

## Chief Executive Officer's Statement

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**Albern Murty**

*Chief Executive Officer*



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2021 was a year of resilience and inspiration for Digi. In a year of prolonged movement restrictions, macroeconomic and competitive challenges, and mostly a pandemic that continued to affect lives and livelihoods, Digizens and partners rallied to adapt to conditions and delivered a steady performance, while being committed in driving society's recovery from the effects of Covid-19, as well as the devastating floods that hit many parts of the country in the later part of the year.

**In 2021, Digi stayed focused on executing our business strategy and delivering on our purpose of Connecting Customers to What Matters Most. We invested in ensuring the quality and availability of our network services, aligned with the government's JENDELA plans. We continued to deliver value from winning products and services to consumer and business customers. We have put in place a strategic transformation plan to guide the next phase of the company's journey. And we are building a solid platform to advance our ESG goals.**

We continue to invest strategically to deliver to the expectations of our consumer and business segments, capture new growth opportunities, scale our business, drive modernisation and efficiencies in our operations, safeguard people and planet, and support the nation's recovery from the pandemic.

Resilience and inspiration have been central tenets that have underpinned 2021 for us. As CEO, I am immensely proud of how all Digizens have come together to support each other in these challenging times.

*Read more about this on pages 12 to 13.*

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**How would you characterise Digi's performance in FY2021?**



Digi delivered a well-fought performance in FY2021, achieving full-year results in line with our financial guidance. We prioritised network and digitalisation initiatives in the year to further improve customer experience and develop our core segments. We also stepped up initiatives to run our technology and business operations efficiently, while continuing to invest in the right areas to execute well on our growth and modernisation agenda. These resulted in steady earnings for the company and healthy returns to shareholders.



**How did Digi navigate through the year to deliver value and growth?**



We set out our three-year strategy roadmap at the start of 2021, anchored on our purpose to empower societies and connect customers to what matters most.

The surge in demand for connectivity and digital services supported our ambition to modernise and strengthen our network and operations, as well as to grow revenues in Postpaid, Fixed, and Business segments during the year. This accelerated shift to digitalisation also put a spotlight on the society's increased use of digital technology and tools: this fueled our commitment to continue on our *Yellow Heart* programme to advance safer internet awareness, advocating data privacy, partnering to build skills for a better digital future, and promoting digital inclusion by enabling easier access to our services for all Malaysians across the country.



**What can we expect from Digi in the coming year?**



While overall macroeconomic challenges will remain intense, we are encouraged to see some signs of recovery from the pandemic and a clear plan from the government for the safe normalisation of business activities, easing of broader Covid-19 related restrictions, and the impending opening of international borders, all driven by an exemplary execution of our national immunisation programme and the gallant efforts of our frontliners.

We have confidence that Digi will deliver a robust 2022, underpinned by sharp execution of our strategic priorities. We see Postpaid, Fibre, and Business as our key growth drivers, and will continue to bring best-value product propositions and innovative digital solutions to the market. Our business modernisation journey is progressing well, with critical IT transformation projects in the pipeline to enhance digital experience for our customers, and boost organisational capabilities. We continue to work closely with the Malaysian Communications and Multimedia Commission (MCMC), including on Universal Service Provision (USP) initiatives, which will strengthen our ability to provide high-quality and affordable digital connectivity to communities in rural and remote areas.



More details on Digi's financial review by our Chief Financial Officer in **pages 14 to 20**, and how we created value from our Financial Capital on **pages 50 to 53**.



More on our 2021 strategy progress and achievements are detailed out in the Our Strategy section of this report on **pages 44 to 47**, and how we created value across our six capitals on **pages 50 to 81**.

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In parallel, the proposed merger of Celcom Axiata Berhad and Digi Telecommunications Sdn. Bhd. announced last year is proceeding as planned at this time of writing. We look forward to the exciting prospect of creating a Malaysian market leader through the proven capabilities of the two established operating companies and the strength of two international telecom leaders Axiata and Telenor. This underpins a shared vision to create value through product and market innovation and high-quality data connectivity to all Malaysian consumers and businesses, to power the nation's digital ambitions in the years to come.

5G networks are among the critical infrastructure in the development of this digital ambition. We are committed to supporting the government's MyDigital initiative and look forward to working closely with the government in charting Malaysia's 5G deployment.

Underlying all these ambitions is the trusted Digi brand, built on a responsible business impulse to include, advance, and safeguard society. We continue to draw inspiration from our customers, who are the lifeblood of our business, recognising that we play a crucial role in enabling them to make real, positive impact – big and small – in the world today.

On behalf of the Management team, I would like to thank all our customers and shareholders for your support and continued confidence in Digi during the last year. We also appreciate the engagement and collaboration with the MCMC and our industry colleagues in achieving many shared successes in the year. We are grateful to the Board for their leadership in guiding and governing Digi.

I would also like to take this opportunity to thank outgoing Chief Human Resource Officer, Elisabeth Stene for playing a pivotal role in driving Digi's People agenda through a most critical period. Best wishes from us as she heads home to Norway for another opportunity within the Telenor Group.

We want to also thank all our dedicated Digizens who have been working tirelessly to deliver reliable network services and support our customers throughout the various phases of movement control orders last year.

Lastly, we express our appreciation to Malaysia's first responders, enforcement agencies, and government authorities working determinedly to keep society safe and lead us on the path of recovery in 2022.