



## PRESS RELEASE

### For immediate publication

#### Disciplined operational efficiency drives steady Q1 2020 performance

- Performance fuelled by internet and digital growth
- Announces 4.2 sen dividend equivalent to RM327 million
- Leveraging digital capabilities and proactive business continuity measures to mitigate impact of Covid-19

**SUBANG JAYA, 23 April 2020** – Digi.com Berhad (Digi) recorded a 0.7% y-o-y service revenue<sup>1</sup> growth to RM1,366 million, buoyed by a 13.3% y-o-y internet and digital revenue growth in the first quarter of 2020 the company announced today. The company's discipline on operational efficiency resulted in EBITDA at RM756 million and ops cash flow at RM617 million.

Digi's CEO Albern Murty said, "We continued the good momentum from Q4 2019 to ensure we were able to quickly adapt to the growing Covid-19 concern, leveraging our digital capabilities and resilient organisational culture. Our first quarter results also reflect the sustainable revenue portfolio of our business. Moving forward, we will continue to maintain a balance of responsible financial management together with focused investments on network and digital capabilities to stay resilient, while we address the challenges from Covid-19.

#### Steady Q1 2020 business performance

In the quarter, the company's internet customer base was 9.2 million, with customers using 14.5GB of data monthly, driving data traffic volumes up by 42% y-o-y. Internet and digital revenue increased to RM977 million as a result of higher data usage across segments, and 21.4 million upsell transactions on MyDigi, now surpassing 4.0 million monthly active users.

RM million	1Q20	4Q19	1Q19	Q-o-Q	Y-o-Y
<b>Total revenue</b>	1,560	1,678	1,509	(7.0%)	3.4%
<b>Service revenue<sup>2</sup></b>	1,366	1,400	1,357	(2.4%)	0.7%
<b>EBITDA (boi)</b>	756	817	806	(7.5%)	(6.2%)
<b>EBITDA margin</b>	49%	49%	53%	(0.4pp)	(4.9pp)
<b>PAT</b>	332	343	342	(3.2%)	(2.9%)

<sup>1</sup> Service Revenue excluding interconnect

All analysis and comparisons are based on post MFRS 16

#### Key Financial Highlights (Y-o-Y)

- Service revenue<sup>1</sup> grew 0.7% y-o-y to RM1,366 million, supported by internet and digital revenue growth
- Internet and digital revenue rose 13.3% y-o-y to RM977 million or 70% of service revenue
- Postpaid revenue grew 5.5% y-o-y to RM656 million over a base of 3.1 million subscribers, attributed to healthy acquisitions, pre-to-post conversions and plan upgrades
- Prepaid internet and digital revenue increased 8.2% y-o-y to RM434 million
- OPEX sustained at RM411 million on the back of continued network investments
- EBITDA at RM756 million or 49% margin while Profit After Tax (PAT) was RM332 million or 21% margin
- Ops cash flow traced to RM617 million or 40% margin having invested RM139 million capex for network enhancements
- Net debt to EBITDA ratio healthy at 1.5 times while conventional debt over total assets was at 9%, well-within the Shariah threshold
- First interim dividend per share of 4.2 sen or RM327 million, payable to shareholders on 26 June 2020
- See slower revenue development post 18 March due to Covid-19 related impact, such as travel, roaming, and closure of stores and dealer touchpoints.



## Covid-19 Response

Digi remains focused to support customers by delivering consistent network availability and support services:

- Activated BCP covering network operations and customer service teams, and work from home capabilities for the broader organisation for business continuity. Mobilising over 700 operations staff working 24x7 to keep Malaysians connected
- Ensuring network quality, coverage, and capacity to manage shifts in demand, prioritising performance at critical sites, such as hospitals, relief centres, and government offices among others
- Strengthening digital channels to support customer needs, while continuing to work with authorities to gradually open Digi Stores in a post MCO period
- Supporting small business customers and consumers with benefits focused on connectivity, learning and productivity. See [here](#) for more on these efforts

Due to the uncertainty related to the duration and severity of the Covid-19 pandemic, Digi is taking a practical view on its earnings parameters for the remainder of 2020, and will prioritise:

- Continued value creation for stakeholders
- Ensure network and IT infrastructure maintained
- Protecting cash flow through cost measures and financial flexibility
- Deliver on core and digital businesses

More on Digi's Q1 2020 performance is available [here](#) and on #DigiCares Covid-19 efforts [here](#).

## About Digi

Digi is a mobile connectivity and internet services provider enabling 11.0 million Malaysians on our advanced 4G+ network. We have an ambition to provide relevant, personalised, and engaging digital products and services that will fully enable our customer's digital lifestyles. Listed on Bursa Malaysia, Digi is part of global telecommunications provider Telenor Group, and is a leader in driving responsible business practices. For more information, visit [www.digi.com.my](http://www.digi.com.my).

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