



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

The Board of Directors of Axiata Group Berhad is pleased to announce the following unaudited interim results of the Group for the financial period ended 30 September 2023.

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
	3rd Quarter Ended		Financial Period Ended	
	<u>30/9/2023</u>	<u>30/9/2022</u>	<u>30/9/2023</u>	<u>30/9/2022</u>
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Revenue	5,695,697	5,367,383	16,429,695	14,844,133
Operating costs				
- depreciation, impairment and amortisation	(1,859,536)	(1,680,506)	(5,366,514)	(4,607,174)
- foreign exchange (losses)/gains	(12,171)	62,868	140,044	(379,875)
- domestic interconnect, international outpayment and other direct costs	(666,200)	(568,587)	(1,850,973)	(1,449,274)
- marketing, advertising and promotion	(461,877)	(414,772)	(1,318,160)	(1,285,517)
- other operating costs	(1,528,728)	(1,623,200)	(4,482,945)	(4,398,637)
- staff costs	(464,415)	(420,163)	(1,331,177)	(1,148,131)
- provision for impairment on financial assets, net	(36,469)	(32,893)	(97,532)	(63,736)
- other gains/(losses) - net	132	(2,315)	464	3,733
Other income/(expense) - net	26,571	(82,776)	30,038	(54,401)
	693,004	605,039	2,152,940	1,461,121
Finance income	69,595	57,349	218,074	146,266
Finance costs	(586,882)	(461,635)	(1,723,743)	(1,172,802)
Foreign exchange losses on financing activities	(75,192)	(424,006)	(554,072)	(959,917)
	(662,074)	(885,641)	(2,277,815)	(2,132,719)
Joint ventures				
- share of results (net of tax)	(570)	(3,621)	(151)	(7,941)
Associates				
- share of results (net of tax)	143,658	80	364,065	(11,499)
Profit/(Loss) before taxation from continuing operations	243,613	(226,794)	457,113	(544,772)
Taxation	(135,622)	(145,071)	(405,776)	(470,105)
Profit/(Loss) for the financial period from continuing operations	107,991	(371,865)	51,337	(1,014,877)
<u>Discontinued/Discontinuing operations</u>				
(Loss)/Profit for the financial period from discontinued/discontinuing operations	(1,022,850)	365,485	(1,546,080)	985,854
Loss for the financial period	(914,859)	(6,380)	(1,494,743)	(29,023)

(The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	3rd Quarter Ended		Financial Period Ended	
	<u>30/9/2023</u>	<u>30/9/2022</u>	<u>30/9/2023</u>	<u>30/9/2022</u>
	RM'000	RM'000	RM'000	RM'000
Other comprehensive income/(expense) (net of tax):				
<u>Continuing operations</u>				
Items that will not be reclassified to profit or loss:				
- actuarial gains on defined benefits plan (net of tax)	3,699	1,889	7,443	14,616
- fair value through other comprehensive income	(54,575)	13,479	(43,160)	29,724
Items that may be reclassified subsequently to profit or loss:				
- currency translation differences	(385,014)	297,443	1,155,476	(329,741)
- net cash flow hedge	(18,270)	(226,220)	(90,354)	(380,587)
- net cost of hedging	28,361	2,303	12,818	(7,303)
<u>Discontinued/Discontinuing operations</u>				
- currency translation differences	13,239	40,910	87,453	25,574
Other comprehensive (expense)/income for the financial period (net of tax)	(412,560)	129,804	1,129,676	(647,717)
Total comprehensive (expense)/income for the financial period	(1,327,419)	123,424	(365,067)	(676,740)
Profit/(Loss) for the financial period attributable to:				
- owners of the Company:				
- continuing operations	27,094	(412,107)	(140,962)	(1,164,214)
- discontinued/discontinuing operations	(824,505)	359,707	(1,158,815)	962,459
	(797,411)	(52,400)	(1,299,777)	(201,755)
- non-controlling interests:				
- continuing operations	80,897	40,242	192,299	149,337
- discontinued/discontinuing operations	(198,345)	5,778	(387,265)	23,395
	(117,448)	46,020	(194,966)	172,732
	(914,859)	(6,380)	(1,494,743)	(29,023)

(The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	3rd Quarter Ended		Financial Period Ended	
	<u>30/9/2023</u>	<u>30/9/2022</u>	<u>30/9/2023</u>	<u>30/9/2022</u>
	RM'000	RM'000	RM'000	RM'000
Total comprehensive (expense)/income for the financial period attributable to:				
- owners of the Company:				
- continuing operations	(309,125)	(403,488)	583,737	(1,802,917)
- discontinued/discontinuing operations	(811,266)	400,617	(1,071,362)	988,033
	(1,120,391)	(2,871)	(487,625)	(814,884)
- non-controlling interests:				
- continuing operations	(8,683)	120,517	509,823	114,749
- discontinued/discontinuing operations	(198,345)	5,778	(387,265)	23,395
	(207,028)	126,295	122,558	138,144
	(1,327,419)	123,424	(365,067)	(676,740)
Earnings Per Share (sen) (Part B, Note 12)				
- basic:				
- continuing operations	0.3	(4.5)	(1.6)	(12.7)
- discontinued/discontinuing operations	(9.0)	3.9	(12.6)	10.5
	(8.7)	(0.6)	(14.2)	(2.2)
- diluted:				
- continuing operations	0.3	(4.5)	(1.6)	(12.7)
- discontinued/discontinuing operations	(9.0)	3.9	(12.6)	10.5
	(8.7)	(0.6)	(14.2)	(2.2)

