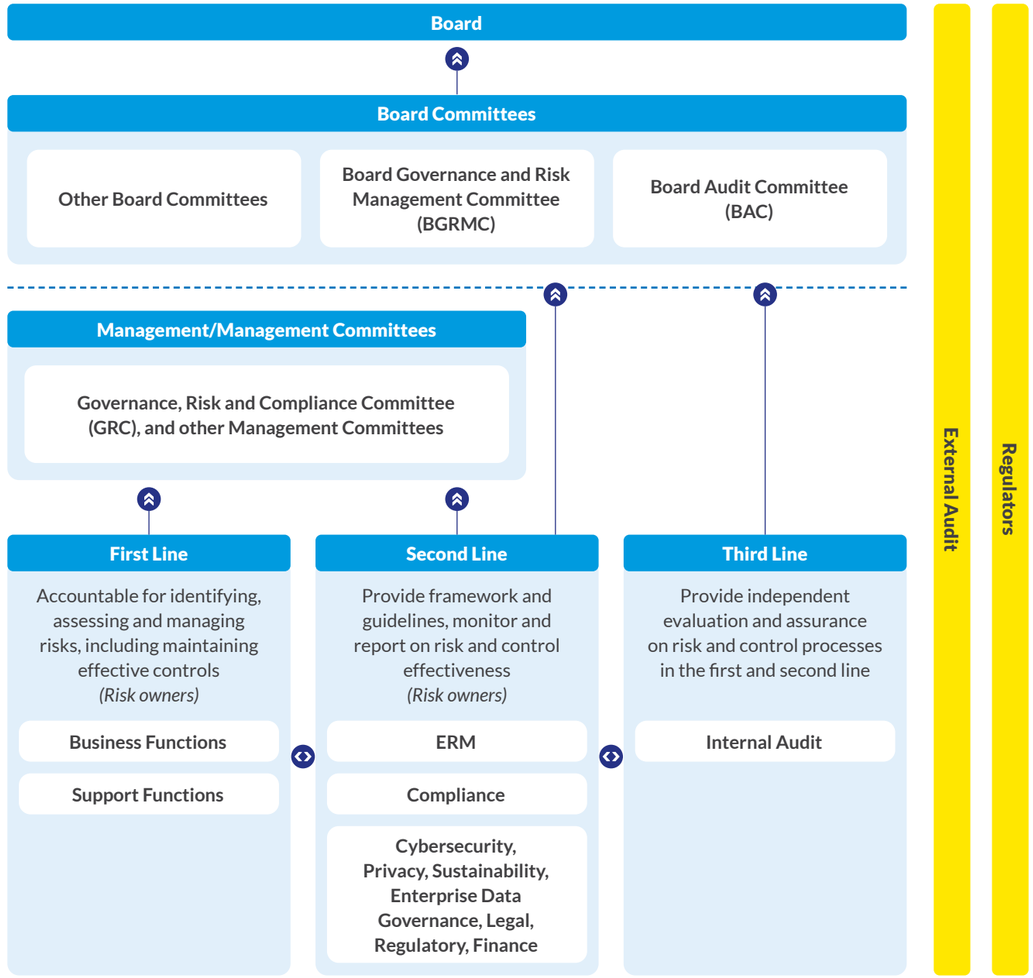
Statement on Risk Management and Internal Control

Risk Management (Governance)

CelcomDigi's Enterprise Risk Management (ERM) framework is aligned with ISO 31000:2018 standards, which provide a structured approach to identifying, assessing, monitoring and reporting risks across the Group. The framework also defines the responsibilities of key stakeholders with the ERM function in leading program execution and related activities.

Diagram 1 below illustrates the roles and responsibilities of risk management practices across CelcomDigi.

Diagram 1: Roles and Responsibilities of Managing Risks



Statement on Risk Management and Internal Control

Risk Management (Methodology)

At CelcomDigi, we embed risk management into daily operations and decision-making processes across all functions, ensuring a proactive and comprehensive approach to safeguarding our organisational goals. Our risk identification process is aligned with the strategic objectives outlined in our corporate plan, and the evolving risks within the telecommunications industry. This alignment ensures that we are well-prepared to navigate uncertainties while capitalising on emerging opportunities.

Once risks are identified, they are carefully assessed by CDL to determine their potential impact and implications for the business. These risks are systematically recorded in a risk register. Each risk is then mapped against a 4x4 severity risk matrix, which evaluates likelihood and impact dimensions. This structured evaluation helps assign a clear risk rating, ranging from Low to Extreme, providing CDM with a visual representation of the organisation's risk landscape. CDM can therefore prioritise mitigation efforts and allocate resources effectively based on the severity of the risk rating.

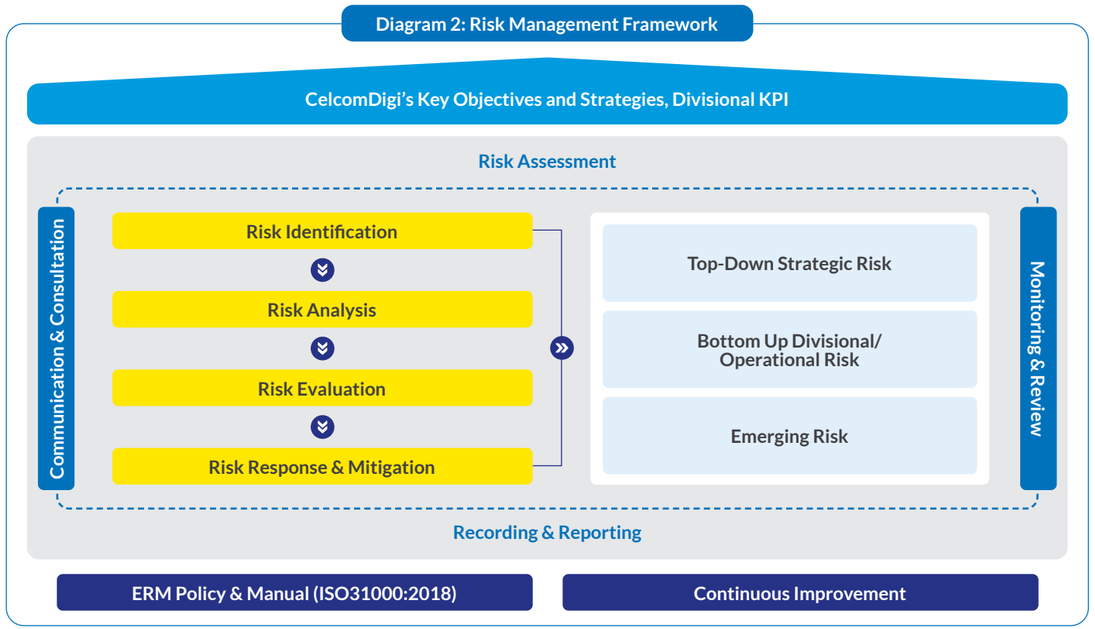
Periodic monitoring and reporting of both newly identified risks and the progress of existing risks are fundamental components of our risk management framework. This ongoing process ensures that the effectiveness of mitigation efforts is closely tracked, enabling the organisation to promptly adapt strategies in response to evolving circumstances.

Regular updates on the current risk landscape and the progress of mitigation efforts are presented to the Governance, Risk, and Compliance Committee (GRC), the Board Governance and Risk Management Committee (BGRMC), and the Board. This ensures that key stakeholders are consistently informed and engaged in the organisation's risk oversight process.

As part of our commitment to continuous improvement, we consistently refine our risk management framework in accordance with industry best practices and emerging trends. This includes enhancing our risk awareness programmes and advancing the implementation of effective tools to strengthen our risk management capabilities.

Refer to diagram 2 for a comprehensive overview of CelcomDigi's risk management framework and processes:

Diagram 2: Risk Management Framework



Internal Control Systems

The Board has implemented internal control systems to ensure effective governance and oversight across various functions of the organisation. These controls include:

Cybersecurity

- CelcomDigi is committed to reducing the security risk of service disruption by ensuring its infrastructure is protected and services are not interrupted, thereby enabling continuous service to customers.
- The cybersecurity function is responsible for ensuring the confidentiality, integrity and availability of information processing facilities, which includes telecommunications systems and IT infrastructure, by protecting against cyber-threats, data security, and other security risks and threats arising internally and externally.
- Security compliance and cyber maturity assessment activities are done in accordance with industry best practices – National Institute of Standards and Technology (NIST), Information Security Forum (ISF), GSM Association (GSMA) and MCMC Information and Network Security Guidelines (INSG). These standards encompass building cyber resilience and protecting critical organisational assets, technology, and networks. This includes executing a robust cybersecurity awareness programme, vulnerability management, red teaming activities and security maturity posture assessments. Security assurance governance is also continued through internal audits, risk assessments and independent body accreditation. CelcomDigi complies with ISO27001:2022 Information Security Management System, local legal requirements and regulators.
- Centralised governance and control are maintained with periodic programmed forums of the Cybersecurity Steering Committee (CSSC), GRC, BGRMC and the Board.

Privacy

- CelcomDigi is committed to responsible stewardship of personal data entrusted to us by our customers, employees, and business partners. Our data privacy strategy integrates strong governance around privacy controls and a responsible business culture, supported by continuous awareness of best privacy practices.
- CelcomDigi's Privacy Policy guides practices that prioritise trust, transparency and accountability in managing and handling personal data throughout our value chain.
- We regularly review and update our Privacy Notice and present it in a simplified infographic to keep customers informed on how CelcomDigi collects, uses and shares information.
- We engage with various stakeholders to understand and address emerging regulations, ensuring our day-to-day data management practices remain effective and future-proof.
- Organisational privacy compliance is assessed every two years to measure the effectiveness of the Privacy Policy and its controls.
- On a quarterly basis, privacy compliance and risk matters are reported to the GRC for discussion and, when necessary, escalated to the Board through the BGRMC.

Enterprise Data Governance (EDG)

CelcomDigi recognises that data is a critical asset, and a robust data ecosystem is essential for driving informed decision-making and achieving our strategic objectives. The cornerstone of this ecosystem is our Enterprise Data Governance (EDG) function, which ensures meticulous oversight, protection and management of the Group's data assets. This commitment to data integrity, ownership and proper governance ensures consistent, available and usable data, empowering the organisation to leverage data for strategic advantage.

A key strength of our data protection framework is the collaborative tripartite function between the EDG, Privacy, and Cybersecurity teams. This close collaboration ensures a holistic and integrated approach to address data protection issues and risks, leveraging the specialised expertise of each team. This collaborative model is crucial for proactive risk identification, effective incident response, and maintaining compliance with evolving data protection regulations.

In 2024, we took a significant step forward in strengthening our data governance framework with successful implementation of the Governance Realization Implementation Program (GRIP). This initiative focused on identifying critical data elements and assets across the organisation, establishing clear data ownership and stewardship. Through GRIP, we:

- Identified over 2,000 critical data elements and assets across 11 divisions and over 100 departments.
- Designated and trained 90 Data Owners and 280 Data Stewards, creating a network of accountable individuals responsible for data management.
- Equipped Data Owners and Stewards with the necessary tools and resources through a dedicated toolkit.

GRIP directly supports our overarching company strategy, which emphasises the strategic use of AI and Data. By establishing a solid foundation for data governance, GRIP ensures that AI-driven initiatives rely on accurate, reliable and secure data, maximising the impact of our strategy. This tripartite collaboration between EDG, Privacy, and Cybersecurity plays a vital role in ensuring GRIP's alignment with data protection principles and regulations.

Business Continuity Management (BCM)

Being the largest telecommunications company in Malaysia, CelcomDigi places paramount emphasis on having a comprehensive Business Continuity Management (BCM) framework in place. This reflects a steadfast commitment to establishing operational resilience with the aim of ensuring continuity of our key products and services to customers, even in adverse situations. The BCM framework is accredited in accordance with BCMS ISO 22301:2019, a testament of resilience, foresight and unwavering commitment to business continuity. It encompasses critical aspects such as emergency response, crisis management, crisis communications, incident management and business continuity.

In alignment with our commitment to continuously strengthen our business continuity framework, CelcomDigi implements an annual BCM programme, comprising essential components such as awareness initiatives, targeted training sessions, and regular reviews and validations. These strategic activities are pivotal in meticulously evaluating the efficiency and effectiveness of CelcomDigi's BCM strategies. Such proactive measures fortify the organisation's preparedness and underscore resilience in navigating potential disruptions with well-coordinated response and recovery capability.

Internal Control over Financial Reporting (ICFR)

The ICFR function plays an important role in evaluating and improving the effectiveness of key controls surrounding CelcomDigi's financial reporting processes. Its primary objective is to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. Internal controls over financial reporting are performed in a structured manner in accordance with CelcomDigi's ICFR Framework. The framework requires an assessment based on the materiality of significant accounts, risk assessment on key processes, testing and evaluation of the design and operating effectiveness of key controls.

The function adopts a routine to continuously monitor and follow up on unaddressed risks and non-operating controls, including periodic reporting to the CDM and the BAC on the status of controls over the financial reporting processes.

Organisational Structure

CelcomDigi has established an organisational structure with clearly defined responsibility and accountability, delegation of authority, and segregation of duties to ensure effective and sound governance practices.

Board and CDM Committees

The Board Committees, i.e. the BAC, BGRMC, and BNRC, assist the Board in executing its governance responsibilities and oversight function. These Board Committees have been delegated specific responsibilities, all of which are governed by clearly defined Terms of Reference (TOR). The TOR of these Committees are accessible in the Corporate Governance section of CelcomDigi's website at https://celcomdigi.listedcompany.com/corporate_governance.html.

Various other committees comprising key CDM members have been established to assist and support the Board Committees in overseeing core areas of business operations under their respective documented mandates. Some of these committees are:

Governance, Risk and Compliance Committee (GRC)	• Chaired by the CEO with relevant CDM members serving on the GRC • Meets quarterly • Assists BGRMC to fulfil governance, risk management and compliance effectiveness • Oversees business practices across the three lines of defence comprising Enterprise Risk Management, Compliance, Sustainability, Cybersecurity, Data Privacy, and Regulatory • Reviews and deliberates on emerging significant risks • Makes decisions on coordinated action plans to mitigate risks
Regulatory Steering Committee (RSC)	• Chaired by the CEO, with key CDM members serving on the committee • Meets monthly • Sets the direction and makes decisions on regulatory and industry-related projects and topics that have a significant impact on the Group. The RSC provides guidance, opinions and views on CelcomDigi's external stakeholder relationships, addressing issues or topics that could potentially impact CelcomDigi's operations and obligations. These include technology, revenue, customer experience, branding and corporate image
Climate Working Committee (CWC)	• Co-chaired by the Chief Corporate Affairs Officer (CCAO) and Chief Technology Officer (CTO) • Meets quarterly or on an ad hoc basis when necessary • Oversees climate-related risks and opportunities for CelcomDigi • Develops climate mitigation and adaptation strategies in alignment with the Task Force on Climate related Financial Disclosures (TCFD) • Recommends environmental actions and initiatives, anchored on CelcomDigi's Net Zero 2050 goal • Reports to the GRC for onward escalation to the BGRMC
Investment Committee (IC)	• Chaired by the Investment Controller, with members as assigned/depicted in the Investment Approval Manual, in accordance with CelcomDigi's Authority Matrix, to ensure a sufficient quorum for all investment approvals • Meets bi-weekly or on an ad hoc basis when necessary • Governs the approval process regarding material capital investments and non-commercial operating expenditure and cost of sales in accordance with CelcomDigi's Authority Matrix

Compliance and Monitoring

CelcomDigi's Compliance function plays a critical role in providing guidance for effective implementation of governance, risk, compliance, and monitoring programmes, establishing an integrated, proactive, and consistent reporting process to the BGRMC and GRC Committee.

Compliance developed the *OneCompliance* model to foster a sustainable compliance culture that will be evidenced in our uniformity and synergy in the practice of a single language of Compliance. This model ensures good governance by providing hands-on support to businesses and functions to comply with applicable laws and regulations based on CelcomDigi's four Strategic Compliance Pillars as follows:

1. **Training and Communication**

   - The anti-corruption framework involves communicating CelcomDigi's Code of Conduct (The Code), Agreement on Business Conduct (ABC), core values and policies to employees and business partners.
   - An anti-corruption training programme aims to ensure employees and business partners understand and commit to ethical standards through e-learning modules, face-to-face training, new hire onboarding, and employee sign-off of CD's Integrity Pledge. The programme also includes monthly compliance newsletters and hosting a compliance industry roundtable.
   - Consistently upholds a high level of employee awareness and accountability through a consistent tone from the top, which is measured by the Chief Executive Officer's Key Performance Indicators (CEO KPIs). This is achieved through completion of training in Compliance, awareness and three core modules: the Code, Anti-Corruption and Conflict of Interest. Our year-end Compliance assessment maintains a 100% pass rate, as measured by CEO KPIs.

2. **Risk and Monitoring**

   - The "three lines of defence" is implemented to enhance our risk management system and controls. The role of the first line of defence is subject to Compliance oversight reviews, which are crucial for management decisions and actions that protect employees and the organisation.
   - Conducted a Corruption Risk Assessment (CRA) in 2024 to identify and address potential corruption risks across the organisation's core functions and operational activities. This prevented incidents from occurring through effective remediation and mitigation steps.
   - Periodic risk-based monitoring and testing of key controls were conducted to assess compliance with regulatory and internal process obligation.
   - Provided advisory and monitoring on investigated cases for the Case Working Committee (CWC) and Disciplinary Committee (DC), ensuring corrective actions identified by Compliance were effectively implemented in a timely manner.
   - Reports summarising investigation case categories provided by Internal Audit for breaches of the Code were presented to the BGRMC and GRC quarterly.

3. **Compliance Transformation**

   - Explored new digital ways of work that drive compliance via integrated and automated data analytics systems.
   - Conflict of interest declarations and gift and hospitality requests were automated for effective documentation and management.
   - Background screening of new business partners prior to onboarding conducted via the implementation of the automated business partner due diligence system. This ensures that risk-based compliance due diligence is carried out on business partners.
   - Due diligence mitigation actions for high-risk business partners were recommended and closely monitored for implementation.

4. **Governance and Management Reporting**

- Policies and procedures were centrally archived and policy owners were identified for obligation.
- Established policy hierarchy to streamline Group policy management.
- Conducted a self-assessment of policy implementation and an annual organisation-wide review of policies and manuals to ensure consistency with the latest laws, regulations, technology and industry's best practices.
- Engaged with Non-Wholly Owned Subsidiaries (NWOS) by overseeing policy adoption and providing advice for compliance-related matters on a regular basis.
- Secretariat for GRC meeting prepared, documented, compiled and provided reports, metrics, and dashboards to update the Principal, the Board, BGRMC and GRC on Compliance programmes quarterly.
- Documented disclosures made in the annual report and the ESG integrated report for Compliance.

The Code of Conduct (The Code)

The Code is our governance regime that defines the core principles and ethical standards in conducting business, stakeholder engagement, and ensures compliance with relevant laws and regulations. The Code is supported by detailed policies that provide specific guidance to employees and parties on how to apply these principles in their operational business issues.

Policies and Manuals

Policies and manuals are established to ensure compliance with internal controls, relevant laws and regulations. These provide direction for proper management and governance of business operations, covering third-party management, gifts, data protection and privacy, hospitality, facilitation payments, charitable donations, sponsorships, conflicts of interest, and whistleblowing. The policies and manuals are reviewed annually and published on our Workplace Knowledge Library, accessible to all employees.

Agreement on Business Conduct (ABC) and Business Partner Management

The ABC is a vital and integral part of our Business Partner management process. The Business Partner is required to sign the ABC which legally obliges them to adhere to Business Partner Conduct Principles (BPCP). The BPCP defines CelcomDigi and its subsidiaries' responsible business conduct requirements for Business Partners, and reflects what responsible business means to CelcomDigi. To manage the compliance of Business Partners with the BPCP, CelcomDigi must:

- Conduct risk-based due diligence of prospective Business Partners prior to engagement to assess whether they may entail an unacceptable risk.
- Consider if there are relevant mitigation actions available that could bring potentially unacceptable risks down to an acceptable level.
- Conduct risk-based monitoring on Business Partner compliance with the BPCP throughout the lifetime of the engagement.
- Perform periodic re-assessments of Business Partners and an annual assessment of overall landscape and risks associated with Business Partner categories.

Employees, Business Partners and relevant parties dealing with CelcomDigi are required to confirm that they have read, understood, and will adhere to the Code and ABC respectively. The Group has communication channels that allow concerns of non-adherence to the Code and ABC to be anonymously reported.

Internal Audit (IA)

The IA function undertakes independent reviews and assessments of the adequacy, efficiency and effectiveness of risk management, internal controls and governance processes implemented within CelcomDigi. IA reports functionally to the Board Audit Committee (BAC) to ensure independence and objectivity in its assessments and findings. Administratively, IA reports to the CEO for operational and resource support. This dual reporting structure maintains the IA's impartiality while ensuring effective execution of responsibilities. Moreover, IA staff anually confirm adherence to the Code of Ethics, ensuring they are free from any conflict of interest.

The annual audit plan is developed using a risk-based approach that aligns with the Group's strategy. It is reviewed and approved by the Board annually. Additionally, the plan incorporates advisory services, allowing flexibility to address emerging issues and provide targeted insights.

Audit reports, including recommendations, management responses and remedial action plans, are presented to the BAC quarterly. Management representatives are required to attend BAC meetings, when needed, to provide explanations for significant audit findings and present action plans for addressing them. The BAC monitors the implementation of these actions to ensure timely resolution of identified issues. This process promotes accountability and effective follow-up on audit recommendations.

The IA function operates in alignment with its IA Charter, which is reviewed and approved annually by the BAC. IA activities adhere to the International Professional Practices Framework (IPPF), a set of standards established by the Institute of Internal Auditors (IIA). In preparation for the new Global Internal Audit Standards by IIA which comes into effect on January 9, 2025, IA conducted an internal gap assessment of current practices against the new standards. Action plans are being developed to enable effortless transition to the new standards.

The IA department implements a Quality Assurance and Improvement Program (QAIP) as part of continuous improvement. The results are presented to the BAC and Management Audit Committee (MAC) annually. To monitor effectiveness, internal assessments are conducted continuously, while an external assessment by a certified body occurs every five years to ensure ongoing improvement.

The IA department also administers the whistleblowing integrity hotline, ensuring that concerns related to misconduct, fraud and unethical behaviour are reported in a secure and confidential manner. IA conducts preliminary assessments on reported concerns, determining their validity and relevance, and, when necessary, proceeds with independent investigations to address the concerns raised. In addition, IA plays a key role in reinforcing a culture of transparency and accountability within the organisation. IA conducts whistleblowing and fraud awareness roadshows across the Group to educate employees on the importance of reporting unethical behaviour and understanding potential fraud risks. This is also incorporated into the HR onboarding process for new joiners, ensuring that every employee is aware of the Group's commitment to integrity and the mechanism in place to report concerns.

Statement on Risk Management and Internal Control

Conclusion

The Board has received assurance from the CEO, DCEO and CFO that CelcomDigi's Risk Management and Internal Control framework has been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement. Taking into consideration assurances from the CDM and relevant assurance providers, the Board is of the view that the risk management and internal control practices and processes in place are adequate and effective in safeguarding stakeholder interests, shareholder investments, customer interests, and CelcomDigi's assets.

Review Of Statement by External Auditor

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed following the Audit and Assurance Practice Guide 3 (AAPG 3), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the Risk Management and Internal Control systems of the Group.

Additional Compliance **Information**

Other Disclosures

The following information is provided in accordance with Paragraph 9.25 of the Main Market Listing Requirements of Bursa Securities as set out in Appendix 9C thereto.

1. Audit and Non-Audit Fees

During the financial year, the amount incurred by CelcomDigi and the Group with respect to audit fees and non-audit related fees paid or payable to its external auditors, Messrs. PricewaterhouseCoopers PLT ("**PwC**") and its affiliated firms for the financial year ended 31 December 2024 were as follows:

	Company (RM)	Group (RM)
PwC		
Statutory Audit Services[1]	160,000	1,410,000
Non-Audit Services[2]	Nil	469,000
Total Fees to PwC	**160,000**	**1,879,000**

Note:
[1] The audit related services are in connection to review of interim financial information and yearly reporting packages
[2] The non-audit services comprised of the following assignments:-
(a) Review of regulatory compliance reporting
(b) Performance of agreed-upon procedures

2. Material Contracts

(a) Conditional Share Subscription Agreement with DNB dated 1 December 2023

On 1 December 2023, CelcomDigi's wholly-owned subsidiary, Infranation Sdn Bhd, had entered into a conditional share subscription Agreement ("**SSA**") with Digital Nasional Berhad ("**DNB**") and Ministry of Finance (Incorporated) ("**MOF**") (the "**Proposed Transaction**") for the proposed transaction ("**Proposed Transaction**") involving:

(i) CelcomDigi subscribing 100,000 new ordinary shares in DNB at an issue price of RM1.00 for each DNB share; and
(ii) CelcomDigi Telecommunications Sdn Bhd (formerly known as Digi Telecommunications Sdn Bhd) ("**CDTSB**"), making a cash payment of RM233,233,333 to DNB as a prepayment for the 5G products and services to be delivered by DNB to CDTSB ("**Proposed Shareholder Advance**") which shall be regarded and treated as a shareholder advance by CelcomDigi to DNB upon the completion of the Proposed Transaction.

On 20th June 2024, all the conditions precedent under the SSA have been fulfilled and CelcomDigi proceeded to complete the Proposed Transaction in accordance with the terms and conditions of the SSA. The completion of the Proposed Subscription of RM100,000 and Proposed Shareholder Advance of RM233.2 million provide the telcos with the strategic optionality of further participation in the DNB transition with the eligibility to potentially own and operate the Second 5G Network.

(b) Shareholders' Agreement with CelcomDigi, MOF Inc., DNB, YTL Power International Berhad ("YTL"), Maxis Broadband Sdn Bhd ("Maxis") and U Mobile Sdn Bhd ("U Mobile") dated 28 June 2024

In view of the completion of the Proposed Transaction, on 28 June 2024, CelcomDigi had entered into a shareholders' agreement with MoF Inc., DNB, YTL Power International Berhad ("YTL"), Maxis Broadband Sdn Bhd ("Maxis") and U Mobile Sdn Bhd ("U Mobile") to regulate the relationship of the shareholders of DNB ("DNB Shareholders"), and set out the basis upon which DNB will undertake the Government of Malaysia's mandate to be a provider of 5G network and services in Malaysia and to finance, build, operate and maintain such infrastructure and utilise spectrum allocated for 5G ("Shareholders' Agreement").

