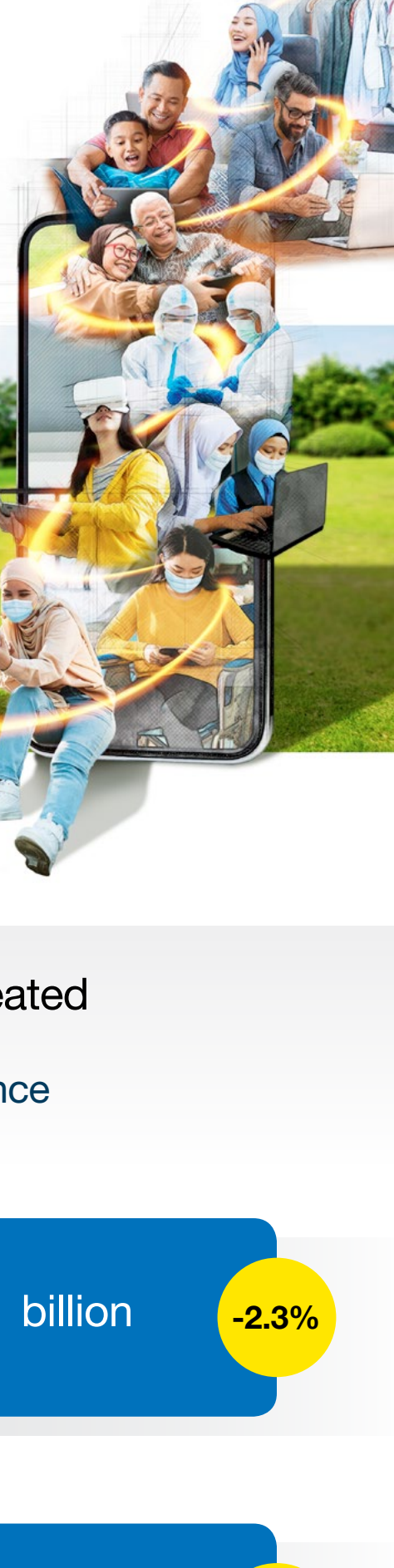




LET'S INSPIRE

Integrated Annual Report 2020

# CONNECTING YOU TO WHAT MATTERS MOST



## The Value We Created

### Financial Performance

#### REVENUE

**RM6.15** billion  
(2019 : 6.30)

**-2.3%**

#### EBITDA

**RM3.08** billion  
(2019 : 3.31)

**-7.0%**

#### NET CASH FROM OPERATIONS

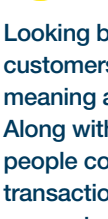
**RM2.43** billion  
(2019 : 2.06)

**+17.9%**

#### ORGANIC CAPITAL EXPENDITURE

**RM0.72** billion  
(2019 : 0.75)

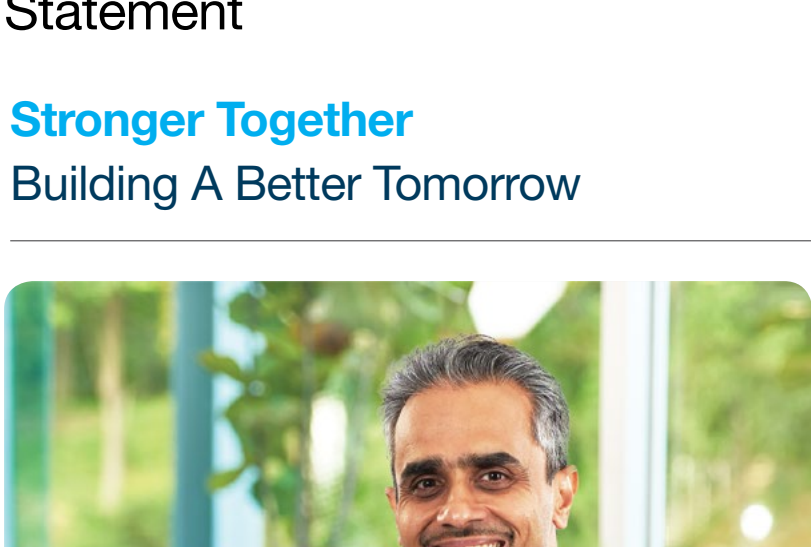
**-4.1%**



**DOWNLOAD THE VALUE WE CREATED**

## Chair of the Board's Statement

### Navigating a year of strong challenges and deep responsibility for all



**Haakon Bruaset Kjoel**  
Chair of the Board



Looking back on 2020, in challenging times Digi kept its promise to keep customers connected to what matters most. This promise took on new meaning as the reality of the global pandemic took hold in Malaysia. Along with the sector, we took on the critical responsibility of ensuring people could learn and work from anywhere, could easily shift to online transactions for personal and business needs, and could stay socially connected with one another, when we needed to be physically apart.