(The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	<u>30/9/2023</u> RM'000 Unaudited	<u>31/12/2022</u> RM'000 Audited
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	13,920,649	13,914,272
Reserves	8,606,608	10,020,787
Total equity attributable to owners of the Company	22,527,257	23,935,059
Non-controlling interests	6,758,602	6,745,291
Total equity	29,285,859	30,680,350
NON-CURRENT LIABILITIES		
Borrowings	22,083,800	18,347,504
Derivative financial instruments	38,790	168,717
Deferred income	3,051	3,403
Deferred gain on sale and leaseback assets	94,339	176,950
Trade and other payables	1,556,532	805,965
Lease liabilities	9,782,073	8,604,274
Provision for asset retirement	937,893	846,488
Deferred tax liabilities	504,530	933,812
Total non-current liabilities	35,001,008	29,887,113
	64,286,867	60,567,463

(The above Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)		
	<u>30/9/2023</u> RM'000 Unaudited	<u>31/12/2022</u> RM'000 Audited
NON-CURRENT ASSETS		
Intangible assets	12,998,307	13,442,150
Contract cost assets	189,622	138,210
Property, plant and equipment	28,201,890	27,200,975
Right-of-use assets	10,945,909	9,313,782
Joint ventures	15,531	15,682
Associates	15,599,587	15,596,891
Financial assets at fair value through other comprehensive income	143,993	179,180
Financial assets at fair value through profit or loss	6,971	5,758
Derivative financial instruments	149,294	25,945
Trade and other receivables	722,573	852,513
Deferred tax assets	23,079	175,638
Total non-current assets	68,996,756	66,946,724
CURRENT ASSETS		
Inventories	203,608	216,351
Trade and other receivables	4,440,554	6,943,592
Derivative financial instruments	753	14,931
Financial assets at fair value through profit or loss	42	34
Tax recoverable	12,312	67,356
Deposits, cash and bank balances	5,657,787	7,451,743
Assets classified as held-for-sale	1,858,084	-
	12,173,140	14,694,007
LESS: CURRENT LIABILITIES		
Trade and other payables	9,383,292	10,579,565
Deferred gain on sale and leaseback assets	128,554	119,251
Deferred income	16,430	1,728
Lease liabilities	2,143,294	1,839,617
Borrowings	2,735,732	7,088,128
Derivative financial instruments	2,886	17,925
Current tax liabilities	533,954	601,102
Dividend payable	458,954	825,952
Liabilities classified as held-for-sale	1,479,933	-
Total current liabilities	16,883,029	21,073,268
Net current liabilities	(4,709,889)	(6,379,261)
	64,286,867	60,567,463
Net assets per share attributable to owners of the Company (sen)	245	261

(The above Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY									
	Attributable to equity holders of the Company								
	Share capital	Share capital	Currency translation differences	Reserves	Retained earnings	Total	NCI		
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2023	9,177,237	13,914,272	(2,167,219)	(2,235,379)	14,423,385	23,935,059	6,745,291	30,680,350	
Loss for the financial period	-	-	-	-	(1,299,777)	(1,299,777)	(194,966)	(1,494,743)	
Other comprehensive income/(expense):									
-Currency translation differences of subsidiaries	-	-	925,751	-	-	925,751	317,178	1,242,929	
-Net cash flow hedge	-	-	-	(88,386)	-	(88,386)	(1,968)	(90,354)	
-Net cost of hedging	-	-	-	11,157	-	11,157	1,661	12,818	
-Actuarial gains (net of tax)	-	-	-	6,790	-	6,790	653	7,443	
-Revaluation of financial assets at FVTOCI	-	-	-	(43,160)	-	(43,160)	-	(43,160)	
Total comprehensive income/(expense)	-	-	925,751	(113,599)	(1,299,777)	(487,625)	122,558	(365,067)	
Transactions with owners:									
-Dilution/Accretion of equity interests in subsidiaries	-	-	(4,572)	53	(2,583)	(7,102)	7,102	-	
-New investment in a subsidiary	-	-	-	-	-	-	43	43	
-Capital injection in a subsidiary	-	-	-	-	-	-	40,000	40,000	
-Rights issue of a subsidiary	-	-	-	-	-	-	25,764	25,764	
-Dividends declared to shareholders of the Company	-	-	-	-	(917,902)	(917,902)	-	(917,902)	
-Dividends declared to NCI	-	-	-	-	-	-	(181,747)	(181,747)	
-Share-based compensation expense	-	-	-	4,827	-	4,827	(409)	4,418	
-Transferred from share-based payment reserve upon vesting/forfeiture	1,848	6,377	-	(27,664)	21,287	-	-	-	
Total transactions with owners	1,848	6,377	(4,572)	(22,784)	(899,198)	(920,177)	(109,247)	(1,029,424)	
At 30 September 2023	9,179,085	13,920,649	(1,246,040)	(2,371,762)	12,224,410	22,527,257	6,758,602	29,285,859	
Non-controlling interests ("NCI")							Fair value through other comprehensive income ("FVTOCI")		