Additional Compliance Information

3. Recurrent Related Party Transaction of a Revenue or Trading Nature

At the Annual General Meeting held on 27 May 2024, the Company obtained the shareholders' mandate to allow the Company and the Group to enter into recurrent related party transactions of a revenue or trading nature.

The disclosure of the recurrent related party transactions conducted during the financial year ended 31 December 2024 is set out in the Integrated Annual Report on pages 255 to 256.

4. Utilisation of Proceeds from Corporate Proposals

There were no proceeds raised from corporate proposals during the financial year ending on 31 December 2024.

5. Material Public Sanction or Penalty

There were no material public sanctions and/or penalties imposed on the Company, Directors or Management by the relevant regulatory bodies during the financial year ending on 31 December 2024.

6. Executive Share Grant Plan ("ESGP")

The Company had on 17 August 2023 established an ESGP of up to 0.5% of the total number of issued shares in the Company throughout the 10 years duration of the ESGP for the eligible employees who hold senior management position in the Company and its subsidiaries.

The ESGP is administered by the Company's Board Nomination and Remuneration Committee ("**BNRC**"). Pursuant to the by-laws of the ESGP, the BNRC may decide to satisfy any of the grants by transferring the Company's treasury shares and/or payment of cash.

Details of ESGP granted to the senior management including the Chief Executive Officer from the commencement date and until 31 December 2024 were as follows:

Grant date	No. of shares granted	No. of shares vested	No. of shares outstanding
1 September 2023	1,779,600	-	1,779,600
1 April 2024	1,759,200	-	3,538,800

As at 31 December 2024, none of the shares granted to any of the senior management including the Chief Executive Officer have been vested.

The percentage of ESGP which is applicable to the senior management including the Chief Executive Officer from the commencement date and until 31 December 2024 is 100%.

Statement of Responsibility **by Directors**

In respect of the preparation of the annual audited financial statements

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the financial position of CelcomDigi Berhad and its subsidiaries ("the Group") as of 31 December 2024 and of their financial performance and cash flows for the financial year that ended.

In reviewing the annual audited financial statements, the Directors have relied upon the Group's system of internal controls to provide them with reasonable grounds to believe that the Group's accounting records, as well as other relevant records, have been maintained by the Group in a manner that enables them to sufficiently conclude on the following:

a. Selected and applied the appropriate and relevant accounting policies on a consistent basis;
b. Made judgements and estimates that are reasonable and prudent; and
c. Prepared the annual audited financial statements on an ongoing concern basis.

The Directors are responsible to ensure that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group.

The Directors also have the overall responsibilities to take such steps to safeguard the assets of the Group and for the establishment, designation, implementation and maintenance of appropriate accounting and internal control systems for the prevention and detection of fraud and other irregularities relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Our commitment to you

Our customers are at the heart of everything we do. With over 3,000 dedicated employees, we listen, respond, and innovate – always striving to earn your trust, and delight your digital life.

Our annual Customer Obsessed Day 2024, where over 3,000 CDzens connected with 30,000 Malaysians to gather feedback and improve our services at CelcomDigi.

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Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities and other information relating to subsidiaries are disclosed in Note 15 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	1,389,928	1,645,587
Attributable to:		
Owners of the Company	1,377,737	1,645,587
Non-controlling interests	12,191	-
	1,389,928	1,645,587

DIVIDEND

The dividends paid by the Company since the end of the previous financial year were as follows:

	RM'000
In respect of the financial year ended 31 December 2023:	
Fourth interim single-tier dividend of 3.5 sen per ordinary share, declared on 20 February 2024 and paid on 27 March 2024	410,603
In respect of the financial year ended 31 December 2024:	
First interim single-tier dividend of 3.5 sen per ordinary share, declared on 28 May 2024 and paid on 28 June 2024	410,603
Second interim single-tier dividend of 3.5 sen per ordinary share, declared on 16 August 2024 and paid on 30 September 2024	410,603
Third interim single-tier dividend of 3.6 sen per ordinary share, declared on 18 November 2024 and paid on 23 December 2024	422,334

The board of directors had on 12 February 2025, declared a fourth interim single-tier dividend of 3.7 sen per ordinary share in respect of the financial year ended 31 December 2024 amounting to RM434.07 million. The financial statements for the current financial year do not reflect this fourth interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Haakon Bruaset Kjoel (Resigned on 21 March 2025)
Vimala V.R. Menon
Datuk Iain John Lo
Tan Sri Abdul Farid Alias
Khatijah Shah Mohamed

DIRECTORS (CONTINUED)

Dr. Shridhir Sariputta Hansa Wijayasuriya	(Resigned on 12 February 2025)
Rita Skjaervik	
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	
Vivek Sood	
Kasper Wold Kaarbø	
Nik Rizal Kamil Bin Nik Ibrahim Kamil	(Appointed on 12 February 2025)
Petter-Boerre Furberg	(Resigned on 15 March 2024)
Jon Omund Revhaug	(Appointed on 21 March 2025)

The names of the directors of the subsidiaries of the Company since the beginning of the financial year to the date of this report, not including those directors listed above are:

Datuk Mohamad Idham Nawawi	
Albern Murty	
Tan Moi Tsu @ Lucy Chin Moi Tsu	(Resigned on 2 January 2025)
Chia Choon Hwee Dennis	(Appointed on 2 January 2025)
Praveen Rajan Nadarajan	(Resigned on 2 January 2025)
Azmi Ujang	
Datuk Kamal Khalid	
Leong Kin Man	
Ahmad Rizal Dahli	
Koh Chit Khoon	
Lee Li Hung	
Chou Kar Loon	
Assan Nasip	
Rudy Jaglul (alternate Director to Ahmad Rizal Dahli)	
Kesavan Sivabalan	
Datuk Maureen Lind @ Zarina Abdullah (alternate Director to Assan Nasip)	
Loy Kuang Haow	
Chee Loo Fun (alternate Director to Afizulazha Abdullah)	(Resigned on 31 December 2024)
Cheng Weng Hong	
Afizulazha Abdullah	
Foo Chen Dah	
Joachim Rajaram	(Appointed on 2 January 2025)
T Kugan A/L K Thirunavakarasu	(Appointed on 2 January 2025)
Erik Axel Sigurd Marell	(Appointed on 2 January 2025)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' BENEFITS (CONTINUED)

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Non-executive:		
Fees	2,319	2,241
Benefits-in-kind	58	44
	2,377	2,285

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Group maintains a directors' and officers' liability insurance for any legal liability incurred by the directors and officers in discharging their duties while holding office for the Group and the Company. In respect of the above, the total amount of insurance premium paid for the financial year ended 31 December 2024 was RM194,358. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' INTERESTS

The directors in office at the end of the financial year did not have any direct or indirect interest in any shares or options over ordinary shares in the Company or its related companies during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the income statement and balance sheet were made out, the Directors took reasonable steps:

  (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

  (ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and Company have been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

Directors' Report

OTHER STATUTORY INFORMATION (CONTINUED)

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any material contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENT

During the year, the significant events arising from the network integration and consolidation exercise and investment in Digital Nasional Berhad ("DNB") are disclosed in Note 13 and Note 17 to the financial statements.

AUDITORS

Auditors remuneration for the financial year ended 31 December 2024 for the Group and the Company is as follows:

	Group RM'000	Company RM'000
PricewaterhouseCoopers PLT:		
- Statutory audit fees	1,410	160
- Audit related services	469	-
	1,879	160

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

To the extent permitted by law, the Company has agreed to indemnify its auditors, PricewaterhouseCoopers PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify PricewaterhouseCoopers PLT for the financial year ended 31 December 2024.

Signed on behalf of the board in accordance with a resolution of the directors dated 21 March 2025.

TENGKU DATO' SRI AZMIL ZAHRUDDIN RAJA ABDUL AZIZ
DIRECTOR

TAN SRI ABDUL FARID ALIAS
DIRECTOR

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz and Tan Sri Abdul Farid Alias, being two of the directors of CelcomDigi Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 162 to 251 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the board in accordance with a resolution of the directors dated 21 March 2025.

TENGKU DATO' SRI AZMIL ZAHRUDDIN RAJA ABDUL AZIZ
DIRECTOR

TAN SRI ABDUL FARID ALIAS
DIRECTOR

Statutory Declaration

Pursuant to Section 251(1)(B) of the Companies Act 2016

I, Chia Choon Hwee Dennis, being the officer primarily responsible for the financial management of CelcomDigi Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 162 to 251 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above-named Chia Choon Hwee Dennis at Kuala Lumpur in Wilayah Persekutuan on 21 March 2025,

Chia Choon Hwee Dennis

Before me,

COMMISSIONER FOR OATHS

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of CelcomDigi Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 162 to 251.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Independent Auditors' Report
to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group

Key audit matters	How our audit addressed the key audit matters
Revenue recognition from contracts with customers *Refer to Note 2.19.1 – Summary of material accounting policies – Revenue recognition – Revenue from contracts with customers, Note 4.4 – Significant accounting estimates and judgements and key sources of estimation uncertainty – Revenue recognition – determining stand-alone selling price and Note 5 - Revenue* The Group's revenue of RM12.7 billion during the financial year ended 31 December 2024 comprised primarily of telecommunications services revenue and sales of devices of RM10.7 billion and RM1.8 billion respectively. We focused on this area because there is an inherent risk around the accuracy of revenue recorded given the complexity of systems and the impact of various pricing models for different revenue products to revenue recognition. Revenue processed by billing systems is complex and involves large volumes of data with different products and services sold, and price changes. In addition, management identify that determination of stand-alone selling price ("SSP") involves significant judgement as it will directly determine the amount of revenue to be recognised upfront and amount of revenue to be recognised over time.	We performed the following audit procedures: • Evaluated and tested the IT general controls and key controls on material revenue streams over: - capturing and recording of revenue transactions; - authorisation of rate changes and the input of this information to the billing systems; and - accuracy of calculation of amounts billed to customers; • Assessed the accounting treatment for significant new products and promotions launched with multiple element arrangements and tested that they are appropriately incorporated in the billing system; • Checked reconciliation of revenue amount from billing system to accounting system; and • Checked stand-alone selling prices and allocation of the consideration specified on contracts for separate performance obligations to published selling prices used by the Group on their sale of products and services or available market prices. Based on the procedures performed above, we did not find any material exceptions in the revenue recognised during the financial year.

Independent Auditors' Report
to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Group (continued)

Key audit matters	How our audit addressed the key audit matters
Impairment assessment of goodwill and trademark *Refer to Note 2.6 – Summary of material accounting policies – Intangible assets, Note 4.1 – Significant accounting estimates and judgements and key sources of estimation uncertainty – Impairment assessment of goodwill and trademark and Note 12 – Intangible assets* As at 31 December 2024, the Group's goodwill and trademark of RM15.9 billion and RM1.8 billion respectively were allocated to the entire telecommunication cash generating unit ("CGU"). The Group is required to test goodwill and trademark for impairment annually. Management's assessments of the recoverable amounts involved significant estimates and assumptions about revenue growth rates, discount rates and terminal growth rates. These estimates and assumptions are inherently uncertain. Based on the assessments performed, the recoverable amount has exceeded the carrying amount of the CGU as at 31 December 2024. Thus, impairment is not required. We focused on the above as the assumptions made by the Group in determining the recoverable amounts are inherently uncertain, require significant estimates and are sensitive to changes.	We performed the following audit procedures: • Evaluated the reasonableness of the Director's assessment that the entire telecommunications CGU is the CGU which represents the smallest identifiable group of assets that generate independent cash inflows, by understanding the business model of the Group; • Agreed the five-year value-in-use ("VIU") cash flows used for impairment assessment to the financial budgets covering a three-year period from 2025 to 2027, approved by the Directors and an additional 2 years projection by management; • Compared the historical forecast for 2024 to actual results to assess the reliability of management's estimates; • Compared the revenue growth rates in the projection periods to telecommunications industry forecasts; • Checked the mathematical accuracy of the five-year VIU cash flows; • Checked the reasonableness of the discount rate and terminal growth rate with the assistance of our valuation experts by benchmarking to industry reports; and • Checked the sensitivity analysis performed by management on the revenue growth rate, discount rate and terminal growth rate. Based on the procedures performed above, we did not find material exceptions on the Group's impairment assessment of goodwill and trademark as at 31 December 2024.

Independent Auditors' Report
to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We have determined that there are no key audit matters to report for the Company.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement of Risk Management and Internal Control and all other sections in the 2024 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report
to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

(d) Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report
to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditor, is disclosed in Note 15 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
21 March 2025

SOO KWAI FONG
03144/07/2025 J
Chartered Accountant

Statements of Comprehensive Income

For the Financial Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Revenue	5	12,679,398	12,682,151	1,773,505	1,713,634
Other income		74,324	108,394	111	-
Cost of materials and traffic expenses		(3,015,675)	(2,816,540)	-	-
Sales and marketing expenses		(670,210)	(718,257)	-	-
Operations and maintenance expenses		(616,551)	(676,010)	-	-
Rental expenses		(322,919)	(287,445)	-	-
Staff expenses	7(a)	(919,259)	(897,646)	-	-
Depreciation expenses		(3,017,214)	(2,996,008)	-	-
Amortisation expenses	12	(246,299)	(234,125)	-	-
(Allowance for)/Reversal of expected credit losses on trade receivables, other receivables, deposits and contract assets		(159,050)	21,805	-	-
Impairment loss on right of use assets	13	(217,200)	-	-	-
Other expenses		(1,258,990)	(1,497,380)	(2,888)	(3,259)
Finance costs	6	(610,111)	(627,874)	(125,844)	(123,836)
Interest income		12,837	88,885	874	453
Share of results of an associate and a joint venture	16,17	23,289	31,036	-	-
Profit before tax and zakat		1,736,370	2,180,986	1,645,758	1,586,992
Taxation and zakat	8	(346,442)	(614,047)	(171)	(113)
Profit for the financial year		1,389,928	1,566,939	1,645,587	1,586,879
Other comprehensive loss, net of tax					
Item that may be reclassified to profit or loss in subsequent periods					
Foreign currency translation differences		(171)	(85)	-	-
Item that will not be reclassified to profit or loss in subsequent periods					
Loss on equity instruments designated at fair value through other comprehensive income ("FVOCI")		(36)	(42)	-	-
Other comprehensive loss for the financial year, net of tax		(207)	(127)	-	-
Total comprehensive income for the financial year, net of tax		1,389,721	1,566,812	1,645,587	1,586,879

Statements of Comprehensive Income
For the Financial Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Profit for the financial year, attributable to:					
Owners of the Company		1,377,737	1,552,309	1,645,587	1,586,879
Non-controlling interests		12,191	14,630	-	-
		1,389,928	1,566,939	1,645,587	1,586,879
Total comprehensive income for the financial year, attributable to:					
Owners of the Company		1,377,530	1,552,182	1,645,587	1,586,879
Non-controlling interests		12,191	14,630	-	-
		1,389,721	1,566,812	1,645,587	1,586,879
Earnings per share attributable to owners of the Company (sen per share)					
- Basic / Diluted	9	11.7	13.2		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Financial Position

As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current assets					
Property, plant and equipment	11	6,575,763	6,127,292	-	-
Intangible assets	12	18,942,965	18,950,800	-	-
Right of use assets	13	5,133,696	6,444,331	-	-
Investments in subsidiaries	15	-	-	19,523,561	19,523,561
Investment in a joint venture	16	29,867	14,000	-	-
Investment in an associate	17	233,333	156,979	-	-
Other investments	18	-	36	-	-
Receivables, deposits and prepayments	20	858,516	647,700	-	-
Contract assets	5	134,291	118,653	-	-
Contract costs	14	58,126	134,900	-	-
Other asset	31	-	233,233	-	-
Derivative financial assets	21	2,587	64,538	-	-
Deferred tax assets	24	122,363	119,011	-	-
		32,091,507	33,011,473	19,523,561	19,523,561
Current assets					
Inventories	19	261,269	246,653	-	-
Receivables, deposits and prepayments	20	2,722,269	2,457,086	5	5
Contract assets	5	363,551	307,109	-	-
Contract costs	14	111,224	-	-	-
Other investments	18	27	24	-	-
Tax recoverable		224,350	7,482	-	-
Cash and short-term deposits	22	237,321	397,018	136	81
		3,920,011	3,415,372	141	86
Total assets		36,011,518	36,426,845	19,523,702	19,523,647

Statements of Financial Position
As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current liabilities					
Trade and other payables	26	3,650	11,850	-	-
Loans and borrowings	23	11,192,538	10,769,424	2,825,735	2,821,930
Deferred tax liabilities	24	1,198,603	1,367,439	-	-
Other liabilities	25	326,293	389,224	-	-
Contract liabilities	5	100,943	8,481	-	-
		12,822,027	12,546,418	2,825,735	2,821,930
Current liabilities					
Trade and other payables	26	4,295,325	4,285,030	19,359	19,191
Other liabilities	25	60,236	-	-	-
Contract liabilities	5	579,133	577,795	-	-
Derivative financial liabilities	21	-	362	-	-
Loans and borrowings	23	1,860,263	2,227,535	-	-
Income tax payable		204,460	330,939	35	35
		6,999,417	7,421,661	19,394	19,226
Total liabilities		19,821,444	19,968,079	2,845,129	2,841,156
Equity					
Share capital	27	16,595,687	16,595,687	16,595,687	16,595,687
Share-based payments reserve	28	5,576	938	5,576	938
Foreign currency translation reserve	28	(153)	18	-	-
Fair value reserve of financial asset at FVOCI	28	(78)	(42)	-	-
(Accumulated losses)/retained earnings	30	(525,290)	(248,884)	77,310	85,866
Equity attributable to owners of the Company		16,075,742	16,347,717	16,678,573	16,682,491
Non-controlling interests		114,332	111,049	-	-
Total equity		16,190,074	16,458,766	16,678,573	16,682,491
Total equity and liabilities		36,011,518	36,426,845	19,523,702	19,523,647

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Group	Note	Attributable to owners of the parent: Share capital RM'000	Accumulated losses RM'000 (Note 28)	Share based payment reserve RM'000 (Note 28)	Foreign currency translation reserve RM'000 (Note 28)	Fair value reserve of financial asset at FVOCI RM'000 (Note 28)	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023		16,595,687	(299,560)[1]	-	103	-	16,296,230	102,744	16,398,974
Profit for the financial year		-	1,552,309	-	-	-	1,552,309	14,630	1,566,939
Other comprehensive income for the financial year		-	-	-	(85)	(42)	(127)	-	(127)
Transaction with owners:									
- Share-based payments		-	-	938	-	-	938	-	938
- Dividends on ordinary shares	10	-	(1,501,633)	-	-	-	(1,501,633)	-	(1,501,633)
- Dividends paid to non-controlling interests		-	-	-	-	-	-	(7,285)	(7,285)
- Additional investment in a subsidiary		-	-	-	-	-	-	960	960
At 31 December 2023/1 January 2024		16,595,687	(248,884)[1]	938	18	(42)	16,347,717	111,049	16,458,766
Profit for the financial year		-	1,377,737	-	-	-	1,377,737	12,191	1,389,928
Other comprehensive income for the financial year		-	-	-	(171)	(36)	(207)	-	(207)
Transaction with owners:									
- Share-based payments		-	-	4,638	-	-	4,638	-	4,638
- Dividends on ordinary shares	10	-	(1,654,143)	-	-	-	(1,654,143)	-	(1,654,143)
- Dividends paid to non-controlling interests		-	-	-	-	-	-	(8,908)	(8,908)
At 31 December 2024		16,595,687	(525,290)	5,576	(153)	(78)	16,075,742	114,332	16,190,074

Note: [1] Included an amount of RM1,004.0 million as a result from the Group's capital management initiatives carried out during the financial year ended 31 December 2012.
The Company received dividends from one of its subsidiaries in the form of bonus issue of redeemable preference shares and capital repayment amounting to RM509.0 million and RM495.0 million respectively. The Company had declared part of these as special dividends to its shareholders. The deficit arose from the elimination of these intra-group dividends at Group level.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Company	Note	Share capital RM'000	Distributable retained earnings RM'000 (Note 30)	Share-based payment reserve RM'000 (Note 28)	Total equity RM'000
At 1 January 2023		16,595,687	620	-	16,596,307
Total comprehensive income		-	1,586,879	-	1,586,879
Transaction with owners:					
- Share-based payments		-	-	938	938
- Dividends on ordinary shares	10	-	(1,501,633)	-	(1,501,633)
At 31 December 2023		16,595,687	85,866	938	16,682,491
Total comprehensive income		-	1,645,587	-	1,645,587
Transaction with owners:					
- Share-based payments		-	-	4,638	4,638
- Dividends on ordinary shares	10	-	(1,654,143)	-	(1,654,143)
At 31 December 2024		16,595,687	77,310	5,576	16,678,573

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Cash Flow

For the Financial Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from operating activities					
Profit before tax and zakat		1,736,370	2,180,986	1,645,758	1,586,992
Adjustments for:					
Amortisation of intangible assets	12	246,299	234,125	-	-
Depreciation					
- property, plant and equipment	11	1,627,591	1,762,512	-	-
- right of use assets	13	1,389,623	1,233,496	-	-
Impairment of right of use assets	13	217,200	-	-	-
Allowance for/(Reversal of) expected credit loss on trade receivables, other receivables, deposits and contract assets	34.2	159,050	(21,805)	-	-
Amortisation of contract cost	14	171,652	92,699	-	-
Inventories written back		(11,614)	(8,796)	-	-
Dividend income		-	-	(1,773,505)	(1,713,634)
Finance costs	6	610,111	627,874	125,844	123,836
Loss/(Gain) on disposal of property, plant and equipment		51,307	(12,224)	-	-
Gain on disposal of intangible assets		-	(8,604)	-	-
Gain on termination of leases		(59,289)	(14,223)	-	-
Loss on disposal of investment in an associate		18,402	-	-	-
Gain on lease modification		-	(1,262)	-	-
Write-off of property, plant and equipment		1,220	14,647	-	-
Write-off of intangible assets		-	256,612	-	-
Interest income		(12,837)	(88,885)	(874)	(453)
Other income		(74,324)	-	(111)	-
Employee benefits					
- share-based payment		4,711	1,025	-	-
- defined benefit plan	25.1	310	67	-	-
Fair value loss/(gain) on foreign currency forward contracts		402	(19,402)	-	-
Fair value gain on investments in shares		(3)	(2)	-	-
Unrealised foreign exchange loss/(gain)		7,701	(1,009)	-	-
Share of results of an associate and a joint venture		(23,289)	(31,036)	-	-
Operating cash flows before changes in working capital		6,060,593	6,196,795	(2,888)	(3,259)

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from operating activities (cont'd)					
Changes in working capital:					
- Inventories		(3,002)	(73,499)	-	-
- Receivables, deposits and prepayments		(750,299)	(788,907)	-	47,112
- Contract asset		(78,738)	(222,553)	-	-
- Contract costs		(206,102)	(115,497)	-	-
- Trade and other payables		369,837	697,400	2,697	(44,403)
- Contract liabilities		93,800	(336)	-	-
Cash flows from operations		5,486,089	5,693,403	(191)	(550)
Interest paid		(594,324)	(626,232)	(119,930)	(123,836)
Proceeds from government grants		30,007	682,625	-	-
Defined benefit paid	25.1	(288)	(94)	-	-
Site decommissioning and restoration paid	25.1	(31,763)	-	-	-
Income taxes and zakat paid		(861,977)	(666,644)	(171)	(109)
Net cash flows from/(used in) operating activities		4,027,744	5,083,058	(120,292)	(124,495)
Cash flows from investing activities					
Purchase of property, plant and equipment		(2,421,125)	(1,624,297)	-	-
Purchase of intangible assets		(289,343)	(187,398)	-	-
Acquisition of a subsidiary, net of cash acquired		-	(402,000)	-	(402,000)
Purchase of unquoted share	17.2	(100)	-	-	-
Investment in a subsidiary by non-controlling interest		-	960	-	-
Dividends received from subsidiaries	5	-	-	1,773,505	1,713,634
Dividends received from associate		7,701	-	-	-
Interest received		11,988	31,935	985	453
Placement in deposits matured more than 3 months		(13,280)	-	-	-
Proceeds from government grants		211,167	-	-	-
Proceeds from disposal of					
- property, plant and equipment		2,728	17,336	-	-
- intangible assets		-	13,935	-	-
- investment in an associate	17.1	200,000	-	-	-
Net cash flows (used in)/from investing activities		(2,290,264)	(2,149,529)	1,774,490	1,312,087

Statements of Cash Flow

For the Financial Year Ended 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from financing activities					
Repayment of loans and borrowings		(2,163,334)	(3,166,245)	-	(91,950)
Drawdown of loans and borrowings		2,972,913	1,944,465	-	402,000
Payment of lease liabilities		(1,057,093)	(1,028,000)	-	-
Dividends paid	10	(1,654,143)	(1,501,633)	(1,654,143)	(1,501,633)
Dividends paid to non-controlling interests		(8,908)	(7,285)	-	-
Net cash flows used in financing activities		(1,910,565)	(3,758,698)	(1,654,143)	(1,191,583)
Net (decrease)/increase in cash and cash equivalents		(173,085)	(825,169)	55	(3,991)
Effect of exchange rate changes on cash and cash equivalents		108	1,389	-	-
Net increase in restricted cash and cash equivalent		(1,633)	(534)	-	-
Cash and cash equivalents at beginning of financial year		393,978	1,218,292	81	4,072
Cash and cash equivalents at end of financial year	22	219,368	393,978	136	81

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2024

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The principal place of business is located at Level 31, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor. The registered office of the Company is located at Level 30, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor.

The principal activity of the Company is investment holding, whilst the principal activities of the subsidiaries are stated in Note 15. There has been no significant change in the nature of the principal activities during the financial year.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared on the historical cost convention unless indicated otherwise in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if, and only if, the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (continued)

Business combinations (continued)

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised.

The acquired entity's results, assets and liabilities are consolidated as if both the acquirer and acquiree had always been combined. Consequently, the consolidated financial statements reflect both entities' full year's results. The comparative information is restated to reflect the combined results of both entities. Acquisition-related costs are expensed as incurred.

2.3 Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See Note 2.7 on accounting policy for impairment of non-financial assets.

On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss. Disposal related costs are expensed as incurred.

The amounts due from subsidiaries of which the Group does not expect repayment are considered as quasi-investment as part of the Group's investments in the subsidiaries.

