

## MEDIA RELEASE

### **Resounding support from shareholders at Axiata's 28<sup>th</sup> AGM**

With strong balance sheet and healthy cash balance of RM6 billion<sup>1</sup>, the Group is well-positioned to defend against COVID-19 challenges;

Axiata 5.0 roadmap for future growth and ongoing leadership transition well-received;

Listing of Bangladesh operating company Robi targeted by end year

**Kuala Lumpur, 29 July 2020** – Axiata Group Berhad ("Axiata" or "the Group") concluded its 28<sup>th</sup> Annual General Meeting ("AGM") virtually today with shareholders expressing strong support towards the Group's efforts to shore up its defenses in battling short to mid-term COVID-19 challenges, as the Group continues its pursuit to become a New Generation Digital Champion by 2022.

Ending FY2019 on solid footing with highest reported Profit After Tax since 2016 at RM1.8 billion and highest ever Earnings Before Interest, Tax, Depreciation and Amortisation at RM10.6 billion, the Group faces the uncertainties of a post pandemic world armed with a resilient balance sheet, healthy cash position of RM6 billion<sup>1</sup> and improved liquidity stemming namely from the successful completion of its sustainability linked financing of USD800 million.

To position for emerging new normal opportunities, Axiata will execute a comprehensive set of internal and external facing measures driven by the conviction that as the digital economy accelerates, there will be significant demand for digitisation, and e-commerce and digital payments. The need for innovation in digital security, e-Health, e-Learning, remote working, de-urbanisation and food security will also see an uptrend alongside consumption of online content, media and entertainment.

In future-proofing and activating its next growth trajectory across its Triple Core businesses of Digital Telco, Digital Businesses and Infrastructure, the Group will be guided by its Axiata 5.0 Roadmap which sets out "10 value creation drivers" to firm-up near-term financial performance, ensure long-term sustainable growth, and address structural changes via industry consolidation and portfolio optimisation.

Having secured shareholder approval, one of the immediate corporate exercises will see the Group's operating company in Bangladesh Robi Axiata Limited, working towards completing its listing as a 68.69%<sup>2</sup> owned subsidiary of Axiata on the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in Bangladesh by the fourth quarter of 2020 (barring unforeseen circumstances). The exercise will enable Axiata to accelerate growth in anticipation of revenue generating opportunities in the areas of Internet-of-Things, Home and Enterprise. More details on the listing is available in the Circular to Shareholders here: <https://bit.ly/2ZN5Omw>

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<sup>1</sup> As at 31 March 2020

<sup>2</sup> The remaining stakes will be held by Bharti (25%) and NTT Docomo (6.31%)

All other resolutions tabled at the AGM were also passed and key areas from the nine resolutions tabled include the following:

#### 1. **Re-election and Retirement of Directors**

During this AGM, Dato Dr Nik Ramlah Nik Mahmood and Dr David Robert Dean both retiring by rotation, were re-elected as Directors.

Shareholders officially re-elected Thayaparan S Sangarapillai who was appointed to the Board on 18 March 2020 as a replacement for Dato' Izzaddin Idris upon the latter being re-designated as an Executive Director following his appointment as Deputy Group CEO and Group CEO-designate on 24 January 2020. As a retired Senior Partner with over 30 years in PwC Malaysia, and Board member of other notable public listed companies namely Sime Darby Berhad, Alliance Bank and AIG (Malaysia) Berhad, Thaya wields a wealth of experience in critical areas for Axiata's business including executing due diligence for high profile M&As, securities transactions and comprehensive business reviews. Possessing astute capabilities in corporate governance, risk management, internal controls and financial reporting standards, he will undoubtedly raise the bar for Board decision-making as Axiata pursues its next level growth.

Senior Independent Non-Executive Director, David Lau Nai Pek expressed his intention of not seeking re-election, thus retaining office until the conclusion of the 28th AGM. The Board and Management of Axiata extends its gratitude to David Lau, who has served as a director for 12 years since the inception of Axiata. During this time, he contributed significantly through roles in the various Board Committees including Chairman of the Board Audit Committee and Board Annual Report Committee and member of Board Risk and Compliance Committee<sup>3</sup>. As a passionate champion of excellence in financial disclosure, audit and assurance standards and high quality of corporate reporting, David Lau was instrumental in supporting the Group's growth and performance strategies. Under his tutelage, the Group went on to receive accolades and awards for governance, trust building, and corporate and sustainability reporting. David Lau remains with the Group in light of his recent appointment as Chairman of the Board of Dialog Axiata PLC.