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to equity holders of the Company							Total equity
	Share capital	Share capital	Currency translation differences	Reserves	Retained earnings	Total	NCI	
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	9,174,987	13,905,207	(741,705)	(1,913,128)	6,754,950	18,005,324	7,060,505	25,065,829
(Loss)/Profit for the financial period	-	-	-	-	(201,755)	(201,755)	172,732	(29,023)
Other comprehensive (expense)/income:								
-Currency translation differences of subsidiaries	-	-	(263,453)	-	-	(263,453)	(40,714)	(304,167)
-Net cash flow hedge	-	-	-	(380,805)	-	(380,805)	218	(380,587)
-Net cost of hedging	-	-	-	(7,570)	-	(7,570)	267	(7,303)
-Actuarial gains (net of tax)	-	-	-	8,975	-	8,975	5,641	14,616
-Revaluation of financial assets at FVTOCI	-	-	-	29,724	-	29,724	-	29,724
Total comprehensive (expense)/income	-	-	(263,453)	(349,676)	(201,755)	(814,884)	138,144	(676,740)
Transactions with owners:								
-Dilution/Accretion of equity interests in subsidiaries	-	-	6,359	(5,250)	(6,993)	(5,884)	5,961	77
-New/Additional investments in subsidiaries	-	-	-	-	(74,616)	(74,616)	676,568	601,952
-Rights issue of subsidiaries	-	-	-	-	-	-	31,122	31,122
-Dividend declared to shareholders of the Company	-	-	-	-	(504,724)	(504,724)	-	(504,724)
-Dividends declared to NCI	-	-	-	-	-	-	(131,254)	(131,254)
-Share-based compensation expense	-	-	-	10,332	-	10,332	498	10,830
-Transferred from share-based payment reserve upon vesting	2,042	8,345	-	(8,345)	-	-	-	-
Total transactions with owners	2,042	8,345	6,359	(3,263)	(586,333)	(574,892)	582,895	8,003
At 30 September 2022	9,177,029	13,913,552	(998,799)	(2,266,067)	5,966,862	16,615,548	7,781,544	24,397,092



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Reserves							Total RM'000
	Capital contribution RM'000	Merger RM'000	Hedging RM'000	Cost of hedging RM'000	Actuarial RM'000	Share-based payment RM'000	FVTOCI RM'000	
At 1 January 2023	16,598	346,774	(316,584)	(18,212)	18,925	28,241	(2,311,121)	(2,235,379)
Other comprehensive (expense)/income:								
-Net cash flow hedge	-	-	(88,386)	-	-	-	-	(88,386)
-Net cost of hedging	-	-	-	11,157	-	-	-	11,157
-Actuarial gains (net of tax)	-	-	-	-	6,790	-	-	6,790
-Revaluation of financial assets at FVTOCI	-	-	-	-	-	-	(43,160)	(43,160)
Total comprehensive (expense)/income	-	-	(88,386)	11,157	6,790	-	(43,160)	(113,599)
Transactions with owners:								
-Dilution/Accretion of equity interests in subsidiaries	-	-	-	-	53	-	-	53
-Share-based compensation expense	-	-	-	-	-	4,827	-	4,827
-Transferred from share-based payment reserve upon vesting/forfeiture	-	-	-	-	-	(27,664)	-	(27,664)
Total transactions with owners	-	-	-	-	53	(22,837)	-	(22,784)
At 30 September 2023	16,598	346,774	(404,970)	(7,055)	25,768	5,404	(2,354,281)	(2,371,762)
At 1 January 2022	16,598	346,774	25,226	(82,256)	14,626	29,265	(2,263,361)	(1,913,128)
Other comprehensive (expense)/income:								
-Net cash flow hedge	-	-	(380,805)	-	-	-	-	(380,805)
-Net cost of hedging	-	-	-	(7,570)	-	-	-	(7,570)
-Actuarial gains (net of tax)	-	-	-	-	8,975	-	-	8,975
-Revaluation of financial assets at FVTOCI	-	-	-	-	-	-	29,724	29,724
Total comprehensive (expense)/income	-	-	(380,805)	(7,570)	8,975	-	29,724	(349,676)
Transactions with owners:								
-Dilution/Accretion of equity interests in subsidiaries	-	(12)	-	-	(22)	(5,218)	2	(5,250)
-Share-based compensation expense	-	-	-	-	-	10,332	-	10,332
-Transferred from share-based payment reserve upon vesting/forfeiture	-	-	-	-	-	(8,345)	-	(8,345)
Total transactions with owners	-	(12)	-	-	(22)	(3,231)	2	(3,263)
At 30 September 2022	16,598	346,762	(355,579)	(89,826)	23,579	26,034	(2,233,635)	(2,266,067)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS		
	FOR THE FINANCIAL PERIOD ENDED	
	<u>30/9/2023</u>	<u>30/9/2022</u>
	RM'000	RM'000
Receipts from customers and others	17,000,952	20,501,119
Payments to suppliers, employees and others	(9,032,179)	(11,570,153)
Payments of finance costs	(1,919,340)	(1,252,843)
Payments of income taxes (net of refunds)	(514,829)	(691,825)
CASH FLOWS FROM OPERATING ACTIVITIES*	<u>5,534,604</u>	<u>6,986,298</u>
Proceeds from disposal of property, plant and equipment ("PPE")	15,999	13,488
Purchase of PPE	(5,571,180)	(7,786,773)
Acquisition of intangible asset ("IA")	(476,577)	(327,082)
Investments in deposits maturing more than three (3) months	380,667	(4,441)
Investments in subsidiaries (net of cash acquired)	(51,786)	(2,788,061)
Additional investments in associates	(460)	(4,015)
Additional investments in other investments	(7,818)	(9,796)
Proceeds from disposal of Celcom Group	402,000	-
Settlement of contingent consideration by a subsidiary	(109,234)	-
Repayment of loan from an associate	2,431,867	-
Net proceeds from disposal of an associate	111	-
Net proceeds from disposal of other investments	443	232
Payments for right-of-use ("ROU") assets	(95,118)	(98,055)
(Advances to)/Repayments from employees	(932)	171
Dividend received from an associate	368,897	-
Interests received	233,232	132,967
CASH FLOWS USED IN INVESTING ACTIVITIES*	<u>(2,479,889)</u>	<u>(10,871,365)</u>
Proceeds from borrowings (net of transaction costs)	7,791,036	9,786,573
Proceeds from Sukuk	-	1,857,500
Repayments of borrowings	(9,678,936)	(4,146,805)
Repayments of Sukuk	-	(676,860)
Repayments of lease liabilities	(1,424,884)	(1,404,921)
Net proceeds from rights issue of subsidiaries	25,764	31,122
Capital injections in subsidiaries by NCI	40,000	70
Dividends paid to shareholders	(1,284,900)	(504,724)
Dividends paid to NCI	(237,500)	(131,014)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES*	<u>(4,769,420)</u>	<u>4,810,941</u>