2.4 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Investment in associates and joint ventures (continued)

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of results of an associate and a joint venture' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.5 Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment, except for freehold land and capital work-in-progress, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item includes expenditure that is attributable to the acquisition of the item. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of the replaced part is then derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the asset as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment, and depreciation (continued)

Freehold land has an unlimited useful life and is therefore not depreciated. Capital work in-progress representing assets under construction, is also not depreciated as these assets are not yet available for its intended use. Depreciation of other property, plant and equipment is computed on a straight-line basis to write down the cost of each asset to its residual value over the estimated useful life, at the following annual rates or periods:

Buildings	2.0%
Motor vehicles	20.0%
Computer systems	20.0% - 33.3%
Furniture and fittings	14.3% - 33.3%
Telecommunications network	3.3% - 33.3%

The residual values, useful lives and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate, to ensure that the amount, method and period of depreciation are consistent with the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit and loss in the financial year the asset is derecognised.

2.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit and loss.

Intangible assets with indefinite useful lives or not yet available for use are not amortised, but are tested for impairment annually, or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Intangible assets (continued)

Computer software

Costs incurred to acquire computer software, that are not an integral part of the related hardware, are capitalised as intangible assets and amortised on a straight-line basis over the estimated useful life of 5 years.

Customer relationship

Customer relationship acquired in a business combination is measured at fair value at the date of acquisition. The customer relationship with finite life is amortised on a straight-line basis over its estimated useful life of 10 years and assessed for impairment whenever there is an indication that the customer relationship may be impaired.

Trademark

Trademark acquired in a business combination is measured at fair value at the date of acquisition. The trademark, which is considered to have indefinite useful life, is not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful life of trademark is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on prospective basis.

Goodwill

The accounting policy on goodwill is disclosed in Note 2.2.

2.7 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying amounts of the assets with their recoverable amounts.

For intangible assets not yet available for use, the recoverable amount is estimated at the end of each reporting period, or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit ("CGU") level.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use ("VIU"). For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, namely a CGU.

In assessing VIU, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units, if any and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount, and the impairment loss is recognised as an expense in profit and loss in the period in which it arises.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Impairment of non-financial assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed if, and only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.8 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of trading merchandise comprises costs of purchases and other incidental costs incurred in bringing these merchandise to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.9 Financial assets

2.9.1 Initial recognition and measurement

Financial assets are classified, at initial recognition as, subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and Company's business model for managing them. The Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs except for trade receivables that do not contain a significant financing component. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refer to how the financial assets are managed in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (continued)

2.9.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The Group and the Company do not have any debt instruments at fair value through OCI with recycling of cumulative gains and losses.

(a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost includes trade and other receivables and cash and short-term deposits.

(b) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (continued)

2.9.2 Subsequent measurement (continued)

(c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

This category includes derivative instruments such as foreign currency forward contracts and interest rate swaps. Derivative instruments are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.9.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, the Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of financial assets and contract assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12- month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the category of debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are overdue for more than 60 days. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits with licensed banks with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any, that form an integral part of the Group's cash management.

Interest income from deposits with licensed banks is recognised in profit or loss by applying the effective interest rate to the gross carrying amount of the financial assets.

2.12 Provision for liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability to the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Provision for liabilities (continued)

(a) Site decommissioning and restoration costs

Provision for site decommissioning and restoration costs is in respect of management's best estimate on the costs necessary to be incurred to decommission the Group's telecommunications network infrastructure and restore the previously occupied sites.

The estimated amount is determined after taking into consideration the time value of money, and the initial estimated sum is capitalised as part of the cost of property, plant and equipment. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(b) Defined benefit plan

Provision for defined benefit plan for eligible employees is as disclosed in Note 2.16 (c).

2.13 Financial liabilities

2.13.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include derivative financial instruments and other financial liabilities.

2.13.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as financial liabilities at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. This category includes derivative instruments such as foreign currency forward contracts and interest rate swaps.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial liabilities (continued)

2.13.2 Subsequent measurement (continued)

(b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade and other payables, and loans and borrowings.

After initial recognition, trade and other payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

This category generally applies to interest-bearing loans and borrowings and trade and other payables. For more information, refer to Note 23 and Note 26.

2.13.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

2.13.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

The attributable incremental transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.15 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Leases (continued)

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use ("ROU") assets representing the right to use the underlying assets.

(a) ROU assets

The Group recognises ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Group elected to apply the practical expedient not to separate out non-lease components from lease components and instead account for the lease and non lease component as a single component.

ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land and buildings	1% - 4%
Telecommunication network sites	3% - 100%
Transmission facilities	20% - 33.3%
Spectrum bandwidths	6% - 20%
Stores, office buildings and kiosks	5% - 100%

The ROU assets are also subject to impairment. Refer to Note 2.7 for accounting policy on impairment of non-financial assets.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate and are dependant on a future activity are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term.

The Group's lease liabilities are included in loans and borrowings. Please refer to Note 23.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Leases (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of telecommunication network sites, equipment and billboard spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases of office equipment and storage spaces that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.16 Employee benefits

(a) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees. Short-term accumulated compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences netted off against annual leave utilised to date, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plan

As required by law, companies in Malaysia make contributions to the state-defined contribution pension scheme known as the Employee Provident Fund, and will have no legal or constructive obligation to make further contributions in the future, over-and-above what is existing legally required. The contributions are recognised as an expense in profit and loss in the period which the related services are rendered by employees.

(c) Defined benefit plan

The Group operates an unfunded defined benefit plan for its eligible employees. The benefits are calculated based on the length of service and the agreed percentages of eligible employees' salaries over the period of their employment and are payable upon resignation after completion of the minimum employment period of ten years or upon retirement age of sixty years. The Group's obligations under the retirement benefit scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted in order to determine its present value.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income in the period in which they occur and recorded in defined benefit reserve. Remeasurements are not reclassified to profit and loss in subsequent periods.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Employee benefits (continued)

(c) Defined benefit plan (continued)

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment; or
- The date that the Group recognises restructuring related costs.

Net interest and other expenses relating to defined benefit plans are calculated by applying the discount rate to the net defined benefit liability or asset and recognised in profit and loss.

The Group amended the defined benefit plan effective 1 January 2006 to restrict new entrants into the plan, and the benefits payable to be calculated based on the employees' length of service up to 31 December 2005.

(d) Share-based compensation

For equity-settled, share-based compensation plan, the fair value of employee services rendered in exchange for the grant of the shares and/or options is recognised as an expense with a corresponding increase in equity over the vesting period. The total amount to be expensed in the income statements over the vesting period is determined by reference to the fair value of shares and/or options granted at the grant date and the number of shares and/or options vested by vesting date, excluding the impact of any non-market vesting conditions. Non market vesting conditions are included in the estimates of the number of shares and/or options that are expected to become vested and/or exercisable. At each reporting date, the respective companies will revise its estimates of the number of shares and/or options that are expected to be vested and it recognises the impact of this revision in the income statements with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statements is made. For performance shares that are expected to be granted, due to services received before grant date, the total amount to be recognised over the vesting period is determined by reference to the fair value of the performance shares at the end of the reporting period, until the date of grant has been established.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised. For share-based compensation plan implemented by a subsidiary, the proceeds are credited in equity as transactions with owners.

Where the terms of a share-based compensation plan are modified, the expense that has yet to be recognised for the award is recognised over the remaining vesting period as if the terms had not been modified. Additional expense is recognised for any increase in the total fair value of the share and/or options due to the modification, as measured at the date of the modification.

2.17 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Income taxes (continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales and Services Tax ("SST")

SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

Revenue is recognised net of the amount of SST billed as it is payable to the taxation authority. SST payable to the taxation authority is included as part of payables in the statements of financial position.

2.18 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the financial statements.

2.19 Revenue recognition

2.19.1 Revenue from contracts with customers

The Group is in the business of providing telecommunication and related services.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of indirect taxes.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(a) Telecommunication revenue

Telecommunication revenue from postpaid and prepaid services provided by the Group are recognised over time, as the benefits of telecommunication services are simultaneously received and consumed by the customer.

Revenue from prepaid services (i.e. preloaded talk time, prepaid top-up vouchers, etc.) are recognised when services are rendered. Consideration from the sale of prepaid sim cards and reload vouchers to customers where services have not been rendered at the reporting date is deferred as contract liability until actual usage or when the cards, vouchers or reloaded amounts are expired or forfeited.

Postpaid services are provided in postpaid packages which consists of various services (i.e. call minutes, internet data, Short Message Service ("SMS"), etc.). These postpaid packages have been assessed to meet the definition of a series of distinct services that are substantially the same and have the same pattern of transfer and as such the Group treats these packages as a single performance obligation.

Postpaid packages are either sold separately or bundled together with the sale of a mobile device to a customer. Mobile devices can also be obtained separately from other mobile device retailers and can be used together with the postpaid packages provided by the Group. Postpaid packages and mobile devices are capable of being distinct and separately identifiable, therefore, there are two performance obligations within a bundled transaction. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the postpaid packages and device.

Stand-alone selling price are based on observable sales prices; however, where stand-alone selling prices are not directly observable, estimates will be made maximising the use of observable inputs.

(b) Sale of device

Revenue from sale of device is recognised at the point in time when control of the asset is transferred to the customer, usually on delivery and acceptance of the device.

Payment for the transaction price of the mobile device is typically collected at the point the customer signs up for the bundled contract, except for bundled packages that have a payment structure allowing customers to pay for the mobile device over a period of time. For these arrangements the Group discounts the transaction price using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Certain bundled contracts provide the customer with a right to return the mobile devices during a specified time frame. The Group uses the expected value method to estimate the mobile devices that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in MFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For mobile devices that are expected to be returned, the Group adjusts revenue and recognises a refund liability instead. Correspondingly, costs of sales is also adjusted and a right of return asset is recognised as the right to recover the mobile device from the customer.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(c) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services (i.e. mobile devices or telecommunication services) transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are subject to impairment assessment based on the ECL model.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2.9.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

For prepaid services, a contract liability is recognised when consideration is received from a customer, but services are yet to be performed.

(d) Cost to obtain a contract

The Group pays sales commissions to external sales channels and employees as an incentive for each new customer registration to the Group's telecommunication services. The Group also incurs fibre modem and fibre installation cost for new fibre customers.

These costs have been determined to be an incremental cost of obtaining a contract and are capitalised as contract costs when the Group expects these costs to be recovered over a period of more than one year.

Contract costs are amortised on a straight-line basis over the expected customer life cycle, which is consistent with the pattern of the related revenue. For contract costs with an amortisation period of less than one year, the Group has elected to apply the practical expedient to recognise as an expense when incurred.

Amortisation of contract costs are included as part of operating expenses in the profit or loss, based on the nature of commission costs, and not under amortisation expenses.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(d) Cost to obtain a contract (continued)

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of the contract costs recognised exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate, less the remaining costs that relate directly to providing those goods or services (that have not been recognised as an expense).

When impairment conditions no longer exist or have improved, the Group will recognise a reversal of some or all of the impairment losses previously recognised on the contract costs. The increased carrying amount of the contract costs should not exceed the amount that would have been determined (net of amortisation) had no impairment loss been recognised previously.

2.19.2 Interest revenue

Interest revenue on receivables from contracts with customers with significant financing components is recognised over the customer's contract period using an effective interest rate reflecting the customers' credit risk.

2.19.3 Dividend income

Dividend income is recognised when the Company's right to receive payment is established, and is presented as revenue in profit or loss, aligned with the principal activity of the Company as an investment holding entity.

2.19.4 Lease income

Lease income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2.20 Government grants

As a universal service provider ("USP"), the Group is entitled to claim certain qualified expenses from the Malaysian Communications and Multimedia Commission ("MCMC") in relation to USP projects. These claims are treated as government grants and recognised at their fair values where there is reasonable assurance that the grants will be received and the Group complies with all the attached conditions.

A grant relating to the asset is recognised as income over the life of the depreciable asset by way of a reduced depreciation charge. Grant relating to income is recognised in profit and loss by crediting directly against the related expense.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Foreign currency transactions

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements of the Group are presented in RM, which is also the functional currency of all entities in the Group.

Transactions in foreign currencies are initially converted into RM at exchange rates prevailing at the date of transaction. At each reporting date, foreign currency monetary items are translated into RM at exchange rates prevailing at that date.

Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition.

(b) Foreign currency transactions

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised directly in other comprehensive income.

2.22 Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each reporting date. The fair values of financial instruments measured at amortised cost are disclosed in Note 34.6.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability; or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Financial Statements
31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.22 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.23 Segment reporting

The Group provides telecommunication and related services to customers across the country and its services and products essentially have a similar risk profile. Business activities of the Group are not organised by product or geographical components and its operating result is reviewed as a whole by its management. Accordingly, there is no separate segment, as disclosed in Note 37.

2.24 Derivatives

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. A derivative is presented as a financial asset when the fair value is positive and as a financial liability when the fair value is negative.

Derivative assets and liabilities held primarily for trading purposes, or those expected to be realised, sold, consumed (for assets), or settled (for liabilities) within the Group's normal operating cycle, are classified as current assets and liabilities.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

3.1 Adoption of new and amended MFRSs and interpretation

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2024, the Group and the Company adopted the following amended MFRS mandatory for annual financial periods beginning on or after 1 January 2024.

Description
Amendments to MFRS 16 Leases
Amendments to MFRS 101 Presentation of Financial Statements
Amendments to MFRS 107 and MFRS 7 on Supplier Finance Arrangements

The adoption of the above amendments did not have any significant impact on the financial statements of the Group and of the Company.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

3.2 Standards issued but not yet effective

The standards and amendments that are issued but not yet effective up to the date of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to MFRS 7: Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9: Financial Instruments	1 January 2026
Amendments to MFRS 107: Statement of Cash Flows	1 January 2026
Amendments to MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027

The impact of amendments to the standards issued but not yet effective above is being assessed by the Group and the Company.

The implications of applying MFRS 18 on the Group's consolidated financial statements is still being assessed. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of MFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in 'other expense' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
  - MFRS 18 requires the derivative gains or losses to be classified in the same category as the income and expenses affected by the risk that the derivative is used to manage. The Group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of MFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying MFRS 18 and the amounts previously presented applying MFRS 101.
- The Group will change the classification of interest received and interest paid in the statement of cash flow. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

MFRS 18 will be applied retrospectively.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management makes key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The following represents a summary of the significant accounting estimates and judgement and the associated key sources of estimation uncertainty, which may have significant effects on the amounts recognised in the financial statements:

4.1 Impairment assessment of goodwill and trademark

The goodwill and trademark are arising from the acquisition of Celcom Berhad and its subsidiaries ("Celcom Group") in 2022. The Group considers that the trademark of Celcom which is subsequently subsumed in the CelcomDigi brand name has indefinite useful life because it is supported by ongoing marketing activities and expected to contribute to the Group's net cash flows indefinitely. The trademark with indefinite useful life is a significant judgement made by the Group and it is subject to annual impairment assessment.

Management has performed impairment assessment of goodwill and trademark annually, irrespective of whether there are any impairment indications. This requires an estimation of the value in use ("VIU") of the CGU to which goodwill and trademark are allocated. Estimating a VIU amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions applied in the impairment assessment are disclosed in Note 12.

4.2 Useful lives of property, plant and equipment

Depreciation of property, plant and equipment is based on management's estimates of the future estimated useful lives and residual values of property, plant and equipment. Estimates of useful lives may change due to technological developments, modernisation initiatives, expected level of usage, competition, market conditions and other factors, which could potentially impact the average useful lives and the residual values of these assets. This may result in future changes in the estimated useful lives and depreciation expenses. A reduction in the estimated useful lives of property, plant and equipment by 1 year, the depreciation for the next 1 year will increase approximately by 20%. The carrying amounts of property, plant and equipment at the reporting date are disclosed in Note 11.

4.3 Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group then adjusts the historical credit loss experience taking into consideration the forward-looking information. For example, if the Group's view of the forecasted economic conditions (i.e. inflation rate, unemployment rate, interest rate and economic outlook for Malaysia) are expected to significantly deteriorate over the next financial year which may lead to an increase in the unrecoverable rate of the receivables and contract assets. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The Group estimates the relationship between historical observed default rates, forecast economic conditions and ECL which may not be representative of customer's actual default in the future. The information about the provision matrix on the Group's trade receivables and contract assets is disclosed in Note 34.2.

If the historical observed default rates varies by 5.0% from management's estimates, the Group's allowance for expected credit loss on trade receivables and contract assets will cause either a 1.8% (2023: 1.0%) increase or 1.8% (2023: 1.0%) decrease respectively in the Group's profit for the financial year.

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4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.4 Revenue recognition - determining stand-alone selling price ("SSP")

The Group has assessed that there are two performance obligations for bundled contracts where the Group needs to allocate the transaction price between the telecommunication service and mobile device based on their relative SSP.

SSP for telecommunication services and mobile devices are based on observable sales prices; however, where certain SSP are not directly observable, estimates will be made maximising the use of observable inputs.

Judgement is involved in determining relevant sources of SSP that will directly determine the amount of revenue to be recognised up front (sale of device) and amount of revenue to be recognised over time (telecommunication revenue). For example, a lower SSP for mobile device will result in a lower amount of revenue recognised upfront and higher amount of revenue recognised over the contract period.

The revenue recognised in the current financial year in relation to sale of device and telecommunication revenue is detailed in Note 5.

4.5 Estimating the lease term - Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to exercise the option, or any periods covered by an option to terminate the lease, if it is reasonably certain not to exercise the option, within the period for which the contract is enforceable.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. For example, for leases of certain telecommunication network sites, if the Group expects to use significant non-removable leasehold improvements beyond the date on which the lease can be terminated, the existence of those leasehold improvements may indicate that the Group might incur a more than insignificant penalty if it terminates the lease.

For leases of telecommunication network sites, other factors to consider in assessing the lease term include the technology development and potential changes in business models.

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

Based on the assessment of these factors, the lease term for the Group's leases relating to telecommunication network sites will normally be within a range of 1 to 30 years.

5 REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers (Note 5.1)	12,500,807	12,573,810	-	-
Interest revenue (Note 5.2)	68,549	-*	-	-
Lease income (Note 5.3)	110,042	108,341	-	-
Dividend income from subsidiaries	-	-	1,773,505	1,713,634
	12,679,398	12,682,151	1,773,505	1,713,634

* *Previously included in Note 7 as Unwinding of significant financing component of revenue contracts with deferred payment scheme*

5.1 Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major products or service lines (which also represents the Group's defined performance obligations).

Group	Note	2024 RM'000	2023 RM'000
Major products/service lines			
Telecommunication revenue	(a)	10,723,754	10,859,190
Sales of devices	(b)	1,777,053	1,714,620
Total revenue from contracts with customers		12,500,807	12,573,810

The timing of revenue recognition for respective major products or service lines are as follows:

(a) Telecommunication revenue was recognised over time

(b) Sale of devices was recognised at a point in time

5.2 Interest revenue

The Group offers devices in bundled contracts relates to customers payment for the devices over a period of up to 36 months arising from the Group's ordinary activities. The interest revenue represents the significant financing component of such contracts.

Notes to the Financial Statements
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5 REVENUE (CONTINUED)

5.3 Group as a lessor

The Group has entered into operating leases on certain network telecommunication sites. These leases have lease terms between one to seven years (2023: one to seven years). Lease income recognised by the Group during the financial year is RM110.0 million (2023: RM108.3 million).

The future minimum rentals receivable under non-cancellable operating leases are as follows:

	2024 RM'000	2023 RM'000
Within one year	104,593	105,087
In the 2nd year	104,593	105,087
In the 3rd year	104,593	105,087
In the 4th year	11,624	14,966
In the 5th year	5,489	12,712
Later than five (5) years	6,896	12,274
Total undiscounted lease payments	337,788	355,213

5.4 Contract assets

Contract assets primarily relate to rights to consideration for mobile devices transferred to subscribers but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. As at 31 December 2024, the Group has contract assets of RM497.8 million (2023: RM425.8 million) which is net of an allowance for expected credit losses of RM18.7 million (2023: RM12.0 million). The movement of contract assets are as follows:

Group	2024 RM'000	2023 RM'000
At 1 January	425,762	230,044
Additions due to revenue recognised during the year	508,485	457,605
Transfer to receivables	(436,405)	(261,887)
At 31 December	497,842	425,762

5.5 Contract liabilities

Contract liabilities mainly relate to advance consideration received from subscribers at inception of contracts, for which revenue is only recognised upon rendering of telecommunication service.

The movement of contract liabilities are as follows:

Group	2024 RM'000	2023 RM'000
At 1 January	586,276	583,168
Additions	5,025,123	5,083,871
Recognised as revenue	(4,931,323)	(5,080,763)
At 31 December	680,076	586,276

5 REVENUE (CONTINUED)

5.6 Unutilised performance obligations

The revenue expected to be recognised in the following financial years in relation to performance obligations that are unsatisfied as at the reporting date is as follows:

	Group	
Group	2024 RM'000	2023 RM'000
Telecommunication service	3,762,099	2,620,647

Management expects that all of the transaction price allocated to the unsatisfied performance obligations as at the end of the financial year will be recognised as revenue within the next 10 years (2023: 10 years).

6 FINANCE COSTS

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expenses on:					
- Loans and borrowings		345,772	341,951	125,844	123,836
- Others		8,249	5,431	-	-
Unwinding of discount:					
- Lease liabilities	13	240,272	272,926	-	-
- Site decommissioning and restoration cost	25.1	16,291	12,178	-	-
Net change in fair value of derivative financial instruments:					
- Interest rate swaps		(473)	(4,612)	-	-
		610,111	627,874	125,844	123,836

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7 PROFIT BEFORE TAX AND ZAKAT

Profit before tax and zakat is derived after deducting/(crediting):

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Allowance for/(Reversal of) expected credit losses on trade receivables, other receivables, deposits and contract assets	34.2	159,050	(21,805)	-	-
Depreciation		3,017,214	2,996,008	-	-
- property, plant and equipment	11	1,627,591	1,762,512	-	-
- ROU asset	13	1,389,623	1,233,496	-	-
Impairment loss					
- ROU asset	13	217,200	-	-	-
Amortisation of:					
- intangible assets	12	246,299	234,125	-	-
- contract cost	14	171,652	92,699	-	-
Staff expenses	7(a)	919,259	897,646	-	-
Non-executive directors remuneration excluding benefits-in-kind	7(b)	2,319	2,355	2,241	2,261
Universal Service Provision contribution		499,064	417,328	-	-
Transmission facilities services		408,035	374,713	-	-
Apparatus assignment fees		156,129	161,699	-	-
Utilities expenses		298,737	327,348	-	-
Device expenses		1,904,261	1,797,716	-	-

Notes to the Financial Statements
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7 PROFIT BEFORE TAX AND ZAKAT (CONTINUED)

Profit before tax and zakat is derived after deducting/(crediting) (continued):

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Auditors' remuneration:					
- statutory audit fees[1]		1,410	1,660	160	250
- audit related services[2]		469	625	-	-
- other services fees[3]					
- member firms of PricewaterhouseCoopers PLT		-	2,737	-	-
- Ernst & Young PLT and affiliated firms		-	341	-	151
Inventories written back		(11,614)	(8,796)	-	-
Rental of land and buildings		275,156	240,562	-	-
Rental of equipment and others		63,851	56,874	-	-
Realised foreign exchange loss/(gain)		1,286	(6,176)	-	-
Unrealised foreign exchange loss/(gain)		7,701	(1,009)	-	-
Fair value loss/(gain) on foreign currency forward contracts		402	(19,402)	-	-
Fair value gain on investment in shares		(3)	(2)	-	-
Loss/(gain) on disposal of property, plant and equipment		51,307	(12,224)	-	-
Gain on disposal of intangible assets		-	(8,604)	-	-
Gain on termination of leases		(59,289)	(14,223)	-	-
Gain on lease modification		-	(1,262)	-	-
Write-off of property, plant and equipment		1,220	14,647	-	-
Write-off of intangible assets		-	256,612	-	-
Loss on disposal of an associate		18,402	-	-	-
Bad debts recovered		(25,469)	(24,940)	-	-
Miscellaneous income		-	(26,939)	-	-
Project management fee		-	(15,733)	-	-
Interest income from deposits with licensed banks		(12,837)	(32,151)	(874)	(453)
Unwinding of significant financing component of revenue contracts with deferred payment scheme		-[4]	(56,734)	-	-

(1) This is in relation to statutory audit fees payable to PricewaterhouseCoopers PLT for 31 December 2024. The prior year statutory audit fees comprised audit fees for former auditor of the Group, Ernst & Young PLT of RM760,000 and the auditor of the subsidiaries, Celcom Berhad and its subsidiaries, PricewaterhouseCoopers PLT of RM900,000.

(2) Audit related fees were incurred in connection with review of regulatory compliance reporting, review of Statement on Risk Management and Internal Control and performance of agreed upon procedures.

(3) Other services in the prior financial year were incurred in connection with advisory related services.

(4) In 2024, this is presented as interest revenue in Note 5.

Notes to the Financial Statements
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7 PROFIT BEFORE TAX AND ZAKAT (CONTINUED)

(a) Staff expenses incurred by the Group net of capitalisation of employee benefits expense in property, plant and equipment of RM107.9 million (2023: RM40.5 million) during the financial year comprise:

Group	Note	2024 RM'000	2023 RM'000
Salaries and bonuses		752,444	722,027
Defined contribution plan		88,881	98,552
Defined benefit plan	25.1	310	67
Share-based payment		4,711	1,025
Other staff related expenses		72,913	75,975
		919,259	897,646

(b) Non-executive directors' remuneration during the financial year comprises:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-executive:				
Fees	2,319	2,355	2,241	2,261
Benefits-in-kind	58	70	43	49
Total	2,377	2,425	2,284	2,310

The number of non-executive directors of the Company whose total remuneration during the financial year falls within the following band is analysed below:

	Number of directors	
Non-executive directors	2024	2023
Nil	6	6
RM1 - RM50,000	-	2
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	-
RM150,001 - RM200,000	-	-
RM200,001 - RM250,000	-	-
RM250,001 - RM300,000	-	-
RM300,001 - RM350,000	-	-
RM350,001 - RM400,000	-	1
RM400,001 - RM450,000	2	1
RM450,001 - RM500,000	2	2
RM500,001 - RM550,000	1	1

8. TAXATION AND ZAKAT

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 December 2024 and 2023 are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Statements of comprehensive income:				
Current income tax:				
- Malaysian income tax	595,871	932,628	171	113
- (Over)/under provision in prior financial years	(77,241)*	29,583	-	-
Total current income tax	518,630	962,211	171	113
Deferred taxation (Note 24):				
- Relating to origination and reversal of temporary differences	(135,668)	(310,716)	-	-
- Over provision in prior financial years	(36,520)	(38,358)	-	-
Total deferred tax	(172,188)	(349,074)	-	-
Total taxation	346,442	613,137	171	113
Zakat	-	910	-	-
Taxation and zakat	346,442	614,047	171	113

* *The over provision of tax in prior financial year is mainly due to finalisation of certain tax incentives amounted to RM37.9 million during the year.*

Notes to the Financial Statements
31 December 2024

8. TAXATION AND ZAKAT (CONTINUED)

Reconciliations of income tax expense/rate applicable to profit before tax and zakat at the statutory income tax rate to income tax expense/rate at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax and zakat	1,736,370	2,180,986	1,645,758	1,586,992
Taxation at Malaysian statutory tax rate	416,729	523,437	394,982	380,878
Effect of expenses not deductible for tax purposes	72,746	154,230	30,830	30,507
Effect of income not subject to tax	(29,272)	(55,755)	(425,641)	(411,272)
(Over)/Under provision of income tax expense in prior financial years	(77,241)	29,583	-	-
(Over)/under provision of deferred tax expense in prior financial years	(36,520)	(38,358)	-	-
Effective tax rate/income tax expense recognized in profit or loss	346,442	613,137	171	113
Zakat expenses	-	910	-	-
Taxation and Zakat	346,442	614,047	171	113

Domestic current income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the financial year.