#### 2. **Reappointment of Auditors**

At this AGM, shareholders approved the reappointment of PricewaterhouseCoopers PLT as the Auditors of the Company for the financial year ending 31 December 2020.

#### **Appointment of Independent Moderator**

For its 28<sup>th</sup> AGM, Axiata appointed Deloitte Risk Advisory Sdn Bhd as an Independent Moderator, aligning with the call by the Minority Shareholder Watch Group on 18 June 2020 for listed companies to appoint an Independent Moderator at virtual general meetings to improve and enhance the transparency of the Q&A sessions.

#### **Commentaries**

Axiata Chairman, Tan Sri Ghazzali Sheikh Abdul Khalid said, "We are very pleased with the outcome of our first ever virtual AGM. The Board and I thank all our shareholders for their

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<sup>3</sup> Previously Board Risk and Management Committee

participation and support and look forward to delivering another year of solid performance for 2020.”

“This will be an important year on two fronts. First, the Board continues to be committed to ensuring a smooth succession at the top, as Tan Sri Jamaludin retires at the end of this year and Dato’ Izzaddin takes over the helm.”

“On behalf of the Axiata Board, we are cognisant the Group will not be the iconic regional organisation it is today, without the vision, character, passion, unstinting dedication and brilliant leadership of Tan Sri Jamal. We will miss his acumen and deep insights in Board and management deliberations but take comfort in Dato’ Izzaddin’s extensive experience and steady steer to raise capacity and competitiveness across our markets.”

“Second, there is no taking our foot off the pedal following the impacts of the unprecedented coronavirus crisis in all our markets. With a well-planned leadership transition process underway, Axiata will persevere and thrive.”

“In light of the overall successful year of value creation across the Group, the Board is pleased to approve a total dividend of 9.5 sen per ordinary share. This includes an interim dividend of 5.0 sen per ordinary share, and a special dividend of 0.5 sen to share gain from disposal of the M1 investment.”

Axiata President and Group CEO, Tan Sri Jamaludin Ibrahim said: “In this unprecedented time, we have shifted our immediate focus to put employees, customers and communities at the front and center of all our markets. We believe this is the right and necessary thing to do that will in turn, benefit the business in the long-term.”

“Like many industries worldwide, we have been negatively impacted and expect implications in the short to mid-term due to extraordinary COVID-19 challenges and other national requirements. But as an industry, we are relatively more fortunate than others. In the longer term, we believe we will stand to be one of the biggest gainers in terms of how telcos can serve customers in the post-COVID-19 world. Telcos will not only be the data connectivity platform as a required basic utility but also provide many services and solutions to businesses and customers in an increasingly digital environment.”

“On a personal note, I conclude my last Axiata AGM with a heavy heart. I have enjoyed and cherished the many engagements with shareholders over the years. I am grateful and thank them for their firm belief in our collective vision and action as we took on ambitious targets to continually raise our game in fast-growing emerging Asia,” he added.

Axiata Deputy Group CEO, Dato’ Izzaddin Idris said: “I thank the Board and management of Axiata for their trust in me. Notwithstanding the months of restricted movements, I have focused my time to deep dive into the business and get better acquainted with the people and markets. As we galvanise the Group to capitalise on new opportunities within our Triple Core businesses, we are positioning ourselves to respond to dynamic shifts as people and businesses transact, live and play in a digitally-inspired world.”

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## About Axiata

As one of the leading telecommunications groups in Asia in pursuit of its vision to be the New Generation Digital Champion by 2022, Axiata has transformed itself from a holding entity with a portfolio of pure-play mobile assets into a Triple Core Strategy driven business focusing on Digital Telco, Digital Businesses and Infrastructure.

Within ASEAN and South Asia, the Group has controlling stakes in market-leading mobile and fixed operators in the region including 'Celcom' in Malaysia, 'XL' in Indonesia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia and 'Ncell' in Nepal. Axiata is actively spearheading efforts to transform its mobile-centric operations into digital converged companies.

Axiata's digital businesses are focused on three verticals namely Digital Financial Services ('Boost'), Digital Advertising ('ADA') and Digital Platform ('Apigate') in the global market.

'edotco', the Group's infrastructure company, operates in six countries to deliver telecommunications infrastructure services, amassing approximately 27,500 towers. Presently the 12th largest independent tower companies globally, it aims to be one of the top regional telecommunications tower companies and is committed to responsible and sustainable business operations.

As a committed and long-term investor, and in line with its sustainability goals, the Group actively supports and drives young talent development; disaster response and recovery; as well as green initiatives. Axiata's broader goal of Advancing Asia aims to piece together the best in the region in terms of innovation, connectivity and talent.