(The above Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)		
	FOR THE FINANCIAL PERIOD ENDED	
	<u>30/9/2023</u>	<u>30/9/2022</u>
	RM'000	RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,714,705)	925,874
NET DECREASE/(INCREASE) IN RESTRICTED CASH AND CASH EQUIVALENTS	48,522	(114,213)
EFFECT OF EXCHANGE RATE CHANGES	516,151	(41,229)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	6,326,194	6,312,330
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>5,176,162</u>	<u>7,082,762</u>
CASH AND CASH EQUIVALENTS CLASSIFIED AS ASSETS HELD-FOR-SALE	(505,725)	-
CASH AND CASH EQUIVALENTS FOR CONTINUING OPERATIONS	<u>4,670,437</u>	<u>7,082,762</u>
Deposits, cash and bank balances	5,657,787	7,741,336
Less:		
Deposits pledged and restricted cash	(192,719)	(336,749)
Deposits maturing more than three (3) months	(361,164)	(228,150)
Bank overdraft	(433,467)	(93,675)
Total cash and cash equivalents	<u>4,670,437</u>	<u>7,082,762</u>

* Includes net cash flows from/(used in) discontinued/discontinuing operations as follows:

Cash flows from operating activities	294,071	2,422,311
Cash flows from/(used in) investing activities	256,205	(947,554)
Cash flows used in financing activities	(327,580)	(1,028,393)
Net increase in cash and cash equivalents	<u>222,696</u>	<u>446,364</u>

(The above Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN
FINANCIAL REPORTING STANDARD 134**

1. Basis of Preparation

The unaudited financial statements for the financial period ended 30 September 2023 of the Group have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting”, International Accounting Standards 34 “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Main LR”), and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 (“2022 Audited Financial Statements”).

2. Accounting Policies

The accounting policies and method of computation applied in the unaudited financial statements are consistent with those used in the preparation of the 2022 Audited Financial Statements except for the following:

(a) Adoption of the amendments to MFRS issued by MASB that are effective for the Group’s financial year beginning 1 January 2023, as follows:

- Amendments to MFRS 101 “Presentation of Financial Statements” and MFRS Practice Statement 2: Amendments on Disclosure of Accounting Policies
- Amendments to MFRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors”: Redefinition of Accounting Estimates
- Amendments to MFRS 112 “Income Taxes”:
 - (i) Deferred Tax related to Assets and Liabilities arising from a Single Transaction; and
 - (ii) International Tax Reform – Pillar Two Model Rules

The above adoptions did not have material impact to the Group during the current quarter and financial period to date.

(b) Accounting policy on the Group's payment of minimum tax

Certain subsidiaries of the Group are subject to minimum tax, calculated based on the higher of a percentage of gross receipt, tax deductible at source and current income tax charge. The Group has adopted the policy choice to recognise the current income tax charge as tax expenses and treats any excess as other expenses.