9. EARNINGS PER SHARE

Earnings per share is calculated by dividing profit for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Group	2024	2023
Profit attributable to owners of the Company (RM'000)	1,377,737	1,552,309
Weighted average number of ordinary shares in issue ('000)	11,731,508	11,731,508
Basic earnings per share (sen)	11.7	13.2
Diluted earnings per share (sen)	11.7	13.2

The effects to the earnings per share from Executive Share Grant Plan ("ESGP") of the Company is anti-dilutive.

Notes to the Financial Statements
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10. DIVIDENDS

	Group/Company	
	2024 RM'000	2023 RM'000
Recognised during the financial year:		
Dividends on ordinary shares:		
Fourth interim single-tier dividend (2023: 3.5 sen; 2022: 3.1 sen)	410,603	363,677
First interim single-tier dividend (2024: 3.5 sen; 2023: 3.2 sen)	410,603	375,408
Second interim single-tier dividend (2024: 3.5 sen; 2023: 3.2 sen)	410,603	375,408
Third interim single-tier dividend (2024: 3.6 sen; 2023: 3.3 sen)	422,334	387,140
	1,654,143	1,501,633
Interim dividend declared subsequent to the reporting date (not recognised as a liability as at 31 December):		
Dividends on ordinary shares:		
Fourth interim single-tier dividend (2024: 3.7 sen; 2023: 3.5 sen)	434,066	410,603

The board of directors had on 12 February 2025, declared a fourth interim single-tier dividend of 3.7 sen per ordinary share in respect of the financial year ended 31 December 2024 amounting to RM434.07 million. The financial statements for the current financial year do not reflect this fourth interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

Notes to the Financial Statements
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11. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Computer systems RM'000	Furniture and fittings RM'000	Tele-communi-cations network RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1 January 2024	46,028	226,413	20,268	270,063	144,587	11,358,977	698,861	12,765,197
Additions	-	-	-	5,966	421	117,451	1,998,876	2,122,714
Disposals	-	-	(504)	(13,976)	(1,596)	(387,621)	(4,122)	(407,819)
Write offs	-	-	-	(22)	-	-	(1,215)	(1,237)
Transfers	-	-	4,636	35,457	53,069	1,552,514	(1,645,676)	-
Reclassification from ROU assets	8,603	-	-	-	-	-	-	8,603
At 31 December 2024	54,631	226,413	24,400	297,488	196,481	12,641,321	1,046,724	14,487,458
Accumulated depreciation and impairment losses								
At 1 January 2024	(367)	43,912	16,933	169,119	132,801	6,275,507	-	6,637,905
Depreciation expenses for the financial year (Note 7)	367	10,625	1,848	70,415	23,967	1,520,369	-	1,627,591
Disposals	-	-	(504)	(13,976)	(1,596)	(337,708)	-	(353,784)
Write offs	-	-	-	(17)	-	-	-	(17)
At 31 December 2024	-	54,537	18,277	225,541	155,172	7,458,168	-	7,911,695
Net carrying amount								
At 31 December 2024	54,631	171,876	6,123	71,947	41,309	5,183,153	1,046,724	6,575,763

Notes to the Financial Statements
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11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (cont'd)	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Computer systems RM'000	Furniture and fittings RM'000	Tele-communi-cations network RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1 January 2023	46,608	185,797	18,997	254,816	135,926	10,503,720	426,280	11,572,144
Additions	-	40,616	-	-	3,801	13,039	1,572,402	1,629,858
Disposals	-	-	(2,502)	(4,944)	(2,588)	(296,017)	-	(306,051)
Write offs	(580)	-	-	-	-	(115,740)	(14,434)	(130,754)
Transfers	-	-	3,773	20,191	7,448	1,253,975	(1,285,387)	-
At 31 December 2023	46,028	226,413	20,268	270,063	144,587	11,358,977	698,861	12,765,197
Accumulated depreciation and impairment losses								
At 1 January 2023	-	38,651	18,278	86,988	109,382	5,039,140	-	5,292,439
Depreciation expenses for the financial year (Note 7)	-	5,261	1,157	87,080	26,001	1,643,013	-	1,762,512
Disposals	-	-	(2,502)	(4,949)	(2,582)	(290,906)	-	(300,939)
Write offs	(367)	-	-	-	-	(115,740)	-	(116,107)
At 31 December 2023	(367)	43,912	16,933	169,119	132,801	6,275,507	-	6,637,905
Net carrying amount								
At 31 December 2023	46,395	182,501	3,335	100,944	11,786	5,083,470	698,861	6,127,292

(a) The Group acquired property, plant and equipment with an aggregate cost of RM2,122.7 million (2023: RM1,629.9 million) of which RM12.8 million (2023: RM5.6 million) relates to the provision for site decommissioning and restoration costs, as disclosed in Note 25.1 and accrual of RM735.3 million (2023: RM806.2 million) as non-cash transactions.

(b) Government grants receipt and accrued during the year of RM240.3 million (2023: RM216.6 million) relating to additions of qualifying property, plant and equipment, were deducted before arriving at the cost of property, plant and equipment during the financial year ended 31 December 2024.

(c) The freehold building of one of the subsidiaries of RM3.5 million (2023: RM3.5 million) have been pledged to a licensed bank as security for banking facilities granted to the Company as disclosed in Note 23.

(d) Included accelerated depreciation charges of RM110.4 million (2023: RM279.6 million) due to network integration and consolidation activities during the year.

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12 INTANGIBLE ASSETS

Group	Computer software RM'000 (Note a)	Customer relationship RM'000 (Note b)	Trademark RM'000 (Note c)	Goodwill RM'000 (Note d)	Total RM'000
Cost					
At 1 January 2024	671,071	1,172,380	1,759,421	15,910,339	19,513,211
Additions	238,464	-	-	-	238,464
Disposals	(8,931)	-	-	-	(8,931)
Write offs	(93)	-	-	-	(93)
At 31 December 2024	900,511	1,172,380	1,759,421	15,910,339	19,742,651
Accumulated amortisation					
At 1 January 2024	433,772	128,639	-	-	562,411
Amortisation expenses for the financial year (Note 7)	127,371	118,928	-	-	246,299
Disposals	(8,931)	-	-	-	(8,931)
Write offs	(93)	-	-	-	(93)
At 31 December 2024	552,119	247,567	-	-	799,686
Net carrying amount					
At 31 December 2024	348,392	924,813	1,759,421	15,910,339	18,942,965
Cost					
At 1 January 2023	751,493	1,172,380	1,759,421	15,910,339	19,593,633
Additions	187,398	-	-	-	187,398
Disposals	(11,208)	-	-	-	(11,208)
Write offs	(256,612)	-	-	-	(256,612)
At 31 December 2023	671,071	1,172,380	1,759,421	15,910,339	19,513,211
Accumulated amortisation					
At 1 January 2023	324,452	9,711	-	-	334,163
Amortisation expenses for the financial year (Note 7)	115,197	118,928	-	-	234,125
Disposals	(5,877)	-	-	-	(5,877)
At 31 December 2023	433,772	128,639	-	-	562,411
Net carrying amount					
At 31 December 2023	237,299	1,043,741	1,759,421	15,910,339	18,950,800

Note:
Total additions during the financial year includes non-cash transactions arising from payable and accrual of RM22.6 million (2023: RM73.5 million).

12 INTANGIBLE ASSETS (CONTINUED)

(a) Computer software

Included in the cost of computer software are computer software not yet available for use of RM95.0 million as at 31 December 2024 (2023: RM50.2 million).

(b) Customer relationship

Refers to the customer relationship acquired through business combination in the previous financial year ended 31 December 2023. Customer relationship has a finite useful life and is amortised using the straight-line method over its estimated useful life of 10 years, with remaining amortisation period of 7.9 years.

(c) Trademark

Refers to Celcom's trademark acquired through business combination in prior financial years, which subsequently subsumed as part of CelcomDigi's trademark. The trademark has an indefinite useful life.

(d) Goodwill

The goodwill arose from the acquisition of equity interest in Celcom Berhad and its subsidiaries in year 2022.

Impairment test for goodwill and trademark

For impairment testing purpose, goodwill and trademark acquired through business combination have been allocated to the entire telecommunication CGU. The recoverable amount of the entire telecommunication CGU is determined based on value in-use calculation, which use free cash flow projections for the next five financial years based on financial forecast and projection approved by the Board of Directors.

The forecast and projection reflect management's expectations of revenue growth, operating costs and margins based on past experience and future outlook of the CGU. Cash flows beyond the fifth year are extrapolated in perpetuity using estimated terminal growth rate which takes into consideration the current and projected inflation and average growth rate for the telecommunication industry in Malaysia.

The discount rate applied to the cash flow forecast represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The following assumptions have been applied in the VIU calculation:

Revenue growth rates	2.0% to 4.7% (2023:2.7% to 7.9%)
Terminal growth rate	2.0% (2023: 2.0%)
Pre-tax discount rate	9.9% (2023: 10.5%)

Based on the assessment above, the goodwill and trademark are not impaired as the recoverable amount of the CGU exceeds the carrying amounts included in the financial statements.

Sensitivity to changes in key assumptions

The management believes that there are no reasonably possible change in any of the above key assumptions which would cause the carrying amounts of the goodwill and trademark to materially exceed the recoverable amounts.

13. RIGHT OF USE ASSETS AND LEASE LIABILITIES

Group as a lessee

	Leasehold land and buildings RM'000	Telecommunications network sites RM'000	Transmission facilities RM'000	Spectrum bandwidths RM'000	Stores, office buildings and kiosks RM'000	Total RM'000
Carrying amount						
At 1 January 2024	406,192	3,280,097	443	2,651,068	106,531	6,444,331
Additions	2,171	637,551	-	27,930	24,203	691,855
Depreciation expense for the financial year (Note 7)	(21,737)	(950,296)[1]	(443)	(404,363)	(12,784)	(1,389,623)
Lease modification	-	(33,000)	-	-	-	(33,000)
Termination	-	(307,697)	-	-	(92)	(307,789)
Impairment	-	(217,200)[1]	-	-	-	(217,200)
Reclassification	(8,603)[2]	-	-	(46,275)[3]	-	(54,878)
At 31 December 2024	378,023	2,409,455	-	2,228,360	117,858	5,133,696
Carrying amount						
At 1 January 2023	427,323	3,852,650	2,037	2,917,946	89,994	7,289,950
Additions	-	357,531	-	102,457	9,834	469,822
Depreciation expense for the financial year (Note 7)	(21,131)	(825,674)	(1,594)	(369,335)	(15,762)	(1,233,496)
Lease modification	-	(52,854)	-	-	28,364	(24,490)
Termination	-	(51,556)	-	-	(5,899)	(57,455)
At 31 December 2023	406,192	3,280,097	443	2,651,068	106,531	6,444,331

Notes:

(1) During the financial year, the Group assessed the carrying amounts of certain ROU assets of RM217.2 million for telecommunication network sites are fully impaired as the sites have been decommissioned and no longer in use to generate the telecommunication cashflows. Additionally, the Group recognised accelerated depreciation of RM112.7 million on ROU assets of the telecommunication network sites that have been identified to be decommissioned in the next 2 years as part of the Group's network and consolidation exercise.

(2) This is in relation to reclassification to property, plant and equipment during the year.

(3) The Group reclassified total of 70MHz of spectrum to prepayment for the following three bands (each referred to as a "Band") to address the issue of spectrum concentration post-merger - 20MHz in the 2100MHz spectrum band, 10MHz in the 1800MHz spectrum band, and 40MHz in the 2600MHz spectrum band. First band to be returned within two (2) years from 30 November 2022, second and third band will be returned within three (3) years from 30 November 2022.

13. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Group as a lessee (continued)

Note: (continued)

(3) The divestment of the 20MHz in the 2100MHz spectrum band, ie. the first band to be returned to MCMC, has been completed on 29 November 2024 and the divestment of the remaining two spectrum bands to be completed by 29 November 2025 is in progress and right on track.

The Group's lease arrangements are mainly in relation to telecommunication network sites, transmission facilities and spectrum bandwidths which are used to support the Group's telecommunication operations. The lease arrangements generally do not allow for subleasing of the leased asset, unless there is a contractual right for the Group to sublet the lease asset to another party.

The Group also has certain leases with lease terms of 12 months or less and leases that have been determined to be low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemption for these leases.

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the financial year:

		Group	
	Note	2024 RM'000	2023 RM'000
At 1 January		5,354,328	6,009,936
Additions		691,855	469,822
Unwinding of discount	6	240,272	272,926
Lease modification		(33,000)	(25,752)
Payments		(1,297,365)	(1,300,926)
Termination		(367,078)	(71,678)
At 31 December		4,589,012	5,354,328
Analysed as:			
Current	23	831,286	1,146,046
Non-current	23	3,757,726	4,208,282
		4,589,012	5,354,328

The maturity analysis of lease liabilities are disclosed in Note 34.4.

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13. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The following are amounts recognised in profit or loss:

	Group	
	2024 RM'000	2023 RM'000
Depreciation expense of right of use assets	1,389,623	1,233,496
Interest expense on lease liabilities (Note 6)	240,272	272,926
Expenses included in sales and marketing expenses:		
- short-term leases	15,863	10,927
Rental expenses presented separately on statement of comprehensive income:		
- short-term leases	322,919	286,509
- leases of low value assets	225	-
	1,968,902	1,803,858

The Group has total cash outflow for leases amounting to RM1,636.4 million (2023: RM1,498.7 million).

14. CONTRACT COSTS

	Group	
	2024 RM'000	2023 RM'000
Capitalised costs, net of amortisation	169,350	134,900
Amortisation recognised in operating expenses (Note 7)	171,652	92,699

15. INVESTMENTS IN SUBSIDIARIES

	Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	19,523,561	19,523,561

Notes to the Financial Statements
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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of company	Percentage of ownership target		Country of Incorporation	Principal activities
	2024 (%)	2023 (%)		
Celcom Berhad	100	100	Malaysia	Provision of mobile telecommunications services and network transmission related services
CelcomDigi Telecommunications Sdn. Bhd. ("CDTSB") (formerly known as Digi Telecommunications Sdn. Bhd. ("DTSB"))	100	100	Malaysia	Establishment, maintenance and provision of telecommunications and related services
InfraNation Sdn. Bhd.	100	100	Malaysia	Provision of telecommunication infrastructure services
Subsidiaries held through Celcom Berhad				
CelcomDigi Mobile Sdn. Bhd. (formerly known as Celcom Mobile Sdn. Bhd.)	100	100	Malaysia	Mobile communications, network and application services and content
Celcom Networks Sdn. Bhd.	100	100	Malaysia	Network communications, capacity and services
Celcom Properties Sdn. Bhd.	100	100	Malaysia	Property investment
Celcom Escape Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Retail Holding Sdn. Bhd.	100	100	Malaysia	Strategic and business development, management, administrative support services and investment holding
Celcom Intelligence Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Timur (Sabah) Sdn. Bhd.	80	80	Malaysia	Fibre optic transmission network
Celcom eCommerce Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Resources Berhad	100	100	Malaysia	Investment holding
Infront Consulting Group (M) Sdn. Bhd.	60	60	Malaysia	Business management and integration system
Bridgenet Solutions Sdn. Bhd.	51	51	Malaysia	Cybersecurity, networking, information and communication solutions
Subsidiary held through CDTSB				
Y3llowlabs Sdn. Bhd.	100	100	Malaysia	Provision of e-commerce, digital services and solutions
Subsidiary held through Celcom Resources Berhad				
Celcom Trading Sdn. Bhd.	100	100	Malaysia	Dealings in marketable securities

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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of company	Percentage of ownership target 2024 (%)	Percentage of ownership target 2023 (%)	Country of Incorporation	Principal activities
Subsidiary held through Celcom Retail Holding Sdn. Bhd.				
Celcom Retail Sdn. Bhd.	100	100	Malaysia	Trading and distribution of communication devices and related products and managing retail stores
Subsidiary held through Infront Consulting Group (M) Sdn. Bhd.				
Infront Consulting Group (S) Pte Ltd*	69	69	Singapore	Software consultancy services

* The subsidiary had been placed under compulsory winding-up after the reporting date and is not audited by the auditor of the Company.

The non-controlling interests of the Group for the financial year are regarded as not material in the view of the directors and therefore the related disclosures are not included.

For the previous financial year ended 31 December 2023

Additional investment in Infront Consulting Group (M) Sdn. Bhd. ("Infront")

On 29 November 2023, Celcom Berhad, a wholly-owned subsidiary of the Company, together with the minority shareholder of Infront, had in total injected additional capital amounting to RM2.4 million in Infront. The total shareholding of Celcom Berhad in Infront remained unchanged at 60%, after the additional investment by Celcom Berhad of RM1.4 million.

The additional investment did not have any significant impacts to the Group.

Impairment assessment for cost of investment in subsidiaries

The Company performed impairment assessments of its costs of investments in certain subsidiaries as there were indicators of impairment as follows:

During the financial year, the Company performed impairment assessment of its cost of investments in Celcom Berhad and Digi Telecommunications Sdn Bhd as the carrying amount of cost of investments exceed net assets.

The recoverable amount was determined based on the value-in-use ("VIU") calculation. The following assumptions have been applied in the VIU calculation.

Notes to the Financial Statements
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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Impairment assessment for cost of investment in subsidiaries (continued)

	2024	2023
Revenue growth rates	2.0% - 4.7%	2.7% - 7.9%
Terminal growth rates	2.0%	2.0%
Pre-tax discount rate	9.9%	10.5%

The VIU calculation apply a discounted cash flow model using approved cash flow projections based on financial budgets and forecasts covering 5 years period. Based on the impairment assessment, the Company has concluded no further impairment is required during the financial year.

Sensitivity to changes in key assumptions

The management believes that there are no reasonably possible change in any of the above key assumptions which would cause the carrying amounts of the cost of investments to materially exceed the recoverable amounts.

16. INVESTMENT IN A JOINT VENTURE

	Group 2024 RM'000	Group 2023 RM'000
In Malaysia		
Unquoted shares, at cost	5,250	5,250
Share of post-acquisition reserves	24,617	8,750
	29,867	14,000

Details of the joint venture incorporated in Malaysia are as follows:

Name of company	Percentage of ownership Interest held by the Group 2024 (%)	Percentage of ownership Interest held by the Group 2023 (%)	Principal activities
Joint venture held through Celcom Mobile Sdn. Bhd.			
Tune Talk Sdn. Bhd.	35	35	Mobile communication services

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16. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The Group's share of profit in investment in Tune Talk Sdn. Bhd. recognised:

	Group	
	2024 RM'000	2023 RM'000
Assets and liabilities		
Non-current assets	16,000	20,000
Current assets	165,333	163,000
Current liabilities	(96,000)	(143,000)
Net assets	85,333	40,000
Group's share of net assets	29,867	14,000
Share of Tune Talk Sdn Bhd' profits during the year	15,867	8,750

17. INVESTMENT IN AN ASSOCIATE

	Group	
	2024 RM'000	2023 RM'000
In Malaysia		
Unquoted shares, at cost		
- Sacofa Sdn. Bhd. ("Sacofa") (Note 17.1)	-	139,943
- Digital Nasional Berhad ("DNB") (Note 17.2)		
- Unquoted shares, at cost	100	-
- Shareholder's advance	233,233	-
Share of post-acquisition reserves		
- Sacofa Sdn. Bhd. ("Sacofa")	-	17,036
	233,333	156,979

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17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Name of company	Percentage of ownership Interest held by the Group 2024 (%)	2023 (%)	Principal activities
Associate held through Celcom Berhad			
Sacofa Sdn. Bhd. (Note 17.1)	-	15.12	Telecommunications Infrastructure and services company included all its related businesses
Associate held through InfraNation Sdn. Bhd.			
Digital Nasional Berhad ("DNB")	0.02	-	To build, own and operate a 5G network and infrastructure and to provide access of its network to licensed telecommunications service providers in Malaysia

17.1 On 22 August 2024, Celcom Berhad, a wholly-owned subsidiary of the Company, has entered into a sale and purchase agreement with State Financial Secretary, Sarawak, to dispose all shareholdings and warrants in Sacofa Sdn. Bhd, an 15.12% associate of Celcom Berhad, for a cash consideration of RM200,000,000 comprising:

(i) RM137,496,828 for the Sale Shares at the approximate price of RM10.71 per share; and
(ii) RM62,503,172 for the Sale Warrants at the price of RM4.87 per warrant.

Following the completion of disposal, a net loss on disposal of RM18.4 million has been recognised and Sacofa has ceased to be an associate of the Group.

The Group has received dividend of RM7.7 million (2023: RM nil) from the associated company during the financial year.

17.2 On 1 December 2023, the Group entered into a conditional share subscription agreement ("SSA") with DNB and Minister of Finance, Incorporated ("MoF Inc") to subscribe for an equity stake in DNB ("Proposed Subscription") of 100,000 new ordinary shares in DNB for RM100,000 and a prepayment amounting to RM233.2 million for products and services to be delivered by DNB ("AA Prepayment").

On 28 June 2024, the Group had completed the Proposed Subscription in accordance with the terms and conditions of the SSA, which includes the completion of the Proposed Subscription of RM100,000 and the conversion of the AA Prepayment of RM233.2 million to the Proposed Shareholder Advance of RM233.2 million. The completion provides the Group the strategic optionality of further participation in the DNB transition with the eligibility to potentially own and operate the second 5G Network. The Shareholder Advance to DNB does not bear any interest, no repayment terms, carries voting rights and Board participation rights, which is akin to an investment.

Additionally, the Group had entered into a shareholders' agreement with MoF Inc., DNB, YTL Power International Berhad ("YTL"), Maxis Broadband Sdn Bhd ("Maxis") and U Mobile Sdn Bhd ("U Mobile") to regulate the relationship of the shareholders of DNB ("DNB Shareholders"), and set out the basis upon which DNB will undertake the Government of Malaysia's mandate to be a provider of 5G network and services in Malaysia and to finance, build, operate and maintain such infrastructure and utilise spectrum allocated for 5G ("Shareholders' Agreement").

17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

17.2 (continued)

The Shareholders Agreement includes the following:-

(i) Put option by MoF Inc.

MoF Inc. to sell its 500 million ordinary shares at RM1 each ("MoF Share") and transfer its shareholders advance of RM450 million ("MoF Loan") in DNB (both collectively, "MoF Put Option") to the DNB Shareholders.

Upon MoF exercise MoF Put Option, each remaining DNB Shareholder is required to purchase its proportion of MoF Share and take over its proportion of MoF Loan.

(ii) Call option by DNB Shareholders

DNB Shareholders may exercise the call option granted under the Shareholders Agreement ("Shareholders Call Option") to purchase their proportion of MoF Share and MoF Loan from MoF or the Exiting Shareholders.

Upon the completion of the MoF Put Option or Shareholders Call Option, the DNB Shareholders will split into one group consisting of shareholders that remain in DNB ("Remaining Shareholders") and another group that will sell its equity in DNB ("Exiting Shareholders"). The Exiting Shareholders may proceed to form an entity to provide the second 5G network or choose not to participate as the second 5G network provider. The Exiting Shareholders have put option to sell its MoF Share and MoF Loan acquired to the Remaining Shareholders in DNB in proportion to their shareholding in DNB ("Exiting Shareholders Put Option"). If Exiting Shareholders fail to exercise the Exiting Shareholders Put Option, the Remaining Shareholders have Call Option to purchase the Exiting Shareholders MoF Shares and MoF Loan.

The Group recognised the investment in DNB as an associate, representing a legal interest of 0.02% based on the ordinary shares.

During the financial year, the Group performed impairment assessment of its cost of investments in DNB and concluded that no impairment required during the financial year. The Group had considered the probability of the expected returns from DNB and in the event that the Exiting Shareholder clause is applied, the Shareholder Advance of RM233.2 million can be recovered via AA Prepayment to offset against future product and services to be delivered by DNB.

18. OTHER INVESTMENTS

	Group	
	2024 RM'000	2023 RM'000
Non-current		
Financial asset at fair value through OCI		
Unquoted shares	-	36

The other investment was previously made in relation to a programme initiated by the Group to fund new digital start-ups in Malaysia.

	Group	
	2024 RM'000	2023 RM'000
Current		
Financial asset at fair value through profit or loss		
Quoted shares, at cost	27	24

During the financial year, the Group completed the subscription of quoted shares. Fair values of these instruments are determined by reference to published price quotations in an active market.

19. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Merchandise:		
At cost	201,556	198,857
At net realisable value	59,713	47,796
	261,269	246,653

During the financial year, the amount of inventories recognised as an expense in cost of materials of the Group was RM1,910.0 million (2023: RM1,837.9 million).

20. RECEIVABLES, DEPOSITS AND PREPAYMENTS

20.1 Trade receivables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-Current				
Trade receivables	413,201	320,619	-	-
Allowance for expected credit loss on trade receivables (Note 34.2)	(12,911)	-	-	-
	400,290	320,619	-	-
Current				
Trade receivables	2,136,302	1,748,210	-	-
Allowance for expected credit loss on trade receivables (Note 34.2)	(360,393)	(210,935)	-	-
	1,775,909	1,537,275	-	-
Total trade receivables	2,176,199	1,857,894	-	-

The Group's trade receivables include receivables on deferred payment schemes amounting to RM895.7 million (2023: RM862.2 million), which allows eligible customers on bundled packages to make payment for mobile devices over a 24-month period.

Apart from the deferred payment scheme receivables, the Group's trade receivables are non-interest bearing, and are subject to normal trade credit terms ranging from 30 to 60 days (2023: 30 to 45 days). They are recognised at their original invoice amounts which represent their fair value on initial recognition.