Digi reaffirmed our daily commitment in providing reliable and affordable connectivity and solutions for each of our 10.4 million customers. Trust is central to the way Digi operates, and in these tough times we deepened our responsible business framework, built on the tenets of good corporate governance. This enables us to deliver services to customers credibly, and partner with a range of stakeholders with transparency and integrity.

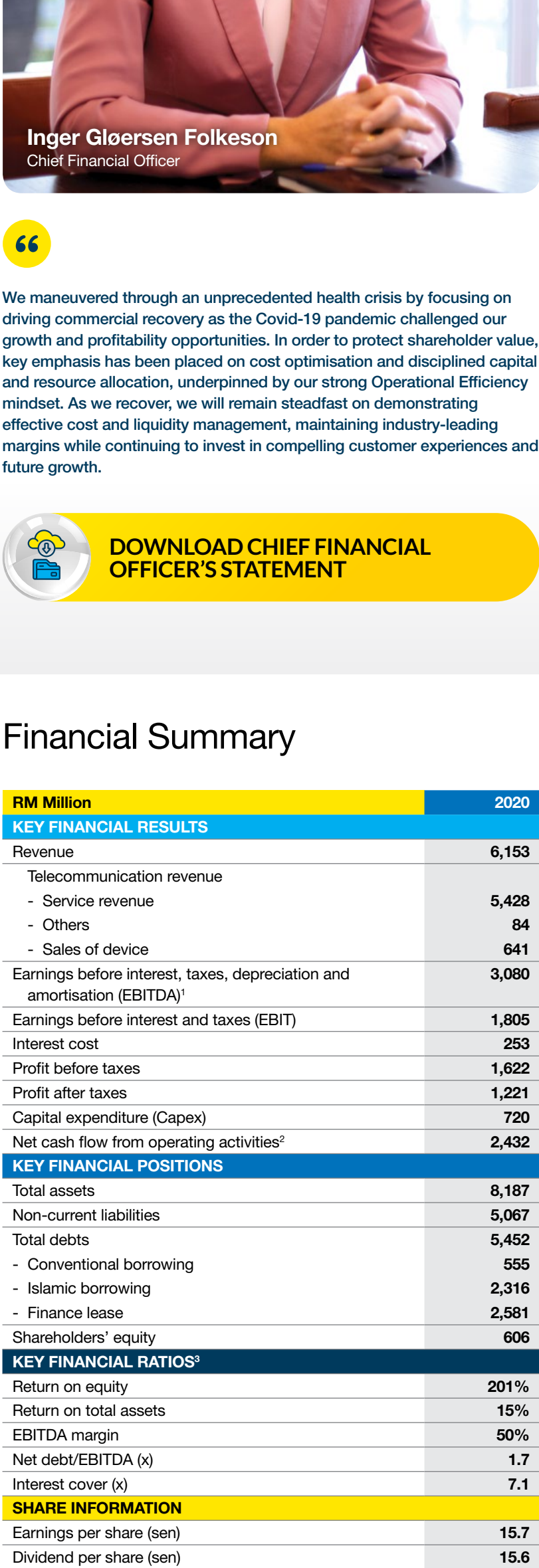


**DOWNLOAD CHAIR OF THE BOARD'S STATEMENT**

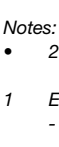
## Chief Executive Officer's Statement

### Stronger Together

### Building A Better Tomorrow



**Albern Murty**  
Chief Executive Officer



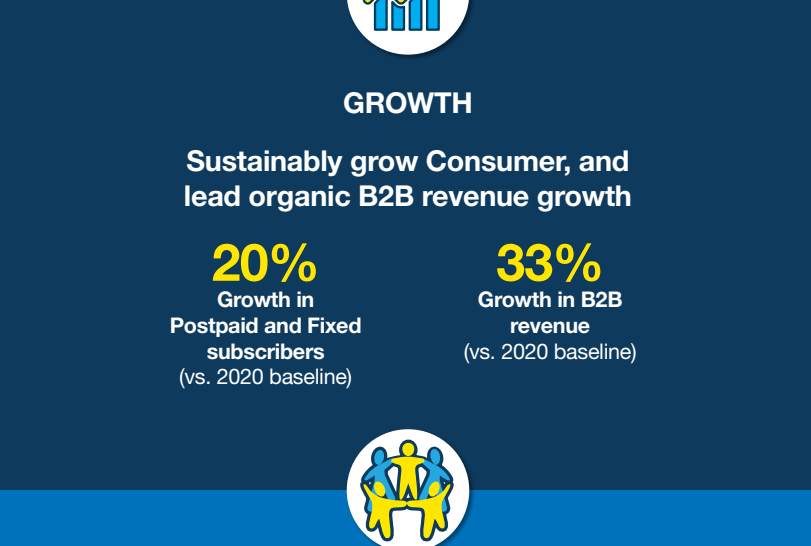
2020 was a year of learning and exploration for Digi – new ways of working and staying connected to our teams, finding innovative means of serving our customers, and doing things to grow closer as a team despite being physically apart. This was a year where we grew as a company and explored new growth areas, driving efficiency and modernisation. The experience underscored the importance of what we do every day – connecting you to what matters most. Connectivity became even more fundamental – in keeping people, businesses, governments, and societies in general connected and running. In this regard, much of Digi's priority during the year was to ensure the consistent availability of our network and services, while taking necessary precautions to keep everyone under our care safe, and doing our part to aid the nation's recovery.