3. Seasonal or Cyclical Factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

4. Significant Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The Group's performance has taken into account the following:

- (a) On 19 April 2022, edotco Towers, Inc. ("edotco Towers"), a subsidiary of the Company via EDOTCO Group Sdn Bhd ("EDOTCO") entered into a Sale and Purchase Agreement ("edotco Towers SPA") with Smart Communications, Inc. and Digitel Mobile Philippines, Inc. (collectively, "Sellers") for the acquisition of all of Sellers' rights, title, benefits and interest in 2,973 telecommunication towers, including the energy and passive infrastructure related assets in the Philippines for a total purchase consideration of Philippine Peso ("PHP") 42,000.0 million (equivalent to RM3,358.3 million). A total purchase of 2,203 towers with a total transaction value of PHP31,122.1 million (RM2,490.6 million) was completed in the previous financial year ended 31 December 2022.

edotco Towers had:

- (i) on 10 February 2023 completed the purchase of 287 towers with a transaction value of PHP4,054.4 million (RM327.0 million);
- (ii) on 18 April 2023 completed the purchase of 135 towers with a transaction value of PHP1,907.2 million (RM153.3 million); and
- (iii) on 8 September 2023 completed the purchase of 85 towers with a transaction value of PHP1,200.8 million (RM99.6 million).

The closing in (iii) above constitutes the final transfer of sites under the Proposed Acquisition of PLDT Tower Assets totaling to 2,710 sites cumulatively, including purchases completed in 2022.

- (b) Boost Holdings Sdn Bhd ("Boost Holdings"), RHB Bank Berhad ("RHB Bank") and Boost Berhad have entered into a share subscription agreement for Boost Holdings and RHB Bank on:
- (i) 31 March 2023, to subscribe for 100 million new ordinary shares in Boost Berhad for a cash consideration of RM100.0 million; and
- (ii) 3 November 2023, to subscribe for 85 million new ordinary shares in Boost Berhad for a cash consideration of RM85.0 million,

(based on ratio of 60:40 as disclosed in Part A, Note 12(c) of this announcement).

Additionally, Boost Holdings, RHB Bank and Boost Berhad have on 31 March 2023, entered into a shareholders' agreement to regulate the affairs of Boost Berhad as the proposed digital bank, and Boost Holdings and RHB Bank's relationship between themselves as shareholders of Boost Berhad.

- (c) On 31 May 2023, the Company received the repayment from the loan given to an associate, CelcomDigi Berhad ("CelcomDigi") amounting to RM2,431.9 million.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

4. Significant Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows (continued)

The Group's performance has taken into account the following: (continued)

- (d) Pursuant to the unfavourable outcome from the Bilateral Investment Treaty ("BIT") Arbitration proceedings between Axiata Investments (UK) Limited ("Axiata UK"), Ncell Axiata Limited ("Ncell") against Nepal on 9 June 2023, the Group has adjusted the following during the financial period to date:
 - (i) write-off of capital gains tax ("CGT") related receivable assets amounting to RM396.1 million; and
 - (ii) Impairment of assets under MFRS 136 "Impairment of Assets" for Nepal cash generating unit ("CGU") amounting to RM491.8 million, net of tax, as a result of reassessment of the recoverable amount of the Nepal CGU with the estimated cash outflow for GSM license renewal in 2029.
- (e) On 7 August 2023, the Company received the final cash consideration from CelcomDigi for the merger between Celcom Berhad (formerly known as Celcom Axiata Berhad) ("Celcom") and CelcomDigi Berhad (formerly known as Digi.Com Berhad) ("Digi") which was completed on 30 November 2022 amounting to RM402.0 million.
- (f) On 29 September 2023, the Board of Directors approved the Group's intention to exit from the Nepal mobile segment. The Directors have assessed and concluded that the proposed exit meets the discontinuing operations requirements of MFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". The transaction is expected to be completed within 12 months from the date of approval. Accordingly, the Group has presented the financial results of Nepal mobile segment as discontinuing operations in the consolidated financial statements. The assets and liabilities of Nepal mobile segment have also been presented as held for sale in accordance with MFRS 5.

Following the classification under MFRS 5, a provision for impairment of assets of RM1,013.8 million, net of tax, was recognised in the current quarter based on the assets' fair value less costs to sell under discontinuing operations in the consolidated statement of profit or loss.

- (g) During the current quarter and financial period to date, the Group recognised net foreign exchange losses of RM87.4 million and RM414.0 million respectively, mainly arising from the revaluation of USD borrowings and working capital.

Other than the above and as disclosed in Part A, Note 12 of this announcement, there were no other unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 September 2023.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

5. Estimates

The preparation of unaudited financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There were no changes in estimates of amounts reported in prior financial years that may have a material effect in the current quarter and financial period to date.

In preparing the unaudited financial statements, the significant judgements and estimates made by the management in applying the Group's accounting policies were consistent as those applied to 2022 Audited Financial Statements, except for the change in judgements and estimates as disclosed in Part A, Note 4 (d) and (f) of this announcement.

6. Issues, Repurchases and Repayments of Debt and Equity Securities

- (a) During the financial period to date, the Company issued new ordinary shares under the Performance Based Long Term Incentive Plan as below:

Description	Total ordinary shares of the Company issued	
	'000	RM'000
• Restricted Share Plan ("RSP") at an issuance price of RM2.57 to RM4.67 being the fair value of RSP issued	1,848	6,377
Total	1,848	6,377

- (b) On 27 September 2023, Salvare Assets Berhad, a subsidiary of the Company via Axiata Digital Capital Sdn Bhd, early repaid its RM39.0 million Class A Senior Notes ("Notes") maturing on 30 September 2024. The Notes carried a coupon rate of 7.20% per annum (payable quarterly) and had a tenure of thirty (30) months from the date of issuance.