20.2 Other receivables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Other receivables	924,033	873,982	-	-
Allowance for expected credit loss on other receivables (Note 34.2)	(387,369)	(405,069)	-	-
	536,664	468,913	-	-

Other receivables include mainly receivables from regulatory body for grants related to project awarded.

20. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

20.3 Deposits

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-Current				
Deposits	380,169	105,361	-	-
Allowance for expected credit loss on deposits (Note 34.2)	(178,866)	(48,011)	-	-
	201,303	57,350	-	-
Current				
Deposits	40,969	312,303	5	5
Allowance for expected credit loss on deposits (Note 34.2)	(1,557)	(136,079)	-	-
	39,412	176,224	5	5
Total deposits	240,715	233,574	5	5

The Group's deposits include:
- Non-current and current deposits given to local city councils of RM71.6 million (2023: RM75.8 million) for public infrastructure works which are refundable upon completion;
- Non-current and current deposits for site rental of RM109.1 million (2023: RM106.6 million) which are refundable upon expiration of contract.

20.4 Prepayments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current	256,923	269,731	-	-
Current	370,284	274,674	-	-
	627,207	544,405	-	-

The Group's non-current and current prepayments include prepayment made for 5G access service of RM106.8 million (2023: RM31.1 million) and advances to network facility and services providers of RM257.7 million (2023: RM329.2 million).

20.5 Foreign currency exposures

As at 31 December 2024, the Group's trade receivables balances included exposure to foreign currency denominated in United States Dollar ("USD") and Special Drawing Rights ("SDR") amounting to RM70.7 million (2023: RM25.5 million) and RM98.6 million (2023: RM45.8 million) respectively.

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21. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Note	Group 2024 RM'000	2023 RM'000
Non-hedging derivative financial assets/(liabilities)			
Non-current			
- Convertible warrants in an associate	21.1	-	62,466
- Interest rate swaps	21.2	2,587	2,072
Current			
- Foreign currency forward contracts	21.3	-	(362)

21.1 Convertible warrants in an associate

The warrants issued by Sacofa Sdn Bhd ("Sacofa") are constituted under the deed poll dated 28 January 2009. Under the deed poll, a total 64,171,634 warrants had been issued to the shareholders on the entitlement basis of one (1) free warrant for every one (1) existing Sacofa ordinary share. The Group were issued 12,834,327 warrants, in equivalent to the number of Sacofa's ordinary share held by the Group.

Counterparty	Underlying number of shares	Period	Strike Price
Sacofa	12,834,327	28 Jan 2009 - 25 Jan 2025	RM1.50/share + any adjustments

In prior financial years, the exercise period of the warrants was extended for another three (3) years from 25 January 2022 to 25 January 2025.

During the financial year, the Group has disposed of all shareholdings and convertible warrants of Sacofa, an 15.12% associate of Celcom Berhad. Refer to Note 17.

Notes to the Financial Statements
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21. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

21.2 Interest rate swaps

	Notional value RM'000	Fair value RM'000	Assets/ (liabilities) RM'000
Interest rate swaps			
- 2024	475,000	477,587	2,587
- 2023	775,000	777,072	2,072

Interest rate swaps are used to manage appropriate fair value change exposure within the Group. The Group entered into interest rate swaps to hedge the fair value risk in relation to the fixed interest rates of the Sukuk, as disclosed in Note 23 with notional principal amounts of RM475.0 million (2023: RM775.0 million).

The interest rate swaps entitle the Group to receive interest semi-annually at fixed rates ranging from 4% to 5% per annum, and in return, pays interest quarterly at Malaysia Overnight Rate ("MYOR") plus a spread with a weighted average rate of 3% (2023: 3%). The swaps mature at varying dates based on the maturity of different tranches of the Sukuk.

21.3 Foreign currency forward contracts

	Contract value in foreign currency USD'000	Notional value RM'000	Fair value RM'000	Liabilities RM'000
Foreign currency forward contracts:				
- 2024	-	-	-	-
- 2023	7,000	32,583	32,221	(362)

The Group uses foreign currency forward contracts to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency, arising from the normal business activities. Foreign currency forward contracts are used to hedge certain payables denominated in USD for which firm commitments existed at the reporting date, extending to January and March 2024.

The foreign currency forward contracts and interest rate swap are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure and fair value changes exposure. Any gains or losses arising from changes in the fair value of derivatives are recognised directly in profit or loss.

The method and assumptions applied in determining the fair values of the derivatives above are disclosed in Note 34.6(b)

Notes to the Financial Statements
31 December 2024

22 CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	106,081	250,398	136	81
Deposits with licensed banks	131,240	146,620	-	-
Total cash and short-term deposits	237,321	397,018	136	81
Represented by:				
Cash and cash equivalents	219,368	393,978	136	81
Restricted cash and cash equivalents	4,673	3,040	-	-
Deposits maturing more than three (3) months	13,280	-	-	-
Total cash and short-term deposits	237,321	397,018	136	81

Cash and cash equivalents include cash on hand and at banks and deposits with financial institutions. For the purpose of the statements of cash flows, cash and cash equivalents are net of outstanding bank overdrafts, if any.

The Group's cash and cash equivalents included amounts of foreign currency denominated in USD totalling RM26.7 million (2023: RM13.6 million) at the reporting date.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The weighted average effective interest rates of deposits at the reporting date are as follows:

	Group	
	2024 %	2023 %
Deposits with licensed banks	3	4

The deposits with licensed banks of the Group will mature within four months (2023: two months) from the end of the reporting date.

Included in the deposits with licensed banks of the Group at the reporting date is an amount of RM4.7 million (2023: RM3.0 million) which has been pledged as security for banking facilities granted to one of the subsidiaries as disclosed in Note 23.

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23 LOANS AND BORROWINGS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-Current					
Secured					
Floating-rate term loans	23.1	1,496	1,677	-	-
Fixed-rate term financing	23.1	15	233	-	-
Other financing arrangement	23.5	5,661	-	-	-
		7,172	1,910	-	-
Unsecured:					
Floating-rate term loans	23.6	98,146	432,530	-	-
Floating-rate	23.7	2,983,265	2,529,912	-	-
Loan from a subsidiary	23.3	-	-	2,825,735	2,821,930
Sukuk	23.4	4,346,229	3,596,790	-	-
Lease liabilities	13	3,757,726	4,208,282	-	-
		11,185,366	10,767,514	2,825,735	2,821,930
		11,192,538	10,769,424	2,825,735	2,821,930
Current					
Secured					
Floating-rate term loans	23.1	183	174	-	-
Fixed-rate term financing	23.1	218	211	-	-
Bankers' acceptance	23.2	14,811	4,854	-	-
Other financing arrangement	23.5	3,292	-	-	-
		18,504	5,239	-	-
Unsecured:					
Floating-rate term loans		-	175,000	-	-
Floating-rate term financing-i	23.7	250,000	250,000	-	-
Sukuk	23.4	250,000	650,000	-	-
Floating-rate revolving credit		60,473	-	-	-
Floating-rate revolving credit-i	23.8	450,000	1,250	-	-
Lease liabilities	13	831,286	1,146,046	-	-
		1,841,759	2,222,296	-	-
		1,860,263	2,227,535	-	-
Total loans and borrowings		13,052,801	12,996,959	2,825,735	2,821,930

Notes to the Financial Statements
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23 LOANS AND BORROWINGS (CONTINUED)

The weighted average effective interest/profit rates at the reporting date for borrowings and debt securities are as follows:

	Group	
	2024 %	2023 %
Floating-rate term loans and term financing-i	4	4
Sukuk	4	4
Fixed-rate term financing and term financing-i	4	4
Floating-rate revolving credit-i	4	4
Banker's acceptance	5	5
Lease liabilities	3 – 6	3 – 6

The above borrowings and debt securities are denominated in RM.

23.1 Floating-rate term loan and fixed-rate term financing (secured)

These facilities of the Group are secured by:
(i) a first party legal charge over a freehold building as disclosed in Note 11(c); and
(ii) a joint and several guarantee of certain directors of a subsidiary.

23.2 Bankers' acceptances (secured)

The bankers' acceptances of the Group are secured by:
(i) a Facility Agreement as Principal Instrument;
(ii) deposits with licensed banks as disclosed in Note 22;
(iii) a 70% guarantee coverage by Syarikat Jaminan Pembiayaan Perniagaan Berhad; and
(iv) a joint and several guarantee of certain directors of a subsidiary.

23.3 Loan from a subsidiary

Loans from a subsidiary are unsecured, bears interests at rates of 4% to 5% per annum and repayable by way of instalments commenced from 31 March 2026 up to 31 December 2031.

23.4 Sukuk

The Group through its wholly-owned subsidiary, DTSB, has established an Islamic medium term note programme of up to RM5.0 billion in nominal value ("DTSB Sukuk") based on the Islamic principle of Murabahah (via a Tawarruq arrangement). The tenure of DTSB Sukuk is perpetual.

23 LOANS AND BORROWINGS (CONTINUED)

23.4 Sukuk (continued)

As at 31 December 2024, the carrying amount of the DTSB Sukuk is RM3,796.5 million. The Group had drawn down RM1,000 million during the financial year. The series of DTSB Sukuk in issue consists of:

Tranche	Tenure	Rate %	Maturity date	Nominal Value RM'000
003	10 years	5	14 April 2027	300,000
004	7 years	4	18 September 2026	450,000
005	10 years	4	20 September 2029	450,000
006	3 years	5	2 December 2025	250,000
007	5 years	5	2 December 2027	350,000
008	7 years	4	30 May 2030	1,000,000
009	5 years	4	27 June 2029	500,000
010	7 years	4	27 June 2031	500,000
Total				3,800,000

The proceeds from DTSB Sukuk have been partially hedged against interest rate risk using interest rate swaps as disclosed in Note 21.

Another wholly-owned subsidiary of the Group, Celcom Networks Sdn. Bhd. has issued in prior years a Sukuk of RM5.0 billion in nominal value (referred to as "Celcom Sukuk"). The tenure of Celcom Sukuk was converted to be perpetual in the previous financial year. Celcom Sukuk was also issued under Islamic financing principles of Murabahah.

As at 31 December 2024, the carrying amount of the Celcom Sukuk is RM799.7 million. The series of Celcom Sukuk in issue consists of:

Series	Tenure	Rate %	Maturity date	Nominal value RM'000
8	10 years	5	28 October 2026	350,000
11	10 years	5	27 August 2027	450,000
Total				800,000

The Group is subject to certain covenants for Celcom Sukuk. These covenants required that certain ratios such as EBITDA to financing costs and Debts to Asset to be met by Celcom Berhad Group at all time. The Group is in compliance with these covenants as at reporting date.

23.5 Other financing arrangement

Other financing arrangement of the Group is an amount of RM8,953,166 (2023: RM Nil) relating to the financing arrangement on equipment which bore interest rates ranging from 3.00% to 3.63% (2023: Nil) per annum and are secured by a joint and several guarantee of certain directors of the Company.

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23 LOANS AND BORROWINGS (CONTINUED)

23.6 Floating-rate term loans

The Group had drawn down RM100 million on 9 April 2024, maturing on 9 April 2031. The term loan carries an average interest of 4% per annum, repayable in 8 equal installments.

23.7 Floating-rate term financing-i

The Group had drawn down multiple Islamic term loan facilities of RM700 million, carrying weighted average effective interest/profit rates of 4% per annum, repayable in equal installments. The term loans are maturing between 23 December 2027 and 23 December 2030. The next installments of RM125 million is maturing on 23 June 2025 and 23 December 2025 respectively.

23.8 Floating-rate revolving credit

The revolving credits facility was drawdown for working capital requirement. The amount was rolled-over on a quarterly basis at an average rate of 4% per annum. The interest is fixed at the date of each drawdown and subsequently revised at the commencement of each roll-over period. During the year, the Group had drawn down RM1,000 million of which RM550 million was repaid.

Maturity analysis

The maturities of the Group's loans and borrowings at the reporting date are as follows:

	Group	
	2024 RM'000	2023 RM'000
Less than one financial year	1,860,263	2,227,535
Between one and two financial years	2,295,920	1,418,897
Between two and five financial years	5,793,536	5,664,681
More than five financial years	3,103,082	3,685,846
	13,052,801	12,996,959

23 LOANS AND BORROWINGS (CONTINUED)

Reconciliation of liabilities arising from financing activities

Group	Interest bearing loans and borrowings RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2024	7,642,631	5,354,328	12,996,959
Drawdown	2,972,913	-	2,972,913
Payment	(2,163,334)	(1,057,093)	(3,220,427)
Non-cash changes:			
Other changes	11,579	291,777	303,356
At 31 December 2024	8,463,789	4,589,012	13,052,801
At 1 January 2023	8,876,739	6,009,936	14,886,675
Drawdown	1,944,465	-	1,944,465
Payment	(3,166,245)	(1,028,000)	(4,194,245)
Non-cash changes:			
Other changes	(12,328)	372,392	360,064
At 31 December 2023	7,642,631	5,354,328	12,996,959

Company	Interest bearing loans and borrowings RM'000
At 1 January 2024	2,821,930
Non-cash changes:	
Other changes	3,805
At 31 December 2024	2,825,735
At 1 January 2023	2,510,145
Drawdown	402,000
Payment	(91,950)
Non-cash changes:	
Other changes	1,735
At 31 December 2023	2,821,930

Included in the other changes are transaction costs deducted against carrying amount of loans and borrowings amortised under effective interest rate method, and accrued but not yet paid interest on interest-bearing loans and borrowings. The Group classifies interest paid as cash flows from operating activities.

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23 LOANS AND BORROWINGS (CONTINUED)

Fair value

The carrying amounts and fair value of the fixed-rate borrowings are as follows:

	Carrying amount		Fair value	
Group	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Borrowings	4,596,229	4,246,790	4,654,330	4,483,695

24 DEFERRED TAX LIABILITIES/(ASSETS)

Group	2024 RM'000	2023 RM'000
At 1 January	1,248,428	1,597,502
Recognised in profit and loss (Note 8)	(172,188)	(349,074)
At 31 December	1,076,240	1,248,428
Presented after appropriate offsetting as follows:		
Deferred tax assets	(122,363)	(119,011)
Deferred tax liabilities	1,198,603	1,367,439
	1,076,240	1,248,428

The components and movements of recognised deferred tax assets and liabilities of the Group during the financial year prior to offsetting are as follows:

Deferred tax assets:

	Contract liabilities RM'000	Lease liabilities RM'000	Receivables RM'000	Trade and other payables RM'000	Others RM'000	Total RM'000
At 1 January 2024	(132,752)	(1,200,289)	(50,776)	(106,249)	(56,061)	(1,546,127)
Recognised in profit and loss	(22,179)	164,735	(66,978)	(157,484)	(19,488)	(101,394)
At 31 December 2024	(154,931)	(1,035,554)	(117,754)	(263,733)	(75,549)	(1,647,521)
At 1 January 2023	(138,157)	(1,289,209)	(51,278)	(65,026)	(62,262)	(1,605,932)
Recognised in profit and loss	5,405	88,920	502	(41,223)	6,201	59,805
At 31 December 2023	(132,752)	(1,200,289)	(50,776)	(106,249)	(56,061)	(1,546,127)

Others relate to deferred tax assets mainly arising from deductible temporary differences on provision for stock obsolescence and provision for site decommissioning and restoration costs.

Notes to the Financial Statements
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24 DEFERRED TAX LIABILITIES/(ASSETS) (CONTINUED)

Deferred tax liabilities:

	Contract costs RM'000	Contract assets RM'000	Property, plant and equipment and intangible assets RM'000	Right of use assets RM'000	Total RM'000
At 1 January 2024	22,265	96,754	1,128,897	1,546,639	2,794,555
Recognised in profit and loss	12,164	16,143	215,451	(314,552)	(70,794)
At 31 December 2024	34,429	112,897	1,344,348	1,232,087	2,723,761
At 1 January 2023	18,625	56,728	1,463,600	1,664,481	3,203,434
Recognised in profit and loss	3,640	40,026	(334,703)	(117,842)	(408,879)
At 31 December 2023	22,265	96,754	1,128,897	1,546,639	2,794,555

Deferred tax assets have not been recognised by certain subsidiaries in respect of the following items:

	Group	
	2024 RM'000	2023 RM'000
Unused tax losses	146,928	146,928
Unabsorbed capital allowances	58,701	58,701
	205,629	205,629

Deferred tax assets have not been recognised in respect of the items above as it is not probable that future taxable profits will be available against which the items above can be utilised.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 imposed a time limitation to restrict the carry forward of the unused tax losses to a maximum period of 7 consecutive Year of Assessment ("YA"), effective YA 2019. Based on the latest Malaysia Finance Act 2021, gazetted on 31 December 2021, the time limit for the carry forward of the unused tax losses has been extended from 7 years to 10 years. As a result of this change, the unused tax losses accumulated up to the YA 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from YA 2019 to 2028). Any balance of the unused tax losses thereafter shall be disregarded.

Pursuant to the relevant tax regulation, the unused tax losses and unabsorbed capital allowances at the end of reporting period will expire as follows:

	Group	
	2024 RM'000	2023 RM'000
More than 12 months	146,928	146,928

25. OTHER LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
Non-current		
Provisions (Note 25.1)	326,293	389,224
Current		
Provisions (Note 25.1)	60,236	-

25.1 Provisions

Group	Note	Site decommissioning and restoration costs RM'000	Defined benefit plan RM'000 (Note 29)	Total RM'000
Current and Non-current				
At 1 January 2024		389,163	61	389,224
Capitalised as property, plant and equipment	11(a)	12,755	-	12,755
Unwinding of discount	6	16,291	-	16,291
Additional provision	7(a)	-	310	310
Paid during the financial year		(31,763)	(288)	(32,051)
At 31 December 2024		386,446	83	386,529
Non-current				
At 1 January 2023		371,424	88	371,512
Capitalised as property, plant and equipment	11(a)	5,561	-	5,561
Unwinding of discount	6	12,178	-	12,178
Additional provision	7(a)	-	67	67
Paid during the financial year		-	(94)	(94)
At 31 December 2023		389,163	61	389,224

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Other payables	3,650	11,850	-	-
Current				
Trade payables	616,989	588,403	-	-
Other payables	1,033,410	1,277,118	10	-
Accruals	2,605,903	2,375,756	908	1,991
Customer deposits	39,023	43,753	-	-
Amount owing to subsidiaries	-	-	18,441	17,200
	4,295,325	4,285,030	19,359	19,191
Total trade and other payables	4,298,975	4,296,880	19,359	19,191

The Group's trade and other payables are non-interest bearing and are subject to normal credit terms ranging from 30 to 60 days (2023: 30 to 60 days). Other payables comprise payables to non-trade related vendors. Accruals include mainly accruals for non-trade related vendors and accruals for regulatory charges.

At 31 December 2024, the Group's trade and other payables balances included exposure to foreign currency denominated in USD, Singapore Dollar ("SGD"), SDR and Norwegian Krone ("NOK") amounting to RM66.9 million (2023: RM51.6 million), RM11.4 million (2023: RM10.4 million), RM56.3 million (2023: RM34.6 million) and RM1.4 million (2023: RM1.6 million) respectively.

Amount owing to subsidiaries is unsecured, interest bearing and repayable on demand.

27. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		Amount	
	2024 Units('000)	2023 Units('000)	2024 RM'000	2023 RM'000
Issued and fully paid				
As at 1 January / 31 December	11,731,508	11,731,508	16,595,687	16,595,687

There is no par value for the ordinary shares. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

28 RESERVES

	Note	Group 2024 RM'000	2023 RM'000
Share-based payment reserve	28.1	5,576	938
Foreign currency translation reserve	28.2	(153)	18
Fair value reserve of financial asset at FVOCI	28.3	(78)	(42)

28.1 Share-based payment reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to key management personnel, as part of their remuneration.

On 17 August 2023, the Group announced the establishment of an ESGP of up to 0.5% of the total number of issued ordinary shares in CelcomDigi Berhad (excluding treasury shares, if any) at any point in time during the duration of the share grant plan of 10 years, commencing from 17 August 2023, for the eligible selected employees who hold senior management position in the Group (excluding subsidiaries which are dormant) ("Eligible Senior Executives").

There are 2 tranches of ESGP granted by the Group to the Eligible Senior Executives on 1 September 2023 and 1 April 2024 respectively, the number of ordinary shares of the Company that will vest on 1 July 2026, 1 April 2027 ("Vesting Date") respectively will be determined in accordance with and subject to the satisfaction of the performance targets of the Group over the three years period from the year of grant (i.e 31 December 2023, 31 December 2024 and 31 December 2025).

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, ESGP during the financial year:

	Number '000	WAEP RM
Outstanding at 1 January 2024	1,780	4.40
Granted during the financial year	1,759	4.23
Outstanding at 31 December 2024	3,539	4.32

The weighted average fair value of ESGP granted during the financial year was RM 4.32.

The weighted average remaining contractual life for the tranche 1 and 2 of ESGP outstanding as at 31 December 2024 was 1.5 years and 2.33 years.

28.2 Foreign currency translation reserve

The foreign currency translation reserve represents the foreign translation differences arising from the translation of the financial statements of a foreign operation whose functional currency is different from the Group's presentation currency.

28.3 Fair value reserve of financial asset at FVOCI

This represents non-distributable reserve arising from cumulative fair value changes, net of tax, of financial assets at FVOCI until they are disposed of.

29. DEFINED BENEFIT PLAN

The Group operates an unfunded defined benefit plan for its eligible employees. The estimated obligations under the retirement benefit scheme are determined based on actuarial valuation by a qualified independent actuary.

The amount recognised in the consolidated statement of financial position is determined as follows:

	Note	Group 2024 RM'000	2023 RM'000
Present value of unfunded obligations	25.1	83	61

The amount recognised in profit and loss, included under staff expenses, is as follows:

	Note	Group 2024 RM'000	2023 RM'000
Interest on obligations, representing increase in provision for defined benefit plan	7(a)	310	67

The principal actuarial assumption used in determining the retirement benefit obligation for the defined benefit plan, is as follows:

	Group 2024 %	2023 %
Rate per annum:		
- Discount rate	5	5

Assumption regarding future mortality are based on published statistics and mortality table.

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30. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 December 2024 and 2023 respectively, under the single-tier system.

31. OTHER ASSET

This is relation to cash payment of RM233.2 million made by the Group to DNB pursuant to the agreement as disclosed in Note 17.2. In the previous financial year ended 31 December 2023, the Group recognised it as non-current other asset.

32. COMMITMENTS

Capital commitments:

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure in respect of property, plant and equipment and intangible assets:		
Approved and contracted for	893,660	1,172,220

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33. SIGNIFICANT RELATED PARTY DISCLOSURES

33.1 Sales and purchases of services

Related party relationships are as follows:

(i) Axiata Group Berhad ("Axiata") and Telenor ASA who are the shareholders of the Company;
(ii) Companies within the Axiata and its subsidiaries ("Axiata Group") and Telenor ASA and its subsidiaries ("Telenor Group");
(iii) Associate and joint venture; and
(iv) The Company's subsidiaries are as disclosed in Note 15.

Significant transactions and balances with related parties of the Group during the financial year are as follows:

	Transactions	
Group	2024 RM'000	2023 RM'000
Transactions with Axiata Group		
Sale of goods and services:		
- Commission fees income on content related services	2,044	24,663
- International SMS Services	1,905	7,395
- Information Technology ("IT") related services fee	1,316	977
- Managed services including marketing collection related services	1,162	403
- Provision of telecommunication services	482	8,285
- Site infrastructure lease income	5,442	5,455
- Sales of international roaming services	358	210
- Sales of interconnection services on international traffic	446	521
	13,155	47,909
Purchase of goods and services:		
- Commission fees expense on content related services	2,880	2,529
- Fees payable for licenses and trademarks	2,816	9,000
- Information Technology ("IT") related services fee	40,920	7,465
- Infrastructure leasing and related services	618,743	651,102
- Lease expense of bandwidth leasing	782	-
- Managed services including marketing collection related services	6,679	11,746
- Provision of telecommunication services	-	704
- Purchases of international roaming services	1,200	464
- Purchases of interconnection services on international traffic	14,611	15,217
- Universal Service Provision Projects	1,242	-
	689,873	698,227

Notes to the Financial Statements
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33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

33.1 Sales and purchases of services (continued)

Significant transactions and balances with related parties of the Group during the financial year are as follows (continued):

	Transactions	
Group	2024 RM'000	2023 RM'000
Transactions with Telenor Group		
Sale of goods and services:		
- Lease income from bandwidth leasing	6,688	6,726
- Sales of interconnection services on international traffic	2,623	17,745
- Sales of international roaming services	618	1,002
	9,929	25,473
Purchase of goods and services:		
- Business security strategy execution received	7,789	6,595
- Clearing house services received for international roaming arrangements	2,309	2,196
- Consultancy services received	-	81
- Fees payable for licenses and trademarks	2,772	8,998
- Information Technology ("IT") related services fee	231	-
- Lease expenses of bandwidth leasing	3,983	4,313
- Managed services received	81,031	58,402
- Purchases of global connectivity	1,291	1,341
- Purchases of interconnection services on international traffic	7,377	12,228
- Purchases of international roaming services	2,967	2,351
- Purchases of IP transit	370	215
- Personnel services received	-	1,606
- Services received on application operations and basic operation for data centre	3,922	695
- Services received on digital marketing and distribution platform	6,482	7,599
	120,524	106,620
Transactions with Associates		
Sale of goods and services:		
- Site infrastructure and lease income	7,868	-
Purchase of goods and services:		
- Provision of 5G access service	113,746	-
- Infrastructure leasing and related services	64,323	40,884
- Lease expense of bandwidth leasing	36,356	92,771
	214,425	133,655

Notes to the Financial Statements
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33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

33.1 Sales and purchases of services (continued)

Significant transactions and balances with related parties of the Group during the financial year are as follows (continued):

	Transactions	
Group	2024 RM'000	2023 RM'000
Transactions with Joint Venture		
Sale of goods and services:		
- Mobile virtual network operator ("MVNO") income	203,207	205,392

	Balances	
	2024 RM'000	2023 RM'000
Receivables from		
- Axiata Group	4,387	1,750
- Telenor Group	-	1,712
- Joint Venture	18,309	34,149
	22,696	37,611
Payables to		
- Axiata Group	113,961	45,790
- Telenor Group	33,380	13,553
- Associate	90,295	485
	237,636	59,828

Amounts due from/(to) related companies which are trade in nature are unsecured, non interest bearing and are subject to the normal credit terms for trade receivables and trade payables, respectively.