**DOWNLOAD CHIEF EXECUTIVE OFFICER'S STATEMENT**

## Chief Financial Officer's Statement

### Maintaining solid financial momentum driven by a resilient operating model



**Inger Gloersen Folkesson**  
Chief Financial Officer



We maneuvered through an unprecedented health crisis by focusing on driving commercial recovery as the Covid-19 pandemic challenged our growth and profitability opportunities. In order to protect shareholder value, key emphasis has been placed on cost optimisation and disciplined capital and resource allocation, underpinned by our strong Operational Efficiency mindset. As we recover, we will remain steadfast on demonstrating effective cost and liquidity management, maintaining industry-leading margins while continuing to invest in compelling customer experiences and future growth.



**DOWNLOAD CHIEF FINANCIAL OFFICER'S STATEMENT**

## Financial Summary

RM Million	2020
<b>KEY FINANCIAL RESULTS</b>	
Revenue	6,153
Telecommunication revenue	
- Service revenue	5,428
- Others	84
- Sales of device	641
Earnings before interest, taxes, depreciation and amortisation (EBITDA) <sup>1</sup>	3,080
Earnings before interest and taxes (EBIT)	1,805
Interest cost	253
Profit before taxes	1,622
Profit after taxes	1,221
Capital expenditure (Capex)	720
Net cash flow from operating activities <sup>2</sup>	2,432
<b>KEY FINANCIAL POSITIONS</b>	
Total assets	8,187
Non-current liabilities	5,067
Total debts	5,452
- Conventional borrowing	555
- Islamic borrowing	2,316
- Finance lease	2,581
Shareholders' equity	606
<b>KEY FINANCIAL RATIOS<sup>3</sup></b>	
Return on equity	201%
Return on total assets	15%
EBITDA margin	50%
Net debt/EBITDA (x)	1.7
Interest cover (x)	7.1
<b>SHARE INFORMATION</b>	
Earnings per share (sen)	15.7
Dividend per share (sen)	15.6
Net assets per share (sen)	7.8
Dividend yield	3.8% <sup>4</sup>

Notes:

• 2019 and 2020 Financial Information are based on post-MFRS 16

<sup>1</sup> 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

<sup>2</sup> Refers to net cash flow from operating activities per Statements of Cash Flows

<sup>3</sup> Key financial ratios prior to 2019 are calculated based on MFRS 15

<sup>4</sup> Yield calculated based on the closing price of RM4.14 as at 31 December 2020



**DOWNLOAD FINANCIAL SUMMARY**

## Our Strategy

Our long-term business strategy is anchored on our purpose to connect customers to what matters most and empower societies. In FY2020, we have reviewed and further enhanced our strategic framework into three pillars together with a three-year roadmap in achieving our ambition to be the trusted digital connectivity partner.



### WHERE WE WILL BE IN 2023

**GROWTH**

Sustainably grow Consumer, and lead organic B2B revenue growth

**20%** Growth in Postpaid and Fixed subscribers (vs. 2020 baseline)

**33%** Growth in B2B revenue (vs. 2020 baseline)

**RESPONSIBLE BUSINESS**

Leader on sustainable business standards and ESG practices in Malaysia

**300,000** Users engaged via Yellow Heart programmes on digital resilience and future skills

**#1** Malaysian telco for ESG performance (Maintain 2020 position)

**MODERNISATION**

Best customer experience, built on channel digitalisation and automated operations

**#1** Most consistent network experience (Maintain 2020 position)

**100%** Touch-free operations on Digi network (2020: 74%)



**DOWNLOAD OUR STRATEGY**

## 24<sup>th</sup> Virtual Annual General Meeting

### DAY AND DATE

**TUESDAY, 18 MAY 2021**

### TIME

**10.00 A.M.**

### MEETING PLATFORM

**https://web.lumiagm.com**

Shareholders and proxies will have to register to attend the 24th AGM remotely latest by 10.00 a.m. on Sunday, 16 May 2021, by using the RPEV facilities according to the procedures as set out in the Administrative Guides.



**DOWNLOAD NOTIFICATION TO SHAREHOLDERS**

### DOWNLOADS

**INTEGRATED ANNUAL REPORT 2020**

**FINANCIAL STATEMENT 2020**

**NOTICE OF 24<sup>TH</sup> AGM**

**ADMINISTRATIVE GUIDE**

**PROXY FORM**

**ANNUAL REPORT ARCHIVES**

**VISIT DIGI'S WEBSITE**

**VIEW DIGI'S SUSTAINABILITY VIDEO**