Aside from the above, there was no other significant issues, repurchases and repayments of debt and equity securities during the financial period ended 30 September 2023.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

7. Dividends Paid

(a) The Company paid the dividends during the financial period as below:

Date of payment	Description	Per ordinary share	Total
20 January 2023	Tax exempt dividend under single tier in respect of financial year ended 31 December 2022	Sen 5.0	RM'000 458,862
	Special tax exempt dividend under single tier in respect of financial year ended 31 December 2022	4.0	367,090
28 March 2023	Tax exempt dividend under single tier in respect of financial year ended 31 December 2022	5.0	458,948
Total		14.0	1,284,900

(b) On 29 August 2023, the Board of Directors declared a tax exempt dividend under the single tier system of 5.0 sen per ordinary share of the Company in respect of financial year ending 31 December 2023. The Company has accrued a total dividend of RM459.0 million during the current quarter and financial period to date. The dividend was subsequently paid by the Company on 18 October 2023.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

8. Segmental Information

For the financial period ended 30 September 2023

Segment	Mobile				Fixed BB ¹	Infrastructure	Digital		Others ⁴	Consolidation adjustments/ eliminations	Continuing operations	Discontinued operations (Malaysia)	Discontinuing operations (Nepal)	Total
	Indonesia	Bangladesh	Sri Lanka	Cambodia	Indonesia		ADA ²	Boost ³						
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total operating revenue	7,136,473	3,129,450	1,997,078	1,254,932	876,568	2,021,073	601,531	92,359	118,405	-	17,227,869	-	954,564	18,182,433
Inter-segment ⁵	(72,899)	(64,809)	(4,277)	(24,689)	(57)	(459,152)	(91,399)	(934)	(79,958)	-	(798,174)	-	(1,194)	(799,368)
External operating revenue	7,063,574	3,064,641	1,992,801	1,230,243	876,511	1,561,921	510,132	91,425	38,447	-	16,429,695	-	953,370	17,383,065
Earnings before interest, tax, depreciation and amortisation ("EBITDA") ⁶	3,528,819	1,379,760	615,797	671,920	388,473	1,371,863	(9,263)	(129,629)	(200,644)	(268,188)	7,348,908	-	510,295	7,859,203
Finance income	20,978	4,340	21,565	21,422	1,621	40,852	7,974	5,791	114,125	(20,594)	218,074	-	19,494	237,568
Finance cost	(655,829)	(201,169)	(127,531)	(20,631)	(103,950)	(368,702)	(735)	(15,690)	(391,632)	162,126	(1,723,743)	-	(118,298)	(1,842,041)
Depreciation of PPE	(1,434,549)	(487,246)	(302,664)	(235,813)	(325,022)	(506,314)	(2,491)	(1,135)	(5,406)	5,955	(3,294,685)	-	(185,387)	(3,480,072)
Depreciation of ROU assets	(1,070,040)	(121,529)	(17,024)	(51,608)	(34,020)	(229,886)	(3,561)	(2,928)	(4,046)	153,690	(1,380,952)	-	(16,296)	(1,397,248)
Amortisation of IA	(32,907)	(269,999)	(37,296)	(9,819)	(15,333)	(54,123)	(11,266)	(26,847)	(3,801)	(105,266)	(566,657)	-	(236,959)	(803,616)
Joint ventures:														
- share of results (net of tax)	-	-	-	-	-	-	-	-	(151)	-	(151)	-	-	(151)
Associates:														
- share of results (net of tax)	(34,259)	-	(707)	1,731	-	-	-	-	370,811	26,489	364,065	-	-	364,065
Impairment of PPE, IA and ROU (net of reversal)	(91)	(26,701)	(1,724)	6,778	(4,681)	(1,768)	-	-	-	-	(28,187)	-	(1,861,415)	(1,889,602)
Other income/(expense)	59,989	(104,162)	83,425	10,528	1,235	(246,517)	6,203	2,038	(306,549)	14,251	(479,559)	-	(411,894)	(891,453)
Gain on disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	402,000	-	402,000
Taxation	(71,163)	(100,710)	(28,532)	(81,970)	9,747	(127,990)	(1,861)	(189)	(21,110)	18,002	(405,776)	-	352,380	(53,396)
Segment profit/(loss) for the financial period	310,948	72,584	205,309	312,538	(81,930)	(122,585)	(15,000)	(168,589)	(448,403)	(13,535)	51,337	402,000	(1,948,080)	(1,494,743)

¹ Fixed broadband.

² ADA refers to Axiata Digital & Analytics Sdn Bhd ("ADA") and its subsidiaries.