The directors are of the opinion that the above transactions are entered into in the normal course of business and at standard commercial terms mutually agreed between both parties.

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33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

33.2 Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly and indirectly, including directors of the Group and of the Company.

The remuneration of key management personnel during the financial year was as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short term employee benefits	35,540	22,856	2,241	2,261
Post-employment benefits	4,640	3,011	-	-
	40,180	25,867	2,241	2,261

Included in remuneration of key management personnel above are non-executive directors' remuneration as disclosed in Note 7(b).

34. FINANCIAL INSTRUMENTS

34.1 Financial risk management objectives and policies

In the normal course of conducting its business activities, the Group is exposed to a variety of financial risks, which include credit, foreign currency, liquidity and interest rate risks. The Group's overall risk management programme seeks to minimise potential adverse effects of these risks on the financial performance of the Group.

34.2 Credit risk

Credit risk is the risk of loss that may arise if a counterparty default on its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk arises in the normal course of operations (primarily from trade and other receivables, and contract assets) and from its financing activities, including deposits with approved financial institutions. The maximum credit risk exposure is limited to the carrying amount of each financial asset and contract assets less allowance for impairment.

Trade receivables, other receivables, deposits and contract assets

The credit risk is managed through formalised policies on credit assessment and approvals, credit limits and monitoring procedures. Credit quality of each new customer is assessed based on an internally developed credit scoring model using information such as external ratings and credit agency information. Individual risk limits are set in accordance to the risk profile established for each customer, and are reviewed periodically.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., customer type and rating). The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group evaluates the concentration of risk with respect to trade receivables, other receivables, deposits and contract assets as low, as its customers base is large and diverse.

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34. FINANCIAL INSTRUMENTS (CONTINUED)

34.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Trade receivables, other receivables, deposits and contract assets are written off when there is no reasonable expectation of recovery and are not subject to enforcement activity. They are not secured by any collateral or credit enhancements.

Set out below is the information about the credit risk exposure on the Group's trade receivables, other receivables, deposits and contract assets using a provision matrix:

As at 31 December 2024	Gross carrying amount RM'000	Expected credit losses RM'000	Net carrying amount RM'000
Trade receivables			
- Not past due	1,978,869	(60,836)	1,918,033
- 1 to 30 days past due	108,550	(10,577)	97,973
- 31 to 60 days past due	53,168	(10,771)	42,397
- 61 to 90 days past due	59,629	(14,429)	45,200
- More than 91 days past due	349,287	(276,691)	72,596
	2,549,503	(373,304)	2,176,199
Contract assets			
- Not past due	516,536	(18,694)	497,842
Total trade receivables and contract assets	3,066,039	(391,998)	2,674,041
As at 31 December 2023			
Trade receivables			
- Not past due	1,726,027	(39,946)	1,686,081
- 1 to 30 days past due	113,905	(2,630)	111,275
- 31 to 60 days past due	33,258	(2,779)	30,479
- 61 to 90 days past due	18,932	(6,059)	12,873
- More than 91 days past due	176,707	(159,521)	17,186
	2,068,829	(210,935)	1,857,894
Contract assets			
- Not past due	437,798	(12,036)	425,762
Total trade receivables and contract assets	2,506,627	(222,971)	2,283,656

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Other receivables and deposits using the general 3-stage approach

The following table contains an analysis of the credit risk exposure of other receivables and deposits for which an ECL allowance is recognised. The gross carrying amount disclosed below also represents the Group's maximum exposure to credit risk on these assets:

31 December 2024	Basis for recognition of expected credit loss	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
Group				
Performing	12 month ECL	482,962	-	482,962
Underperforming	Lifetime ECL	356,666	(62,249)	294,417
Non-performing	Lifetime ECL	505,543	(505,543)	-
		1,345,171	(567,792)	777,379
31 December 2023				
Group				
Performing	12 month ECL	468,742	-	468,742
Underperforming	Lifetime ECL	384,898	(151,153)	233,745
Non-performing	Lifetime ECL	438,006	(438,006)	-
		1,291,646	(589,159)	702,487

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Set out below is the movement in allowance for expected credit losses for trade receivables, other receivables, deposits and contract assets:

	Note	Trade receivables and other receivables RM'000	Contract assets RM'000	Deposits RM'000	Total RM'000
At 1 January 2024		616,004	12,036	184,090	812,130
Allowance for/(Reversal of) expected credit losses the financial year	7	156,059	6,658	(3,667)	159,050
Write offs and adjustments		(11,390)	-	-	(11,390)
At 31 December 2024		760,673	18,694	180,423	959,790
At 1 January 2023		774,250	22,330	174,650	971,230
(Reversal of)/allowance for expected credit losses the financial year	7	(49,831)	18,586	9,440	(21,805)
Write offs and adjustments		(108,415)	(28,880)	-	(137,295)
At 31 December 2023		616,004	12,036	184,090	812,130

Cash and short-term deposits

The Group's credit risk also arises from cash and short-term deposits. The credit risk is managed through monitoring procedures.

34.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk as a result of transactions denominated in currencies other than its functional currency, arising from the normal business activities. The currencies giving rise to this risk are primarily the USD, SDR and NOK. Although approximately 2% (2023: 2%) of the Group's total expenses are denominated in the above-mentioned foreign currencies, the settlements of these payables are on a net basis through clearing house services, together with revenues earned from the same operators and partners. The Group also holds cash and cash equivalents denominated in USD for working capital purposes. The Group's foreign-denominated cash and cash equivalents at the reporting date is disclosed in Note 22.

Exposure to foreign currency risk is monitored on an on-going basis and when considered necessary, the Group will consider using effective financial instruments to hedge its foreign currency risk in accordance with its foreign currency hedging policy. In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments and highly probable transactions of which hedging shall not exceed 100% of the net exposure value. Speculative activities are strictly prohibited. The Group adopts a layered approach to hedging, where a higher percentage of hedging will be executed for closer-dated exposures and with time, increase the hedge as the probability of the underlying exposure increases. These derivatives and their underlying exposures will be monitored on an on-going basis. However, these contracts are not designated as cash flow or fair value hedge.

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.3 Foreign currency risk (continued)

The Group's foreign currency forward contracts are executed only with creditworthy financial institutions in Malaysia which are governed by appropriate policies and procedures.

Management believes that there is no reasonably possible fluctuation in the foreign exchange rate which would cause any material effect to the Group's profit for the financial year.

34.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. In the management of liquidity risk, the Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and where required, mitigate the effects of fluctuation in cash flows.

The Group's and the Company's trade and other payables and non-hedging derivative liabilities at the reporting date, are short-term in nature, and are payable either on demand or within one financial year. Details of maturities for the Group's loans and borrowings are as disclosed in Note 23.

As at 31 December 2024, the Group's current liabilities exceeded its current assets by RM3,079.4 million. Total current liabilities of the Group include RM4,295.3 million of trade and other payables and RM1,860.3 million of loans and borrowings.

The Group have undrawn facilities amounting to RM6,650.0 million available to meet liquidity requirements. The undrawn facilities include Sukuk as disclosed in Note 23 to the financial statements, certain subsidiaries of the Group has outstanding undrawn amounts under DTSB Sukuk and Celcom Sukuk amounting to RM1,200.0 million and RM4,200.0 million respectively. Any issuance of new Sukuk will be subject to market conditions such as market liquidity and market lending rates at the point of issuance. The Group is confident that it will be able to successfully issue the outstanding amounts, if needed, in the next twelve (12) months from the date of the financial statements.

The Group's net cash flow generated from operating activities for the financial year ended 31 December 2024 was RM4,027.7 million (2023: RM5,083.1 million). In addition, the Group's cash and short-term deposits as at 31 December 2024 was RM237.3 million (2023: RM397.0 million).

The Group's twelve (12) months cash flow forecasts have been prepared taking into account expected revenue growth and past performance. Based on these cash flow forecasts and available undrawn facilities, the Group is able to generate sufficient cash flows for the next twelve (12) months from the date of the financial statements to meet operational and financing needs including capital commitments set out in Note 32 as and when they fall due in the next twelve (12) months from the date of the financial statements.

As at 31 December 2024, the Company's current liabilities exceeded its current assets by RM19.3 million. Total current liabilities of the Company includes RM19.4 million owed to wholly-owned subsidiaries. These amounts have no fixed terms of repayment and are non-interest bearing.

The Company and its subsidiaries manage its liquidity risk on a collective basis via the Company's central treasury function. The amounts due to subsidiaries are repaid when the Company has sufficient liquidity and that such repayments will not adversely affect the ability of the Company to carry on its business operations as a going concern.

As at 31 December 2024, the Group and the Company had sufficient liquidity and available facilities to meet its obligations as and when they fall due within twelve (12) months from the date of the financial statements.

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

Group	On demand or within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2024					
Financial liabilities					
Trade and other payables	4,298,975	-	-	-	4,298,975
Loans and borrowings	1,381,365	1,754,500	4,792,447	1,815,345	9,743,657
Lease liabilities	1,053,114	1,052,289	1,923,132	1,612,855	5,641,390
Total undiscounted financial liabilities	6,733,454	2,806,789	6,715,579	3,428,200	19,684,022
2023					
Financial liabilities					
Trade and other payables	4,296,880	-	-	-	4,296,880
Loans and borrowings	1,397,192	947,837	4,362,940	2,106,564	8,814,533
Lease liabilities	1,205,575	823,915	1,866,994	1,735,963	5,632,447
Derivative financial liabilities:					
- Foreign currency forward contracts	362	-	-	-	362
Total undiscounted financial liabilities	6,900,009	1,771,752	6,229,934	3,842,527	18,744,222

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations (continued).

Company	On demand or within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2024					
Financial liabilities					
Other payables and accruals	918	-	-	-	918
Amount owing to subsidiaries	18,441	-	-	-	18,441
Loan and borrowings	123,345	466,032	1,238,024	1,494,590	3,321,991
Total undiscounted financial liabilities	142,704	466,032	1,238,024	1,494,590	3,341,350
2023					
Financial liabilities					
Other payables	1,991	-	-	-	1,991
Amount owing to subsidiaries	17,200	-	-	-	17,200
Loan and borrowings	122,993	119,301	623,051	3,107,838	3,973,183
Total undiscounted financial liabilities	142,184	119,301	623,051	3,107,838	3,992,374

34.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk primarily from floating rate financial liabilities.

The Group manages its interest rate risk by having a mixed portfolio of fixed and floating rate financial liabilities that is consistent with the interest rates profiles acceptable to the Group. To manage this, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, a fixed interest rate for floating rates.

The notional principal amounts of the outstanding interest rate swaps and its fair value are disclosed in Note 21.2.

The Group's policy in dealing with interest-bearing financial liabilities is to minimise the interest expense by obtaining the most favourable interest rates available. A difference of 20 (2023: 20) basis points in interest rates applicable for the Group's entire loans and borrowings (excluding lease liabilities) would result in approximately 1.21% (2023: 0.73%) variance in the Group's profit for the financial year.

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.6 Fair values

The management assessed that the fair values of cash and short-term deposits, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments and the insignificant impact of discounting.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(a) Loans and borrowings

The carrying amounts of floating-rate loans and borrowings are reasonable approximations of fair values as they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The fair values of fixed-rate loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of borrowing, debt instruments or leasing arrangements at the reporting date.

(b) Derivative financial instruments

The fair value of foreign currency forward contracts is determined using quoted forward exchange rates at the reporting date.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

The fair value of the convertible warrants in an associate is determined using the Black Scholes Model and is sensitive to data inputs including stock price, dividend yield and volatility.

(c) Other investment

Investment in equity instrument represents ordinary shares not quoted on any market and does not have any comparable industry peers that is listed. The investment in unquoted equity instrument is not held for trading.

The initial acquisition cost of the unquoted equity investment is an approximate estimate of its fair value as the investee's entity is in the start-up stage.

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.7 Classification

The carrying amounts of financial instruments under each category, are as follows:

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Financial assets					
Financial assets at fair value through OCI:					
- Other investments	18	-	36	-	-
Financial assets at amortised cost:					
- Trade receivables	20	2,176,199	1,857,894	-	-
- Other receivables	20	536,664	468,913	-	-
- Deposits	20	240,715	233,574	5	5
- Cash and short-term deposits	22	237,321	397,018	136	81
		3,190,899	2,957,399	141	86
Financial assets at fair value through profit or loss:					
Derivative financial assets					
- Derivative financial assets		-	62,466	-	-
- Trading securities		27	24	-	-
- Interest rate swaps	21	2,587	2,072	-	-
		2,614	64,562	-	-

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.7 Classification (continued)

The carrying amounts of financial instruments under each category, are as follows (continued):

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Financial liabilities					
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities					
- Foreign currency forward contracts	21	-	362	-	-
		-	362	-	-
Other financial liabilities:					
- Banker's acceptance	23	14,811	4,854	-	-
- Floating-rate term loans	23	99,825	609,381	-	-
- Sukuk	23	4,596,229	4,246,790	-	-
- Floating-rate term financing-i	23	3,233,265	2,779,912	-	-
- Fixed-rate term financing	23	233	444	-	-
- Floating-rate revolving credit	23	60,473	-	-	-
- Floating-rate revolving credit-i	23	450,000	1,250	-	-
- Other financing arrangement	23	8,953	-	-	-
- Loan from a subsidiary	23	-	-	2,825,735	2,821,930
- Lease liabilities	23	4,589,012	5,354,328	-	-
- Trade payables	26	616,989	588,403	-	-
- Other payables		932,329	1,288,968	10	-
- Accruals		1,805,445	2,375,756	908	1,991
- Customer deposits	26	39,023	43,753	-	-
- Amount owing to subsidiaries	26	-	-	18,441	17,200
		16,445,587	17,293,839	2,845,094	2,841,121

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.8 Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for financial assets as at 31 December 2024:

	Note	Date of valuation	Total RM'000	Fair value measuring using: Quoted prices in active markets (Level 1) RM'000	Significant observable Inputs (Level 2) RM'000	Significant unobservable Inputs (Level 3) RM'000
Financial assets measured at fair value:						
Derivative financial assets:						
- Interest rate swaps	21	31 December 2024	2,587	-	2,587	-
- Trading securities	18	31 December 2024	27	27	-	-

Quantitative disclosures fair value measurement hierarchy for financial assets/(liabilities) as at 31 December 2023:

	Note	Date of valuation	Total RM'000	Fair value measuring using: Quoted prices in active markets (Level 1) RM'000	Significant observable Inputs (Level 2) RM'000	Significant unobservable Inputs (Level 3) RM'000
Financial assets/(liabilities) measured at fair value:						
Unquoted equity investments:						
- Other investment	18	31 December 2023	36	-	-	36
Derivative financial assets:						
- Convertible warrants in an associate	21	31 December 2023	62,466	-	62,466	-
- Interest rate swaps	21	31 December 2023	2,072	-	2,072	-
- Trading securities	18	31 December 2023	24	24	-	-
Derivative financial liabilities:						
- Foreign currency forward contracts	21	31 December 2023	(362)	-	(362)	-

There have been no transfers between Level 2 and Level 3 in the current financial year and prior financial year.

The fair value of unquoted equity investment is categorised as Level 3 as cost was estimated to be an appropriate measure of fair value. There was no indicators that cost might not be representative of fair value.

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.9 Offsetting financial assets and financial liabilities

Group

Financial assets

The following financial assets, which are included as part of trade and other receivables are subject to offsetting, enforceable master netting arrangements and similar agreements.

	Gross amounts of recognised financial assets RM'000	Gross amounts of recognised financial liabilities set-off in the statement of financial position RM'000	Net amounts of recognised financial assets presented in the statement of financial position RM'000
At 31 December 2024			
Trade receivables			
- Interconnect and roaming	128,445	(17,941)	110,504
At 31 December 2023			
Trade receivables			
- Interconnect and roaming	109,814	(16,551)	93,263

Notes to the Financial Statements
31 December 2024

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.9 Offsetting financial assets and financial liabilities (continued)

Group

Financial liabilities

The following financial liabilities, which are included as part of trade and other payables are subject to offsetting, enforceable master netting arrangements and similar agreements.

	Gross amounts of recognised financial liabilities RM'000	Gross amounts of recognised financial assets set-off in the statement of financial position RM'000	Net amounts of recognised net financial liabilities presented in the statement of financial position RM'000
At 31 December 2024			
Trade payables			
- Interconnect and roaming	(98,738)	17,941	(80,797)
At 31 December 2023			
Trade payables			
- Interconnect and roaming	(91,354)	16,551	(74,803)

35. CAPITAL MANAGEMENT

The essence of the Group's capital management strategy is to support its long-term strategic ambitions including:

(i) its commitment to long-term sustainable dividend policy;
(ii) its financial obligations while maintaining its financial flexibility; and
(iii) its ability to support its business requirements and enable future growth.

Going-forward, the Group will continue to actively manage its capital structure to enhance shareholders' value and make adjustments to address changes in the economic environment and its business risk characteristics.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratios. This ratio is calculated as total debts over total equity. Total debts including non-current, current borrowings and lease liabilities as shown in the consolidated statement of financial position. Total equity is calculated as 'equity' in the consolidated statement of financial position.

Notes to the Financial Statements
31 December 2024

35. CAPITAL MANAGEMENT (CONTINUED)

The gearing ratios were as follows:

Group	2024 RM'000	2023 RM'000
Total borrowings (Note 23)	13,052,801	12,996,959
Less: Cash and short-term deposits (Note 22)	(237,321)	(397,018)
Net debt	12,815,480	12,599,941
Total equity	16,190,074	16,458,766
Gearing ratio	0.8	0.8

The Group had during the financial year ended 31 December 2009, revised its minimum dividend pay-out policy to at least 80% of the Company's profit for the financial year, and dividend payment frequency. The dividend policy will be maintained subject to on-going assessment, and based on the availability of distributable reserves as well as the Group's future cash flow requirements and market conditions. These revisions and any other revision to its allocation of capital resources are subject to the approval of the board of directors. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2024.

36. SEGMENTAL INFORMATION

Segmental information is not presented as the Group is primarily engaged in the provision of mobile communication services and its related products in Malaysia.

37. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 21 March 2025.

Independent Assurance Report

SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

TO BOARD OF DIRECTORS, STAKEHOLDERS, AND INTERESTED PARTIES,

SIRIM QAS International Sdn. Bhd. was engaged by CelcomDigi Berhad (hereafter referred to as CelcomDigi) to perform an independent verification and provide assurance of selected sustainable performance information (subject matter) for CelcomDigi's sustainability reporting 2024. The main objective of the verification process is to provide assurance to CelcomDigi and its stakeholders on the accuracy and reliability of the information presented in this statement. The verification by SIRIM QAS International applied to selected sustainable performance information (subject matter) within the assurance scope included in the CelcomDigi Integrated Annual Report 2024.

The management of CelcomDigi was responsible for the preparation of the Integrated Annual Report. The objectivity and impartiality of this statement are assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of CelcomDigi's Integrated Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and the BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets, or expectations on their subject matter and sustainability-related issues. The assurance process involves verification of these selected subject matters. Details are provided in Appendix 1 of this statement.

Sustainable Performance Indicator (subject matter)	Value
Lost time injury frequency (LTIF) score (limited to permanent and contract employees) (No.)	0.44
Total Scope 1 GHG emissions (tCO_2e)	43,809.96 tCO_2e
Total Scope 2 GHG emissions (tCO_2e)	517,945.60 tCO_2e
Total Energy consumption within the group (GWh)	896.58 GWh
Number of new suppliers signing CelcomDigi's Agreement of Business Conduct, ABC (No.)	237
Employees receiving training on anti-corruption (%)	100% for 3,107 employees
Community Impact Programme (Number of Future Skills for All (FS4) enrolment)	63,374

The verification was carried out by SIRIM QAS International in February 2025, using the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources, internal and external documentation which are made available during the conduct of assessment.
- Verifying data which is presented in the Integrated Annual Report includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in CelcomDigi Integrated Annual Report 2024.
- The corporate office of CelcomDigi, at Menara CelcomDigi, Petaling Jaya, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of CelcomDigi's buildings, and call centers. And,
- The verification team did not verify any contractor or third-party data.

CONCLUSION

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of CelcomDigi relating to the accuracy of some of the information contained in the report. In response to the raised findings, the final value of the selected subject matters was subsequently reviewed and revised by CelcomDigi. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that CelcomDigi has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy for the selected subject matters is fairly stated;
- The level of disclosure of the selected subject matters presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report.

List of Assessors.

1) Ms. Aernida Abdul Kadir : Team Leader
2) Ms. Suzalina Kamaralarifin : Team Member
3) Ms. Kamini Sooriamoorthy : Team Member
4) Ms. Hazwani Yob : Team Member

Statement Prepared by:

AERNIDA BINTI ABDUL KADIR
Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 28 February 2025

Statement Approved by:

AMINUDIN BIN ABD AZIZ
Acting Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd
Date: 28 February 2025

Note 1:
This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (24 February 2025).

List of Top 10 Properties

No.	Location	Tenure	Description / Existing Use	Date of Acquisition	Area	Approximate Age of Buidling (Years)	Net Book Value as at 31.12.2024 RM'000
1	Lot 10, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Land with a building / office	19.07.2001	284,485 sq ft	15	60,272
2	Lot 43, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Land with a building / telecommunications operation centre	06.04.2008 (Title transferred date)	92,142 sq ft	11	56,303
3	Lot 74, Section 13, Jalan Kemajuan, 46200 Petaling Jaya, Selangor.	Leasehold 99 years (expiring in 2065)	Land with a building / network office	23.03.1998	47,179 sq ft	28	13,329
4	Lot 44651, Bandar Sri Manjalara, Mukim Batu, Kuala Lumpur.	Leasehold 99 years (expiring in 2077)	Land with a building, tower and cabins / network operation centre	31.12.2003	47,889 sq ft	24	9,459
5	Lot 42, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Parking lot	28.04.2008 (Title transferred date)	91,676 sq ft	Not Applicable	8,234
6	Lot 44650, Off Jalan 2/2b, Bandar Sri Manjalara, Mukim Batu, Kuala Lumpur.	Leasehold 99 years (expiring in 2077)	Land with a building / network operation centre	23.05.1997	37,448 sq ft	24	5,891
7	No. 2, Jln 5/89A, Off Jalan Sekilau, Cheras, Kuala Lumpur.	Leasehold 85 years (expiring in 2085)	Land with a building / network office	23.05.1997	5,619 sq ft	25	5,740
8	H.S.(D) 12776, P.T. No. 15866, Mukim Bentong, District of Bentong, Pahang.	Leasehold 99 years (expiring in 2091)	Land with a building / earth station complex	07.08.1996	7.5 acres	27	4,631
9	Lot 3943 to 3948, Lorong Perda Utama 10, Bandar Baru Perda, Mukim 6, Seberang Perai Tengah, Pulau Pinang.	Freehold	Land with a building / network operation centre	16.10.1996	13,014 sq ft	28	4,236
10	No. 7, Section 1, Bandar Indera Mahkota Industrial Zone, Kuantan, Pahang.	Leasehold 66 years (expiring in 2058)	Land with a building / network operation centre	23.05.1997	87,145 sq ft	26	4,019

Disclosure of Recurrent Related Party Transactions

At the Annual General Meeting (AGM) held on 27 May 2024, the Company obtained a shareholders' mandate to allow the Group to enter into recurrent related party transactions of revenue or trading nature.

In accordance with Practice Note 12 of Main Market Listing Requirements (MMLR) of Bursa Securities, the details of recurrent related party transactions conducted during the financial year ended 31 December 2024 pursuant to the shareholders' mandate are disclosed as follows:-

CelcomDigi Group with the following related parties	CelcomDigi and/ or its subsidiary companies	Nature of transaction undertaken by/provided to CelcomDigi and/or its subsidiaries	Sales of goods and services during the financial year (RM'000)	Purchase of goods and services during the financial year (RM'000)
Telenor Group of Companies				
Telenor Group	CelcomDigi Group	International interconnect and roaming services	1,212	6,447
		IP Transit (Internet Upstream) services	-	205
		Global Connectivity common services	-	808
		Services rendered on Enterprise Resource Planning and enterprise applications	-	2,591
		Business Security	-	3,690
		Leased line / Bandwidth leasing	3,855	2,335
		Managed services	-	42,760
		Cloud based software infrastructure services	-	3,942
		IT related services	-	133
Total			**5,067**	**62,911**
Axiata Group of Companies				
Axiata Group of Companies	CelcomDigi Group	Content related services including commission fees	485	1,854
		International SMS revenue	413	-
		International interconnect and roaming services	481	8,661
		IT related services	1,316	23,175
		Infrastructure leasing and related services	-	360,828
		Leased line / Bandwidth leasing	-	592
		Provision of telecommunication services	263	-
		Cloud based software infrastructure services	553	-
		Managed services including marketing and collection related cost	-	2,476
		Site infrastructure leases	3,174	-
		Universal Service Provision Projects	-	1,242
Total			**6,685**	**398,828**

Disclosure of Recurrent Related Party Transactions

CelcomDigi Group with the following related parties	CelcomDigi and/ or its subsidiary companies	Nature of transaction undertaken by/provided to CelcomDigi and/or its subsidiaries	Sales of goods and services during the financial year (RM'000)	Purchase of goods and services during the financial year (RM'000)
Khazanah Group of Companies				
Khazanah Group	CelcomDigi Group	Cloud based software infrastructure services	17,345	-
		Leased line / bandwidth leasing services	700	685
		Infrastructure leasing and related services	-	5,055
		Provision of telecommunication services	15,129	-
		Disposal of scrap	1,696	-
		Site operating charges	-	659
Total			**34,870**	**6,399**
Digital Nasional Berhad (DNB)				
DNB	CelcomDigi Group	Site infrastructure lease income	-	156,763
		Provision of 5G Services	4,440	-
Total			**4,440**	**156,763**
Telekom Malaysia (TM) Group of Companies				
TM Group	CelcomDigi Group	Leased line / bandwidth leasing	701	97,926
		Domestic interconnect and roaming services	1,797	2,296
		Provision of telecommunication services	5,930	-
		Site infrastructure lease income	3,929	-
		Site operating charges	-	4,553
Total			**12,357**	**104,775**
Grand Total			**63,419**	**729,676**

Notes:

Nature of the relationship of the related parties are as follows:

a. Telenor Group refers to Telenor ASA and its subsidiaries. Telenor ASA, through its indirect wholly owned subsidiary, Telenor Malaysia Investments Pte Ltd, is an indirect major shareholder of CelcomDigi.

b. Axiata Group refers to Axiata Group Berhad and its subsidiaries. Axiata Group Berhad is a major shareholder of CelcomDigi.

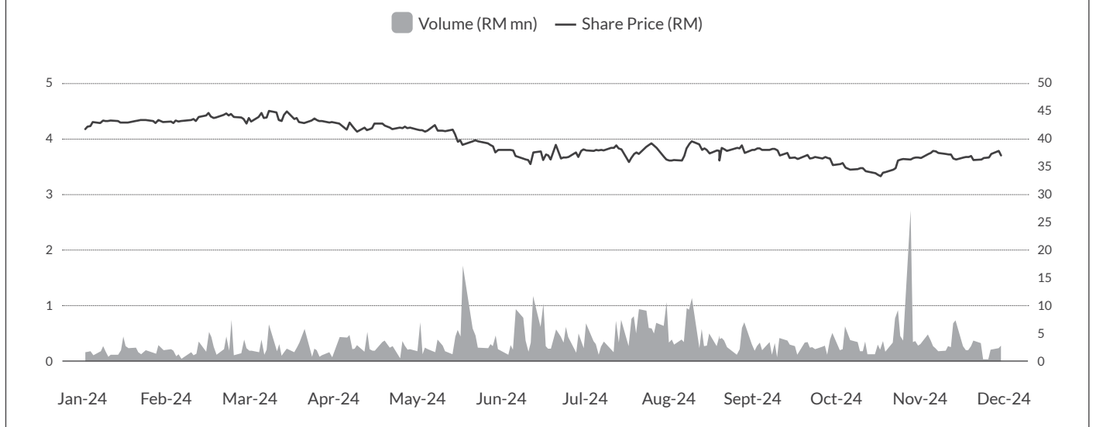
c. Khazanah Group refers to Khazanah Nasional Berhad (Khazanah), its subsidiaries and other related entities. Khazanah is a major shareholder of Axiata Group Berhad and an indirect major shareholder of CelcomDigi.

d. DNB is connected to CelcomDigi due to Khazanah, which is an indirect major shareholder of CelcomDigi and a person connected to DNB as Minister of Finance (Incorporated) is the holding company of DNB and Khazanah.

e. TM Group refers to Telekom Malaysia Berhad and its subsidiaries. Telekom Malaysia Berhad is connected to CelcomDigi due to Khazanah, which is an indirect major shareholder of CelcomDigi and a major shareholder of TM Group.

Share Price Development

SHARE PRICE DEVELOPMENT IN 2024

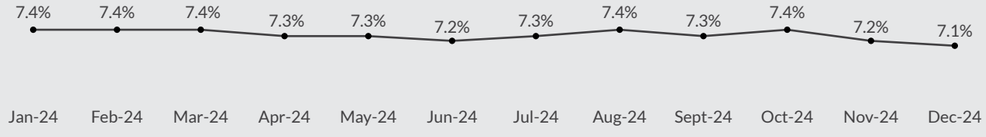


	1Q24	2Q24	3Q24	4Q24
Low (RM)	4.09	3.47	3.51	3.26
High (RM)	4.41	4.27	3.87	3.74
Average (RM)	4.26	3.99	3.69	3.55
Volume ('bil)	135.8	197.2	290.2	215.7
Average Daily Volume ('mil)	2.3	3.3	4.5	3.4

Historical Monthly Foreign Shareholdings

Our foreign shareholding percentage has experienced a modest decrease from an average of 7.5% in 2023 to 7.3% in 2024, following the successful completion of our second-year post-merger integration. The foreign shareholdings were on a decreasing trend throughout the year from 7.4% to 7.1%, reflecting our strategic focus on strengthening our domestic investor base, ultimately positioning us for enhanced stability and long-term growth. We are confident that this strategic realignment will further reinforce our foundation for sustainable success and unlock new opportunities for value creation.

Foreign Shareholdings



Analysis of Shareholdings

Statistics on shareholdings as at 17 March 2025

Total number of Issued Shares : 11,731,507,988
Class of Equity Securities : Ordinary Share ("Share")
Voting Rights : One vote per share

ANALYSIS BY SIZE OF HOLDINGS AS AT 17 MARCH 2025

Size of Holdings	No. of Holders	%	No. of Shares	%
1-99	1,194	4.728	11,404	0.000
100-1,000	10,825	42.866	6,123,407	0.052
1,001-10,000	10,344	40.961	41,750,064	0.356
10,001-100,000	2,155	8.534	59,358,808	0.506
100,001-586,575,398 (*)	731	2.895	2,490,819,548	21.232
586,575,399 and above (**)	4	0.016	9,133,444,757	77.854
Total	25,253	100.000	11,731,507,988	100.000

Remarks:
* Less than 5% of issued shares
** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 17 MARCH 2025

	Number of Shares			
Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Axiata Group Berhad	3,883,129,144	33.100	-	-
Telenor Malaysia Investments Pte Ltd	3,883,129,144	33.100	-	-
Telenor South East Asia Investment Pte Ltd	-	-	3,883,129,144[a]	33.100
Telenor Asia Holdings AS	-	-	3,883,129,144[b]	33.100
Telenor Mobile Holding AS	-	-	3,883,129,144[c]	33.100
Telenor ASA	-	-	3,883,129,144[d]	33.100
Khazanah Nasional Berhad	-	-	3,883,129,144[e]	33.100
Employees Provident Fund Board	1,234,713,794	10.525	-	-
AmanahRaya Trustees Berhad - Amanah Saham Bumiputera	600,797,600	5.121	-	-

Remarks:
[a] Deemed interested by virtue of its 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.
[b] Deemed interested by virtue of its 100% interest in Telenor South East Asia Investment Pte Ltd which has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.
[c] Deemed interested by virtue of its 100% interest in Telenor Asia Holding AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.
[d] Deemed interested by virtue of its 100% interest in Telenor Mobile Holding AS which has 100% interest in Telenor Asia Holidng AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.
[e] Deemed to have interest pursuant to Section 8 of the Companies Act 2016 through its associate, Axiata Group Berhad, which is a substantial shareholder of CelcomDigi Berhad.

Statement of Directors' and Chief Executives' Shareholdings

As at 17 March 2025

	Number of Shares			
	Direct Interest	%	Deemed Interest	%
Directors				
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	-	-	-	-
Haakon Bruaset Kjoel *(Resigned w.e.f 21 March 2025)*	-	-	-	-
Vivek Sood	-	-	-	-
Nik Rizal Kamil Bin Nik Ibrahim Kamil	-	-	-	-
Rita Skjaervik	-	-	-	-
Vimala V.R. Menon	-	-	-	-
Tan Sri Abdul Farid Alias	-	-	-	-
Datuk Iain John Lo	-	-	-	-
Khatijah Shah Mohamed	-	-	-	-
Kasper Wold Kaarboe	-	-	-	-
Chief Executive Officer				
Datuk Mohamad Idham Nawawi	2,000	negligible	-	-
Deputy Chief Executive Officer				
Albern Murty	4,600	negligible	-	-

List of 30 Largest Shareholders

As at 17 March 2025

	Name of Shareholders	No. of Shares	%
1	AXIATA GROUP BERHAD	3,883,129,144	33.099
2	CITIGROUP NOMINEES (ASING) SDN BHD TELENOR MALAYSIA INVESTMENTS PTE LTD	3,883,129,144	33.099
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	766,388,869	6.532
4	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	600,797,600	5.121
5	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	332,080,286	2.830
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	317,961,135	2.710
7	LEMBAGA TABUNG HAJI	76,742,150	0.654
8	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	75,534,183	0.643
9	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	62,600,000	0.533
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	62,000,000	0.528
11	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (1)	59,555,600	0.507
12	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CGS CIMB)	58,657,000	0.499
13	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 3	56,765,800	0.483
14	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	55,690,480	0.474
15	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	52,201,433	0.444
16	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	49,426,700	0.421
17	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND	39,227,800	0.334
18	AHMAD SEBI BIN BAKAR	33,402,530	0.284
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	32,012,090	0.272
20	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	30,443,700	0.259

	Name of Shareholders	No. of Shares	%
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES FUND BOARD (AHAM AM)	29,359,400	0.250
22	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	29,001,100	0.247
23	CARTABAN NOMINEES (ASING) SDN BHD BNYM SA/NV FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM)	25,892,600	0.220
24	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A. INVESTMENT FUNDS FOR EMPLOYEE BENEFITS TRUSTS	23,006,700	0.196
25	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3- DIDIK	21,664,200	0.184
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD	20,904,462	0.178
27	CARTABAN NOMINEES (TEMPATAN) SDN BHD PBTB FOR TAKAFULLINK DANA EKUITI	20,429,100	0.174
28	PERMODALAN NASIONAL BERHAD	18,561,900	0.158
29	CITIGROUP NOMINEES (ASING) SDN BHD CB SPORE GW FOR GOVERNMENT OF SINGAPORE (GIC C)	17,934,118	0.152
30	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 3)	17,168,800	0.146

Corporate Information

BOARD OF DIRECTORS

Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz
Chair,
Non-Independent Non-Executive Director

Jon Omund Revhaug
Deputy Chair,
Non-Independent Non-Executive Director

Vivek Sood
Non-Independent Non-Executive Director

Rita Skjaervik
Non-Independent Non-Executive Director

Nik Rizal Kamil Bin Nik Ibrahim Kamil
Non-Independent Non-Executive Director

Kasper Wold Kaarboe
Non-Independent Non-Executive Director

Tan Sri Abdul Farid Alias
Independent Non-Executive Director

Vimala V.R. Menon
Independent Non-Executive Director

Datuk Iain John Lo
Independent Non-Executive Director

Khatijah Shah Mohamed
Independent Non-Executive Director

BOARD AUDIT COMMITTEE

Tan Sri Abdul Farid Alias
Chair
Khatijah Shah Mohamed
Member
Vimala V.R. Menon
Member

BOARD GOVERNANCE AND RISK MANAGEMENT COMMITTEE

Vivek Sood
Chair
Jon Omund Revhaug
Member
Khatijah Shah Mohamed
Member
Datuk Iain John Lo
Member

BOARD NOMINATION AND REMUNERATION COMMITTEE

Datuk Iain John Lo
Chair
Tan Sri Abdul Farid Alias
Member
Vimala V.R. Menon
Member

SECRETARIES

Choo Mun Lai (MAICSA No. 7039980)
(SSM PC No. 201908001003)
Tai Yit Chan (MAICSA No. 7009143)
(SSM PC No. 202008001023)

DOMICILE AND COUNTRY OF INCORPORATION

Malaysia

REGISTERED OFFICE

Level 30, Menara CelcomDigi
No. 6, Persiaran Barat
Seksyen 52, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : +60 (3) 7200 2222
Fax : N/A

INVESTOR RELATIONS

Tel : +6019-601 1111 /
+6016-221 1800
E-mail : invesrel@celcomdigi.com

WEBSITE

www.celcomdigi.com

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970) (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
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59200 Kuala Lumpur
Malaysia
Tel : +60 (3) 2783 9299
Fax : +60 (3) 2783 9222
E-mail : is.enquiry@vistra.com
Web : www.vistra.com

AUDITORS

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(LLP0014401-LCA & AF1146)
Chartered Accountants
Level 10, Menara TH 1 Sentral
Jalan Rakyat, Kuala Lumpur Sentral
P.O. Box 10192
50706 Kuala Lumpur
Malaysia
Tel : +60 (3) 2173 1188
Fax : +60 (3) 2173 1288
Web : www.pwc.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Listed on : 18 December 1997
Stock Name : CDB
Stock Code : 6947

PRINCIPAL BANKERS

AmBank Islamic Berhad
CIMB Islamic Bank Berhad
Maybank Islamic Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
Standard Chartered Bank Malaysia Berhad

Corporate Directory

HEAD OFFICES

CelcomDigi Tower
No. 6, Persiaran Barat
Seksyen 52
46200 Petaling Jaya
Selangor
Malaysia

CelcomDigi Hub
Lot 10, Jalan Delima 1/1
Subang Hi-Tech Industrial Park
40000 Shah Alam
Selangor
Malaysia

REGIONAL OPERATING OFFICES

Northern Region
No. 11, Pusat Perdagangan Nova
Jalan Ahmad Nor
11600 Jelutong
Penang
Malaysia

Southern Region
No. 1, 1-01 & 1-02, Jalan Molek 1/9
Taman Molek
81100 Johor Bahru
Johor
Malaysia

Eastern Region
No. 7, Persiaran Sultan Abu Bakar
Kawasan Perindustrian Ringan IM3
Bandar Indera Mahkota
25200 Kuantan
Pahang
Malaysia

Sabah Region
Unit No. B2-7-02, Level 7
Riverson Suites
Lorong Riverson @ Sembulan Off Jalan Coastal
88300 Kota Kinabalu
Sabah
Malaysia

Sarawak Region
The Podium Office Tower 1st Floor
Jalan Tun Ahmad Zaidi Adruce
93200 Kuching
Sarawak
Malaysia

For full list of Celcom Bluecube and Digi Store, please visit our website:
https://www.celcomdigi.com/store-locator

GRI Content Index

Statement of use	CelcomDigi has reported in reference to the GRI Standards for the period of 1 January 2024 to 31 December 2024, unless otherwise stated.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure		Location
GRI 2: General Disclosures	**2-1**	Organizational details	Who We Are - pg. 4
	2-2	Entities included in the organization's sustainability reporting	About this Report - pg. 2 to 3
	2-3	Reporting period, frequency and contact point	About this Report - pg. 2 to 3
	2-4	Restatements of information	About this Report - pg. 2 to 3
	2-5	External assurance	Independent Assurance Report - pg. 252 to 253
	2-6	Activities, value chain and other business relationships	Value Creation Model - pg. 30 to 31, Key Relationships - pg. 52 to 55, Manufactured Capital > Driving Modernisation and AI Automation Initiatives Towards Operational Excellence - pg. 73, Intellectual Capital > Leveraging Multiple Strategic Partnerships to Unlock New Growth Potential - pg. 80, Social and Relationship Capital > Trusted Partner to the Government, Consumers and Businesses - pg. 103
	2-7	Employees	Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 272
	2-8	Workers who are not employees	Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	2-9	Governance structure and composition	Sustainability Statement > Sustainability Governance - pg. 47, Statement on Risk Management and Internal Control (SORMIC) > Risk Management (Governance) - pg. 136, Corporate Governance Overview Statement > Board Composition - pg. 115
	2-10	Nomination and selection of the highest governance body	Corporate Governance Overview Statement > Board Appointment Process - pg. 120
	2-11	Chair of the highest governance body	Sustainability Statement > Sustainability Governance - pg. 47, SORMIC > Risk Management (Governance) - pg. 136
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Statement > Sustainability Governance - pg. 47, SORMIC > Responsibilities and Accountabilities - pg. 135, SORMIC > Board and CDM Committees - pg. 140
	2-13	Delegation of responsibility for managing impacts	SORMIC > Risk Management (Governance) - pg. 136, SORMIC > Board and CDM Committees - pg. 140
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Statement > Sustainability Governance - pg. 47, SORMIC > Risk Management (Governance) - pg. 136
	2-15	Conflicts of interest	Corporate Governance Overview Statement > Board Audit Committee (BAC) Report - pg. 127, Corporate Governance Overview Statement > Summary of BAC Activities - Conflict of Interest - pg. 128 to 131
	2-16	Communication of critical concerns	Key Relationships - pg. 52 to 55, Human Capital > Support Human and Labour Rights and Standards - pg. 87

GRI Standard	Disclosure		Location
GRI 2: General Disclosures	**2-17**	Collective knowledge of the highest governance body	Board of Directors' Profiles - pg. 16 to 21, Corporate Governance Overview Statement > Induction and Continuous Professional Development - pg. 121 to 124
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement > Board Effectiveness Evaluation (BEE) - pg. 120
	2-19	Remuneration policies	Corporate Governance Overview Statement > Directors' Remuneration - pg. 126, Non-Executive Directors' Remuneration Policy - https://celcomdigi.listedcompany.com/corporate_governance.html, Remuneration Policy for Senior Management - https://celcomdigi.listedcompany.com/corporate_governance.html
	2-20	Process to determine remuneration	Corporate Governance Overview Statement > Board Nomination and Remuneration Committee (BNRC) Report - pg. 124 to 125, Non-Executive Directors' Remuneration Policy - https://celcomdigi.listedcompany.com/corporate_governance.html, Remuneration Policy for Senior Management - https://celcomdigi.listedcompany.com/corporate_governance.html
	2-22	Statement on sustainable development strategy	Chair of the Board's Statement - pg. 10 to 11
	2-23	Policy commitments	Social and Relationship Capital > Upholding Human Rights Across Our Value Chain - pg. 105 to 106, Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, Corporate Governance Overview Statement > Board Nomination and Remuneration Committee (BNRC) Report - pg. 124 to 125
	2-24	Embedding policy commitments	Human Capital > Integrating the Code of Conduct into Our Work Ethic - pg. 86
	2-25	Processes to remediate negative impacts	Key Relationships - pg. 52 to 55, Intellectual Capital > Strong Governance and Robust Internal Controls - pg. 81, Human Capital > Support Human and Labour Rights and Standards - pg. 87, Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85
	2-26	Mechanisms for seeking advice and raising concerns	Human Capital > Support Human and Labour Rights and Standards - pg. 87, Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85
	2-27	Compliance with laws and regulations	No significant non-compliances were reported.
	2-28	Membership associations	Natural Capital > Adopting Whole-Of-Society Approach Towards Decarbonisation Opportunities - pg. 99
	2-29	Approach to stakeholder engagement	Key Relationships - pg. 52 to 55
	2-30	Collective bargaining agreements	Human Capital > Support Human and Labour Rights and Standards - pg. 87, Performance Data Table (Additional and Historical ESG Performances) - pg. 276

GRI Content Index

GRI Standard	Disclosure		Location
GRI 3: Material Topics 2021	**3-1**	Process to determine material topics	Materiality - pg. 56 to 59
	3-2	List of material topics	Materiality - pg. 56 to 59
	3-3	Management of material topics	Covered in each GRI Material Topic Disclosure below
GRI 201: Economic Performance 2016	**3-3**	Management of material topics	Financial Capital - pg. 64 to 69
	201-1	Direct economic value generated and distributed	Financial Capital - pg. 64 to 69
	201-2	Financial implications and other risks and opportunities due to climate change	Operating Landscape and Outlook > Environment - pg. 37, Key Risks - pg. 38 to 44
	201-3	Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements - pg. 171 to 251
	201-4	Financial assistance received from government	Notes to the Financial Statements - pg. 171 to 251
GRI 202: Market Presence 2016	**3-3**	Management of material topics	Strategy - pg. 60 to 61
	202-2	Proportion of senior management hired from the local community	Management's Profiles - pg. 22 to 26
GRI 203: Indirect Economic Impacts 2016	**3-3**	Management of material topics	Financial Capital - pg. 64 to 69, Manufactured Capital - pg. 70 to 75, Intellectual Capital - pg. 76 to 83, Social and Relationship Capital - pg. 102 to 111
	203-1	Infrastructure investments and services supported	Value Creation Model - pg. 30 to 31, Financial Capital - pg. 64 to 69, Manufactured Capital - pg. 70 to 75, Intellectual Capital - pg. 76 to 83, Social and Relationship Capital - pg. 102 to 111
	203-2	Significant indirect economic impacts	Value Creation Model - pg. 30 to 31, Intellectual Capital - pg. 76 to 83, Social and Relationship Capital - pg. 102 to 111
GRI 204: Procurement Practices 2016	**3-3**	Management of material topics	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108
	204-1	Proportion of spending on local suppliers	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273
GRI 205: Anti-corruption 2016	**3-3**	Management of material topics	SORMIC > Compliance and Monitoring - pg. 141 to 142
	205-1	Operations assessed for risks related to corruption	Value Creation Model - pg. 30 to 31, Human Capital > Integrating the Code of Conduct into Our Work Ethic - pg. 86, SORMIC > Compliance and Monitoring - pg. 141 to 142, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 272

GRI Content Index

GRI Standard	Disclosure		Location
GRI 205: Anti-corruption 2016	**205-2**	Communication and training about anti-corruption policies and procedures	Intellectual Capital > Strong Governance and Robust Internal Controls - pg. 81, Human Capital > Nurturing Industry-Best Talents - pg. 88 to 89, SORMIC > Compliance and Monitoring - pg. 141 to 142, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 272
	205-3	Confirmed incidents of corruption and actions taken	Value Creation Model - pg. 30 to 31, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 272
GRI 206: Anti-competitive Behavior 2016	**3-3**	Management of material topics	Intellectual Capital > Strong Governance and Robust Internal Controls - pg. 81
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No incidents of anti-competitive behaviour were reported. Intellectual Capital > Strong Governance and Robust Internal Controls - pg. 81
GRI 207: Tax 2019	**3-3**	Management of material topics	Financial Capital - pg. 64 to 69
	207-1	Approach to tax	Notes to the Financial Statements - pg. 171 to 251
	207-2	Tax governance, control, and risk management	Notes to the Financial Statements - pg. 171 to 251
	207-3	Stakeholder engagement and management of concerns related to tax	Notes to the Financial Statements - pg. 171 to 251
	207-4	Country-by-country reporting	Our Audited Financial Statement is within Malaysian jurisdiction.
GRI 302: Energy 2016	**3-3**	Management of material topics	Natural Capital - pg. 92 to 101
	302-1	Energy consumption within the organization	Natural Capital > Environmental Performance Data Points- pg. 100 to 101 Performance Data Table (Additional and Historical ESG Performances) - pg. 274 to 275
	302-2	Energy consumption outside of the organization	Natural Capital > Environmental Performance Data Points- pg. 100 to 101
	302-3	Energy intensity	Natural Capital > Environmental Performance Data Points- pg. 100 to 101
	302-4	Reduction of energy consumption	Natural Capital > Environmental Performance Data Points- pg. 100 to 101
	302-5	Reductions in energy requirements of products and services	Natural Capital > Environmental Performance Data Points- pg. 100 to 101
GRI 303: Water and Effluents 2018	**303-1**	Interactions with water as a shared resource	Natural Capital > Environmental Performance Data Points - pg. 100 to 101
	303-5	Water consumption	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273

GRI Content Index

GRI Standard	Disclosure		Location
GRI 305: Emissions 2016	**3-3**	Management of material topics	Natural Capital - pg. 92 to 101
	305-1	Direct (Scope 1) GHG emissions	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273, Performance Data Table (Additional and Historical ESG Performances) -pg. 274
	305-2	Energy indirect (Scope 2) GHG emissions	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	305-3	Other indirect (Scope 3) GHG emissions	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	305-4	GHG emissions intensity	Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	305-5	Reduction of GHG emissions	Sustainability Statement > Climate-related Financial Disclosures - pg. 48
GRI 306: Waste 2020	**3-3**	Management of material topics	Natural Capital > Circularity and Waste Management - pg. 97
	306-1	Waste generation and significant waste-related impacts	Value Creation Model - pg. 30 to 31, Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	306-2	Management of significant waste-related impacts	Operating Landscape and Outlook > Environment - pg. 37
	306-3	Waste generated	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	306-4	Waste diverted from disposal	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
	306-5	Waste directed to disposal	Natural Capital > Environmental Performance Data Points - pg. 100 to 101, Performance Data Table (Additional and Historical ESG Performances) - pg. 275
GRI 308: Supplier Environmental Assessment 2016	**3-3**	Management of material topics	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108
	308-1	New suppliers that were screened using environmental criteria	Social and Relationship Capital > Managing our supply chain responsibly - pg. 107 to 108, Responsible Supply Chain - https://celcomdigi.listedcompany.com/responsible_supply_chain.pdf
	308-2	Negative environmental impacts in the supply chain and actions taken	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, Performance Data Table (Additional and Historical ESG Performances) - pg. 277, Responsible Supply Chain - https://celcomdigi.listedcompany.com/responsible_supply_chain.pdf

GRI Content Index

GRI Standard	Disclosure		Location
GRI 401: Employment 2016	**3-3**	Management of material topics	Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85
	401-1	New employee hires and employee turnover	Performance Data Table (Additional and Historical ESG Performances - pg. 276
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Notes to the Financial Statements - pg. 171 to 251
	401-3	Parental leave	Performance Data Table (Additional and Historical ESG Performances - pg. 276
GRI 403: Occupational Health and Safety 2018	**3-3**	Management of material topics	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-1	Occupational health and safety management system	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-2	Hazard identification, risk assessment, and incident investigation	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-3	Occupational health services	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-5	Worker training on occupational health and safety	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91 Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273
	403-6	Promotion of worker health	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91
	403-9	Work-related injuries	Key Risks > Health and Safety Risk - pg. 41, Human Capital > Protecting Employee Health, Safety and Wellbeing - pg. 90 to 91, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273, Performance Data Table (Additional and Historical ESG Performances) - pg. 276
GRI 404: Training and Education 2016	**3-3**	Management of material topics	Human Capital > Nurturing Industry-Best Talents - pg. 88 to 89
	404-1	Average hours of training per year per employee	Human Capital > Nurturing Industry-Best Talents - pg. 88 to 89, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 273, Performance Data Table (Additional and Historical ESG Performances) - pg. 276

GRI Content Index

GRI Standard	Disclosure		Location
GRI 404: Training and Education 2016	**404-2**	Programs for upgrading employee skills and transition assistance programs	Human Capital > Nurturing Industry-Best Talents - pg. 88 to 89
	404-3	Percentage of employees receiving regular performance and career development reviews	100% of employees received regular performance and career development reviews regardless of category and gender. Human Capital > Nurturing Industry-Best Talents - pg. 88 to 89
GRI 405: Diversity and Equal Opportunity 2016	**3-3**	Management of material topics	Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85
	405-1	Diversity of governance bodies and employees	Human Capital > Building a Diverse, Inclusive, Engaged and Responsible Workforce - pg. 85, Performance Data Table (Bursa Malaysia ESG Reporting Platform) - pg. 272
GRI 406: Non-discrimination 2016	**3-3**	Management of material topics	Human Capital > Support Human and Labour Rights and Standards - pg. 87
GRI 407: Freedom of Association and Collective Bargaining 2016	**3-3**	Management of material topics	Human Capital > Support Human and Labour Rights and Standards - pg. 87
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital > Support Human and Labour Rights and Standards - pg. 87
GRI 408: Child Labor 2016	**3-3**	Management of material topics	Social and Relationship Capital > Upholding Human Rights Across Our Value Chain - pg. 105 to 106
	408-1	Operations and suppliers at significant risk for incidents of child labor	Social and Relationship Capital > Upholding Human Rights Across Our Value Chain - pg. 105 to 106
GRI 409: Forced or Compulsory Labor 2016	**3-3**	Management of material topics	Social and Relationship Capital > Upholding Human Rights Across Our Value Chain - pg. 105 to 106
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social and Relationship Capital > Upholding Human Rights Across Our Value Chain - pg. 105 to 106
GRI 411: Rights of Indigenous Peoples 2016	**411-1**	Incidents of violations involving rights of indigenous peoples	There was no material incidents reported.
GRI 413: Local Communities 2016	**3-3**	Management of material topics	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108
	413-1	Operations with local community engagement, impact assessments, and development programs	Value Creation Model - pg. 30 to 31, Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, Social and Relationship Capital > Empowering Societies Through Nation-Building Initiatives - pg. 109 to 111, Performance Data Table (Additional and Historical ESG Performances) - pg. 277
	413-2	Operations with significant actual and potential negative impacts on local communities	No incidents of negative impacts were reported.