³ Boost refers to Boost Holdings and its subsidiaries.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

8. Segmental Information (continued)

For the financial period ended 30 September 2022

Segment	Mobile				Fixed BB ¹	Infrastructure	Digital		Others ⁴	Consolidation adjustments/eliminations	Continuing operations	Discontinued operations (Malaysia)	Discontinuing operations (Nepal)	Total
	Indonesia	Bangladesh	Sri Lanka	Cambodia	Indonesia		ADA ²	Boost ³						
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total operating revenue	6,413,822	3,045,806	1,866,014	1,219,777	320,934	1,804,966	651,767	57,707	183,244	-	15,564,037	5,025,611	1,050,872	21,640,520
Inter-segment ⁵	(264)	(63,198)	(6,839)	(24,736)	-	(481,769)	(14,096)	(2,228)	(126,774)	-	(719,904)	(481,909)	(4,181)	(1,205,994)
External operating revenue	6,413,558	2,982,608	1,859,175	1,195,041	320,934	1,323,197	637,671	55,479	56,470	-	14,844,133	4,543,702	1,046,691	20,434,526
EBITDA ⁶	3,087,236	1,331,813	608,925	593,727	173,921	1,264,816	73,428	(136,636)	(253,847)	(244,545)	6,498,838	2,064,298	549,569	9,112,705
Finance income	16,455	2,323	19,975	13,837	237	18,723	3,062	1,886	86,140	(16,372)	146,266	(20,649)	13,229	138,846
Finance cost	(567,365)	(160,416)	(44,579)	(21,113)	(16,901)	(188,895)	(540)	(6,284)	(297,023)	130,314	(1,172,802)	(102,936)	(85,032)	(1,360,770)
Depreciation of PPE	(1,352,650)	(526,914)	(308,404)	(210,372)	(93,157)	(388,105)	(2,397)	(733)	(6,360)	2,836	(2,886,256)	(585,677)	(183,957)	(3,655,890)
Depreciation of ROU assets	(911,662)	(122,198)	(23,024)	(47,011)	(14,848)	(209,076)	(2,468)	(1,773)	(6,919)	154,747	(1,184,232)	(134,136)	(13,034)	(1,331,402)
Amortisation of IA	(1,124)	(232,297)	(38,537)	(10,184)	(4,774)	(52,754)	(9,577)	(19,949)	(2,192)	(24,665)	(396,053)	(49,430)	(266,930)	(712,413)
Joint venture:														
- share of results (net of tax)	-	-	-	-	-	-	-	-	(7,941)	-	(7,941)	-	-	(7,941)
Associates:														
- share of results (net of tax)	2,859	-	(903)	(10,592)	-	-	-	-	(2,863)	-	(11,499)	13,367	-	1,868
Impairment of PPE (net of reversal)	(13)	(22,270)	(387)	-	(1,024)	(30,969)	-	-	-	-	(54,663)	-	(987)	(55,650)
Other income/(expense) ⁷	93,052	(202,625)	(554,539)	(79,344)	(3,070)	(112,604)	6,537	5,502	(585,552)	(43,787)	(1,476,430)	84,245	71,385	(1,320,800)
Taxation	(63,324)	(40,065)	(83,011)	(88,985)	(9,112)	(165,110)	(21,216)	(12)	(196)	926	(470,105)	(361,183)	(6,288)	(837,576)
Segment profit/(loss) for the financial period	303,464	27,351	(424,484)	139,963	31,272	136,026	46,829	(157,999)	(1,076,753)	(40,546)	(1,014,877)	907,899	77,955	(29,023)

⁴ Others include the Company, special purpose vehicles and other entities.

⁵ Inter-segment operating revenue has been eliminated at the respective segment operating revenue. The inter-segment operating revenue was entered into in the normal course of business and at prices available to third parties or at negotiated terms.

⁶ EBITDA consolidation adjustments/eliminations mainly due to inter-segment elimination for leases under MFRS 16.

⁷ Included in other expense of Sri Lanka's mobile segment is unrealised foreign exchange losses mainly arising from the revaluation of USD borrowings and working capital.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

9. Valuation of PPE

The Group does not adopt a revaluation policy on its PPE.

10. Acquisitions of PPE

During the financial period to date, the Group acquired additional PPE amounting to RM4,441.4 million mainly for its telecommunication network equipment and capital work in progress. Included in the additional PPE is acquisition of telecommunication towers by a subsidiary amounting to RM643.8 million (including the capitalisation of asset retirement obligation provision and transaction costs).

11. Events after the Interim Period

Other than as disclosed in Part A, Note 4 (b)(ii), Note 7 (b) and Note 13 (a), Part B, Note 10 of this announcement, there was no other significant event after interim period that requires disclosure and/or adjustment as at 22 November 2023.

12. Effects of Changes in the Composition of the Group

(a) Accretion of Equity Interest in Dialog Axiata Digital Innovation Fund (Private) Limited ("DADIF")

DADIF, a subsidiary of Digital Holdings Lanka (Private) Limited ("DHL") which in turn an indirect subsidiary of the Company via Dialog Axiata Plc had:

- (i) from 1 January to 31 March 2023 ("Q1'23"), issued 7,500 preference shares to DHL; and
- (ii) from 1 April to 30 June 2023 (Q2'23), issued 7,548 preference shares out of which 7,500 were issued to DHL and the remaining shares were issued to individual shareholders.

Accordingly, DHL's equity interest in DADIF increased from 92.93% to 93.00% in Q1'23 and from 93.00% to 93.07% in Q2'23.