GRI Content Index

GRI Standard	Disclosure		Location
GRI 414: Supplier Social Assessment 2016	**3-3**	Management of material topics	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108
	414-1	New suppliers that were screened using social criteria	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, SORMIC > Agreement on Business Conduct (ABC) and Business Partner Management - pg. 142
	414-2	Negative social impacts in the supply chain and actions taken	Social and Relationship Capital > Managing Our Supply Chain Responsibly - pg. 107 to 108, Performance Data Table (Additional and Historical ESG Performances) - pg. 277
GRI 415: Public Policy 2016	**3-3**	Management of material topics	Refer to the Code of Conduct on political contributions https://corporate.celcomdigi.com/company/governance
	415-1	Political contributions	Refer to the Code of Conduct on political contributions https://corporate.celcomdigi.com/company/governance
GRI 416: Customer Health and Safety 2016	**3-3**	Management of material topics	Manufactured Capital > Connecting With Our Customers Through Digital and Physical Touchpoints - pg. 74
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning the health and safety impacts of products and service were reported.
GRI 417: Marketing and Labelling 2016	**3-3**	Management of material topics	Operating Landscape and Outlook > Government Initiatives and Regulations - pg. 34
	417-1	Requirements for product and service information and labelling	Operating Landscape and Outlook > Government Initiatives and Regulations - pg. 34
	417-2	Incidents of non-compliance concerning product and service information and labelling	No incidents of non-compliance concerning product and service information and labelling were reported.
	417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communications were reported.
GRI 418: Customer Privacy 2016	**3-3**	Management of material topics	Intellectual Capital > Enhancing Data Protection and Strengthening Cybersecurity Controls – pg. 82 to 83
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Performance Data Table (Bursa Malaysia ESG Reporting Platform) – pg. 273

Performance Data Table
(Bursa Malaysia ESG Reporting Platform)

CelcomDigi Berhad, as a Listed Issuer is required to provide mandatory ESG disclosures as part of the Main Market Listing Requirements, in line with the enhanced Bursa Malaysia Sustainability Reporting Guide, 3rd Edition. The following performance data table, downloaded from Bursa Malaysia's ESG Reporting Platform summarises indicators that are pertinent against our Material Matters. For additional and historical ESG performances, refer to pages 274 to 277.

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs)	Percentage	2.52	3.32
CelcomDigi Employees (Executive)	Percentage	94.60	92.08
CelcomDigi Employees (Non-executive)	Percentage	2.88	4.60
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,000,000.00	2,320,410.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	585,268	206,000
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs) Under 30	Percentage	0.00	0.00
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs) Between 30-50	Percentage	1.80	1.98
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs) Above 50	Percentage	1.30	1.43
CelcomDigi Employees (Executive & Non-executive) Under 30	Percentage	5.30	6.14
CelcomDigi Employees (Executive & Non-executive) Between 30-50	Percentage	71.70	71.61
CelcomDigi Employees (Executive & Non-executive) Above 50	Percentage	19.90	18.84
Gender Group by Employee Category			
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs) Male	Percentage	1.90	2.14
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs) Female	Percentage	1.30	1.27
CelcomDigi Employees (Executive & Non-executive) Male	Percentage	50.00	49.82
CelcomDigi Employees (Executive & Non-executive) Female	Percentage	46.80	46.77
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	70.00	70.00
Female	Percentage	30.00	30.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	10.00	10.00
Above 50	Percentage	90.00	90.00

Indicator	Measurement Unit	2023	2024
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	913,860	896,580
Bursa (Health and safety)			
Bursa C5(a) Number of work related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.14	0.44
Bursa C5(c) Number of employees trained on health and safety standards	Number	4,280	4,491
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs)	Hours	1,460	1,065
CelcomDigi Employees (Executive & Non-executive)	Hours	63,944	54,078
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.36*	0.33
Bursa C6(c) Total number of employee turnover by employee category			
CelcomDigi Management (CDMs) & CelcomDigi Leadership (CDLs)	Number	13	17
CelcomDigi Employees (Executive & Non-executive)	Number	256	830
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	24.20	38.18
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	1
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	151.30	65.49
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	677
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	41
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	636
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	-	43,810
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	-	517,946
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	4,350

External assurance	(*)Restated

Performance Data Table

(Additional and Historical ESG Performances)

Indicator	Sub Category	Unit/Type	2022	2023	2024
Governance					
Regulatory Compliance					
Board Balance and Composition	Independent Non-Executive Directors	count	N/A	4	4
	Non-Independent Non-Executive Directors	count	N/A	6	6
Gender	Male	%	N/A	70	70
	Female	%	N/A	30	30
Age	<55	count	N/A	4	4
	55 to 60	count	N/A	3	2
	61 to 65	count	N/A	1	2
	66 to 70	count	N/A	2	2
Data Privacy and Cybersecurity					
Substantiated complaints concerning breaches of customer privacy and losses of customer data		count	-	-	1
Business Ethics and Corporate Governance					
Material Cases of Corruption		count	-	-	-
Crisis Management and Response					
Number of employees who attended crisis training		count	N/A	32	46
Economic					
Service Reliability and Quality					
Population Coverage	4G LTE	%	N/A	97	98
	4G LTE-Advanced	%	N/A	91	94
CSAT Score	Contact Centre	%	53.0	69.7	57.2
	Retail Stores	%	92.0	96.1	96.6
National Digital Network (JENDELA) sites		count	N/A	182	711
Business Development, Expansion, and Investments					
Subscribers ('000)	Total	count	20,086	20,552	20,395
	Postpaid	count	6,672	6,938	7,324
	Prepaid	count	13,313	13,483	12,862
	Home & Fibre	count	101	131	209
Environment					
Climate Change and Environmental Action					
Total Scope 1 & 2 emissions		tonnes CO_2e	278,933	537,616	561,756
Total Scope 1 emissions	Total	tonnes CO_2e	16,006	53,670	43,810
	Network	tonnes CO_2e	14,722	53,499	43,712
	Fleet	tonnes CO_2e	1,276	161	88
	Buildings	tonnes CO_2e	8	10	10

Indicator	Sub Category	Unit/Type	2022	2023	2024
Total Scope 2 emissions	Total	tonnes CO_2e	262,927	483,946	517,946
	Network	tonnes CO_2e	258,569	476,714	511,222
	Buildings	tonnes CO_2e	4,358	7,232	6,724
Total Scope 3 emissions	Total	tonnes CO_2e	845	282	4,350
	Employee Commuting	tonnes CO_2e	N/A	N/A	3,101
	Business Travel: Air	tonnes CO_2e	173	-	299
	Business Travel: Land	tonnes CO_2e	672	282	950
Carbon intensity per customer		tonnes CO_2e/ customer	0.024	0.026	0.028
Carbon intensity per data usage		tonnes CO_2e/ terabyte	0.11	0.10	0.09
Total water consumption		m^3	103,388	151,284	65,485
General Waste	Collected	tonnes	76	664	290
	Recycled	tonnes	2	22	2
E-Waste	Collected	tonnes	248	238	387
	Recycled	tonnes	245	48	39
Energy Consumption					
Total energy consumption		GWh	439	914	896
Direct energy consumption from fuel	Total	GWh	60	201	163
	Network	GWh	55	200	163
	Fleet	GWh	5	1	0
	Buildings	GWh	0	0	0
Indirect energy consumption from grid	Total	GWh	379	710	729
	Network	GWh	373	700	720
	Buildings	GWh	6	10	9
Solar power generated (Network)		GWh	0.07	3.42	4.42
Energy use per customer		KWh/customer	36.83	44.45	43.95
Energy use per Data Usage		MWh/terabyte	N/A	0.17	0.14
Social					
Talent and Culture					
Total employees Permanent & contract *(those directly under CD's payroll)*		count	3,818	3,655	3,079
Employees Type	Permanent	count	3,731	3,527	2,903
	Contract	count	87	128	176
Gender	Male	count	1,991	1,900	1,600
	Female	count	1,827	1,755	1,479

Performance Data Table
(Additional and Historical ESG Performances)

Indicator	Sub Category	Unit/Type	2022	2023	2024
Ethnicity	Malay	count	2,352	2,264	1,840
	Chinese	count	993	924	842
	Indian	count	298	281	245
	Others	count	175	186	152
Age Group	<30	count	258	193	189
	30 to 50	count	2,897	2,687	2,266
	>50	count	663	775	624
Category	CDM	count	12	12	13
	CDL	count	105	101	92
	CelcomDigi Employees (Executive & Non-Executive)	count	3,701	3,542	2,974
New Hires	Male	count	196	40	132
	Female	count	126	33	121
Employee Turnover		Rate	N/A	5	6
Employee Turnover by gender	Male	%	10	8	4
	Female	%	7	7	4
Employee Learning	Total learning hours	hours	68,673	65,404	55,143
	Average per employee	hours	50	14	14
	Average for male employee	hours	N/A	16	15
	Average for female employee	hours	N/A	12	13
	Average for management	hours	N/A	13	16
	Average for non-management	hours	N/A	14	14
	Training on health and safety standards	hours	1,822	6,967	9,329
Parental Leave	Paternity	headcount	N/A	177	60
	Maternity	headcount	N/A	62	88
Women in Leadership	CDM + CDL	%	39	41	37
Occupational Safety and Health					
Health & Safety	Work-related fatalities	count	-	-	-
	Lost time injury frequency (LTIF) rate	count/million hours	-	0.14	0.44
	Occupational Safety and Health Coordinator (OSH-C)	headcount	N/A	92	96
Training	General First Aiders	count	N/A	68	55
	Mental Health First Aiders	count	N/A	59	32
Respecting Human Rights and Freedom of Expression					
Percentage of employees under bargaining agreements		%	N/A	2	<1

Performance Data Table
(Additional and Historical ESG Performances)

Indicator	Sub Category	Unit/Type	2022	2023	2024
Digital Inclusion					
Future Skills For All (FS4A)	Students	count	N/A	N/A	3,956
	Teachers	count	N/A	N/A	510
	Schools	count	N/A	N/A	956
	Active students and trainers	count	N/A	44,856	63,374
NADI centres operated		count	N/A	307	322
Online Safety					
S.A.F.E. Internet programme	Training of community leaders (ToT)	count	N/A	1,692	1,974
	Community outreach	count	N/A	139,842	146,574
	Online reach	count	N/A	8,696,965	7,799,033
Supply Chain Sustainability					
Total number of suppliers		count	2,245	2,487	2,724
New suppliers who have signed the Agreement on Responsible Business Conduct (ABC)		count	155	242	237
Total suppliers who have signed the ABC to date		count	2,245	2,487	2,724
Supplier training		hours	16,691	23,478	26,687
Inspections conducted	Unannounced	count	504	795	872
	Announced	count	8	10	7
	Total	count	512	805	879
Number of findings	Major	count	11	17	23
	Minor	count	65	84	42
	Contractors suspended	count	-	1	-
	Contractors terminated	count	-	-	-
	Contractors reinstated	count	-	-	1
Number of suppliers awarded contracts	Local suppliers	count	N/A	607	558
	Foreign suppliers	count	N/A	212	207

Notes:

a) Due to changes in reporting boundaries and methodologies post-merger, FY2022 data should not be read in comparison to subsequent years, unless otherwise stated.

b) Lost time injury frequency rate denotes the number of lost time injuries in the reporting period x 1,000,000 / Total worked hours (based on 9 working hours x actual working days in the year).

c) Employee statistics (except for employee learning) includes permanent and contract employees, under active employment as of 31 December 2024. Employee learning includes permanent, contract, and outsourced employees.

d) Scope 2 emissions data for FY2023 has been restated due to revisions in the National Grid Emission Factor (GEF) and verification undertaken with an independent advisor to improve our methodology in data collection and management approach.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Eighth Annual General Meeting ("**28th AGM**") of CelcomDigi Berhad ("**the Company**") will be held at Nexus, Connexion Conference & Event Centre, Grand Nexus Ballroom (Level 3A), Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Meeting Venue**") and will be broadcasted live from the Meeting Venue on **Thursday, 22 May 2025 at 9.00 a.m.** or at any adjournment thereof, for the transaction of the following business:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.
   (Please refer to Note 1 of the Explanatory Notes)

2. To re-elect the following Directors who retire pursuant to Article 104(A) of the Company's Constitution and being eligible, offer themselves for re-election:-

   (i) Ms Rita Skjaervik — **Ordinary Resolution 1**
   (ii) Mr Vivek Sood — **Ordinary Resolution 2**
   (iii) Tan Sri Abdul Farid Alias — **Ordinary Resolution 3**
   (Please refer to Note 2 of the Explanatory Notes)

3. To re-elect the following Directors who retire pursuant to Article 104(E) of the Company's Constitution and being eligible, offer themselves for re-election:

   (i) Mr Nik Rizal Kamil Bin Nik Ibrahim Kamil — **Ordinary Resolution 4**
   (ii) Mr Jon Omund Revhaug — **Ordinary Resolution 5**
   (Please refer to Note 2 of the Explanatory Notes)

4. To approve the payment of Directors' fees of up to RM2,250,000 and benefits payable of up to RM222,000 to the Non-Executive Directors with effect from 22 May 2025 until the conclusion of the next Annual General Meeting ("**AGM**") of the Company. — **Ordinary Resolution 6**
   (Please refer to Note 3 of the Explanatory Notes)

5. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. — **Ordinary Resolution 7**
   (Please refer to Note 4 of the Explanatory Notes)

Special Business

To consider and, if deemed fit, to pass the following resolutions:-

6. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Berhad and its subsidiaries ("CelcomDigi Group") and Telenor ASA and its subsidiaries ("Telenor Group") ("Proposed Renewal of Shareholders' Mandate 1")** — **Ordinary Resolution 8**
   (Please refer to Note 5 of the Explanatory Notes)

   "THAT, subject to the provisions of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Telenor Group as set out in Appendix I of the Circular to Shareholders dated 16 April 2025 ("**Circular**"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

   (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 1 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

   (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

   (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

   whichever is the earlier.

   AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 1."

7. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Axiata Group Berhad and its subsidiaries ("Axiata Group") ("Proposed Renewal of Shareholders' Mandate 2")** — **Ordinary Resolution 9**
   (Please refer to Note 5 of the Explanatory Notes)

   "THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Axiata Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

   (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 2 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

   (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

   (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

   whichever is the earlier.

   AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 2."

8. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Khazanah Nasional Berhad and its related entities ("Khazanah Group") ("Proposed Renewal of Shareholders' Mandate 3")** **Ordinary Resolution 10**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Khazanah Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 3 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 3."

9. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Digital Nasional Berhad ("DNB") ("Proposed Renewal of Shareholders' Mandate 4")** **Ordinary Resolution 11**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with DNB as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 4 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 4."

10. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Telekom Malaysia Berhad and its subsidiaries ("TM Group") ("Proposed Renewal of Shareholders' Mandate 5")** **Ordinary Resolution 12**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with TM Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 5 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 5."

11. To transact any other business of which due notice shall has been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board
CELCOMDIGI BERHAD

CHOO MUN LAI (MAICSA 7039980)
SSM PC No: 201908001003

TAI YIT CHAN (MAICSA 7009143)
SSM PC No: 202008001023

Company Secretaries
Selangor Darul Ehsan, Malaysia
16 April 2025

NOTES

(i) The 28th AGM of the Company will be held on a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) are given an option, either:-

a. To attend physically in person at the Meeting Venue ("**Physical Attendance**"); or
b. To attend virtually using the Remote Participation and Electronic Voting ("**RPEV**") facilities to be provided by the appointed Poll Administrator, Boardroom Share Registrars Sdn Bhd ("**Virtual Attendance**").

The procedures for Physical Attendance and Virtual Attendance are provided in the Administrative Guides for the 28th AGM which is available on the Company's website at https://corporate.celcomdigi.com/annualreport.

(ii) In respect of deposited securities, only shareholders whose names appear on the Record of Depositors on 15 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and/or vote at the Meeting.

(iii) A shareholder entitled to participate at the 28th AGM is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a shareholder appoints more than one (1) proxy, the appointment shall be invalid unless the shareholder specifies the proportions of his/her shareholdings to be represented by each proxy.

(iv) A proxy or attorney need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

(v) Where a shareholder of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

(vi) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

(vii) The instrument appointing a proxy together with the power of attorney (if any) or a certified copy thereof must be deposited at the Poll Administrator's Office, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, otherwise, the instrument of proxy should not be considered valid. Alternatively, the Form of Proxy can be submitted electronically via https://investor.boardroomlimited.com before the Form of Proxy submission cut-off time as mentioned in the above. For further information on the electronic submission of the Form of Proxy, kindly refer to the Administrative Guides.

(viii) If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in our 28th AGM by yourself, please write to bsr.helpdesk@boardroomlimited.com or login to https://investor.boardroomlimited.com (as the case maybe) to revoke the earlier appointed proxy before the 28th AGM. On revocation, your proxy(ies) will not be allowed to participate in the 28th AGM. In such event, you should advise your proxy accordingly.

(ix) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all the resolutions set out in the Notice of 28th AGM will put to vote by way of poll. A Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

EXPLANATORY NOTES

1. Audited Financial Statements for the financial year ended 31 December 2024

The Audited Financial Statements under Item 1 of the Agenda are laid in accordance with subsection 340(1)(a) the Companies Act 2016 for discussion only. They do not require shareholders' approval and hence, this agenda item will not be put forward for voting.

2. Ordinary Resolutions 1 to 5: Re-election of Directors

The Board, through the Board Nomination and Remuneration Committee ("**BNRC**"), has conducted an annual assessment of each Director eligible for re-election and is satisfied that they meet the fit and proper criteria in the Fit and Proper Policy, demonstrating strong performance, contribution and effectiveness.

The retiring Directors, Ms Rita Skjaervik, Mr Vivek Sood, Tan Sri Abdul Farid Alias, Mr Nik Rizal Kamil bin Nik Ibrahim Kamil, and Mr Jon Omund Revhaug are eligible and have offered themselves for re-election at the 28th AGM. They have abstained from deliberations and decisions on their own eligibility and suitability to stand for re-election at the relevant Board and Board Committees meetings. They do not hold any shares in the Company and have no conflict of interests with the Company except as disclosed in the Director's profiles.

3. Ordinary Resolution 6: Payment of Directors' Fees and Benefits

Pursuant to subsection 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or listed company and its subsidiaries, shall be approved at a general meeting.

The fees and benefits structure of the Non-Executive Directors of the Company are as follows:

- Monthly fixed fees for duties as Chair/Directors;
- Monthly fixed fees for duties as Board Committees Chair/Members; and
- Medical and insurance coverage, telecommunication facilities and other claimable benefits payable.

The Non-Executive Directors employed by Telenor Group or Axiata Group are not entitled to Directors' fees and benefits.

The Directors' fees and benefits payable for the Non-Executive Directors from 22 May 2025 until the conclusion of the next AGM of the Company ("**Mandate Period**") are estimated not to exceed RM2,463,000, assuming that the number of eligible Non-Executive Directors remains unchanged until the next AGM. This resolution seeks to facilitate the payment of the Directors' fees and benefits for the Mandate Period. If the approved amount is insufficient, the Board will seek shareholders' approval at the next AGM.

Details of Directors' remuneration for the financial year ended 31 December 2024 are available in the Integrated Annual Report 2024 and Corporate Governance Report 2024 on the Company's website.

4. Ordinary Resolution 7: Re-appointment of PricewaterhouseCoopers PLT ("PwC") as Auditors of the Company

The Board, through the Board Audit Committee, has evaluated the independence, competency and reliability of PwC based on the relevant criteria prescribed under Paragraph 15.21 of the MMLR of Bursa Securities. The Board was satisfied with PwC's performance and has recommended its re-appointment as the Company's Auditors.

Notice of Annual General Meeting

5. Ordinary Resolutions 8 to 12: Proposed Renewal of Shareholders' Mandates 1 to 5

Ordinary Resolutions 8 to 12 proposed under items 6 to 10 of the Agenda, if passed, will allow CelcomDigi Group to enter into recurrent related party transactions, in accordance with Paragraph 10.09 of the MMLR of Bursa Securities, without the need to convene separate general meetings each time such transactions occur. This would streamline administrative processes and reduce expenses associated with convening such meetings, while maintaining the corporate objectives of CelcomDigi Group and preserving business opportunities. The shareholders' mandates are subject to renewal on an annual basis.

Please refer to the Circular for further information.

Personal data privacy

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the 28th AGM and/or any adjournment thereof, a shareholder of the Company, the said proxy(ies) and/or representative(s) (i) consents to the collection, use and disclosure of the shareholder's and/or the said proxy(ies) and/or representative(s) personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the 28th AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the 28th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*

FORM OF PROXY

CELCOMDIGI BERHAD
Registration No. 199701009694 (425190-X)
(Incorporated in Malaysia)

No. of shares held :	
CDS Account No. :	

I/We* _____ NRIC / Passport / Registration No.* _____
(Name in full)

of _____
(Address)

with email address _____ tel. no. / mobile no. _____

being a shareholder/shareholders* of **CELCOMDIGI BERHAD** ("the Company"), hereby appoint(s):-

Full Name:	**NRIC/Passport No.:**	**Proportion of shareholding to be represented by the proxy/proxies:**	
		No. of Shares	**%**
Address:			
Tel. No./Mobile No.:		Email Address:	
*and/or			

Full Name:	**NRIC/Passport No.:**	**Proportion of shareholding to be represented by the proxy/proxies:**	
		No. of Shares	**%**
Address:			
Tel. No./Mobile No.:		Email Address:	
*and/or			

or failing him/her, the **Chair of the Meeting* as my/our proxy to vote for me/us on my/our behalf at the Twenty-Eighth Annual General Meeting ("28th AGM") of the Company to be held at Nexus, Connexion Conference & Event Centre, Grand Nexus Ballroom (Level 3A), Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("Meeting Venue") and broadcast live from the Meeting Venue on **Thursday, 22 May 2025 at 9.00 a.m.** or at any adjournment thereof.

**Please delete as appropriate.*

This proxy is to vote on the resolutions set out in the Notice of the Meeting, as indicated with an 'X' in the appropriate spaces below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

No.	**Resolution**			
	Ordinary Business		**For**	**Against**
1	Re-election of Ms Rita Skjaervik as Director.	Ordinary Resolution 1		
2	Re-election of Mr Vivek Sood as Director.	Ordinary Resolution 2		
3	Re-election of Tan Sri Farid Alias as Director.	Ordinary Resolution 3		
4	Re-election of Mr Nik Rizal Kamil bin Nik Ibrahim Kamil as Director.	Ordinary Resolution 4		
5	Re-election of Mr Jon Omund Revhaug as Director.	Ordinary Resolution 5		
6	Approval of the payment of Directors' fees and benefits payable to the Non-Executive Directors.	Ordinary Resolution 6		
7	Re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 7		
	Special Business			
8	Proposed Renewal of Shareholders' Mandate 1.	Ordinary Resolution 8		
9	Proposed Renewal of Shareholders' Mandate 2.	Ordinary Resolution 9		
10	Proposed Renewal of Shareholders' Mandate 3.	Ordinary Resolution 10		
11	Proposed Renewal of Shareholders' Mandate 4.	Ordinary Resolution 11		
12	Proposed Renewal of Shareholders' Mandate 5.	Ordinary Resolution 12		

Signed this _____ day of _____, 2025

_____
Signature or Common Seal of Shareholder(s)

Tel. No. /
Mobile No.: _____

Notes:

(i) The 28th AGM of the Company will be held on a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) are given an option, either:-
   a. To attend physically in person at the Meeting Venue ("**Physical Attendance**"); or
   b. To attend virtually using the Remote Participation and Electronic Voting ("**RPEV**") facilities to be provided by the appointed Poll Administrator, Boardroom Share Registrars Sdn Bhd ("**Virtual Attendance**").

   The procedures for Physical Attendance and Virtual Attendance are provided in the Administrative Guides for the 28th AGM which is available on the Company's website at https://corporate.celcomdigi.com/annualreport.

(ii) In respect of deposited securities, only shareholders whose names appear on the Record of Depositors on 15 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and/or vote at the Meeting.

(iii) A shareholder entitled to participate at the 28th AGM is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a shareholder appoints more than one (1) proxy, the appointment shall be invalid unless the shareholder specifies the proportions of his/her shareholdings to be represented by each proxy.

(iv) A proxy or attorney need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

(v) Where a shareholder of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

Fold along this line (1)

Affix
Stamp
Here

Poll Administrator Office for
CELCOMDIGI BERHAD
(Registration No. 199701009694 (425190-X))
Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Fold along this line (2)

(vi) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

(vii) The instrument appointing a proxy together with the power of attorney (if any) or a certified copy thereof must be deposited at the Poll Administrator's Office, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, otherwise, the instrument of proxy should not be considered valid. Alternatively, the Form of Proxy can be submitted electronically via https://investor.boardroomlimited.com before the Form of Proxy submission cut-off time as mentioned in the above. For further information on the electronic submission of the Form of Proxy, kindly refer to the Administrative Guides.

(viii) If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in our 28th AGM by yourself, please write to bsr.helpdesk@boardroomlimited.com or login to https://investor.boardroomlimited.com (as the case maybe) to revoke the earlier appointed proxy before the 28th AGM. On revocation, your proxy(ies) will not be allowed to participate in the 28th AGM. In such event, you should advise your proxy accordingly.

(ix) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all the resolutions set out in the Notice of 28th AGM will put to vote by way of poll. A Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of 28th AGM dated 16 April 2025.

To our valued customers,

Thank you for your trust in us as your connectivity partner. You inspire all of us at CelcomDigi to keep innovating and delivering better experiences for you every day. Our commitment is to bring you the best digital experiences for all your needs, powered by our new, modernised, and fully digital, intelligent network.

We look forward to serving you even better in the years ahead.

Idham

Datuk Idham Nawawi
Chief Executive Officer

www.celcomdigi.com

CelcomDigi Berhad
Reg. No. 199701009694 (425190-X)

Menara CelcomDigi
No. 6, Persiaran Barat,
Seksyen 52,
46200 Petaling Jaya,
Selangor, Malaysia

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