The accretions above did not have a material impact to the Group during the financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

12. Effects of Changes in the Composition of the Group (continued)

(b) Dilution of Equity Interest in Axiata Digital Bangladesh (Private) Limited (“ADB”)

ADA, a subsidiary of ADS had on 30 January 2023 completed the acquisition of 2,524,873 ordinary shares, representing 99.99% in ADB from ADS at a purchase consideration of BDT241.1 million (RM9.7 million). As a result, the Group’s effective shareholding in ADB decreased from 96.56% to 61.29%.

The dilution above did not have a material impact to the Group during the financial period to date.

(c) Incorporation of Boost Berhad

On 1 March 2023, the Group through Boost Holdings incorporated a new subsidiary, named Boost Berhad with RHB Bank. Boost Holdings and RHB Bank holds 60.00% and 40.00% in Boost Berhad respectively. Boost Berhad was incorporated with an issued and paid-up share capital of RM100. The intended principal activity of Boost Berhad is to set up a digital banking business under the Financial Services Act 2013 and the provision of related services.

The incorporation above did not have a material impact to the Group during the financial period to date.

(d) Accretion of Equity Interest in Axiata Digital Services Sdn Bhd (“ADS”)

On 10 March 2023, ADS issued an additional 196,067 ordinary shares to the Company for a total consideration of RM92.0 million. Accordingly, the Company’s equity interest in ADS increased from 96.56% to 96.66%.

On 2 May 2023, ADS issued an additional 94,012 ordinary shares to the Company by way of conversion of the net intercompany balances of RM43.1 million payable to the Company by ADS into equity. Accordingly, the Company’s equity interest in ADS increased from 96.66% to 96.71%.

The accretion above did not have a material impact to the Group during the financial period to date.

(e) Dilution of Equity Interest in PT Axiata Digital Analytics Indonesia (“ADAI”)

ADAI, an indirect subsidiary of the Company held through ADA and ADS, issued an additional 5,016 ordinary shares to ADA on 15 March 2023 for cash consideration of IDR6,673,788,000. Accordingly, the Group’s effective shareholding in ADAI decreased from 61.64% to 61.47%.

The dilution above did not have a material impact to the Group during the financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

12. Effects of Changes in the Composition of the Group (continued)

(f) Acquisition of Equity Interest in ADA Digital Analytics Private Limited (formerly known as Dhiomics Analytics Solutions Private Limited) (“ADAPL”) by ADA Digital Singapore Pte Ltd (“ADADS”)

ADADS, an indirect subsidiary of the Company held via ADA, had on 5 April 2023, completed its acquisition of 81,182 ordinary shares representing 99.00% interest in ADAPL held by two individuals, Prabhat Agarwal and Nilesh Gupta (collectively, “Sellers”), at a total purchase consideration of INR1,664.5 million (RM90.0 million), of which:

- (i) Contingent consideration of INR450.0 million (RM24.3 million) will be disbursed upon expiry of 18 months from the date of the relevant sale and purchase agreement, subject to the achievement of the Revenue and Profit After Tax targets as stipulated in said agreement;
- (ii) Contingent consideration of INR150.0 million (RM8.1 million) will be disbursed in 3 equal tranches of INR50.0 million (RM2.7 million) each upon expiry of 12, 24, 36 months from the date of the sale and purchase agreement respectively, subject to retention of the Sellers as employees within ADA Group; and
- (iii) Retention amount of INR22.0 million (RM1.2 million) will be disbursed upon expiry of 36 months from the date of the sale and purchase agreement, unless utilised for tax and legal claims arising from circumstances that took place prior to the acquisition date.

The remaining 1.00% interest held by the Sellers will also be acquired by ADADS upon payment of the above contingent consideration and retention amount. If the contingent consideration is no longer payable due to the Sellers’ failure to meet the stipulated conditions, the Sellers will surrender the shares to ADADS at zero consideration.

Effectively, ADAPL became a direct subsidiary of ADADS.

During the financial period to date, the Group has recognised a total goodwill of RM85.8 million (INR1,586.8 million) on the date of acquisition in conjunction with the above acquisition.

(g) Incorporation of AxEnTec PLC (“AxEnTec”)

Robi, a subsidiary of the Company, had on 25 June 2023 completed the incorporation of AxEnTec (Registration No C-189444/2023), a public company limited by shares, under the Bangladesh Companies Act 1994, subject to the approval from the High Court of Bangladesh on Demerger Scheme of RedDot Digital Limited (“RedDot”), a wholly owned subsidiary of Robi. The nature of the business of RedDot will continue to be the development and operations of IT & ICT software, applications, and other related solutions.

AxEnTec was incorporated with an issued and paid-up share capital of BDT10.0 million (RM0.4 million). The principal activities of AxEnTec are to serve the market through sales, distribution and marketing services for connectivity, IT and ICT solutions, digital services, software, applications and hardware, including data center, cloud and cloud infrastructure, IoT and cyber security.

The incorporation above did not have a material impact to the Group during the financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

12. Effects of Changes in the Composition of the Group (continued)

(h) Voluntary Liquidation of Suvitech Co., Ltd. (“Suvitech”)

Xpand Investments (Labuan) Limited, a wholly owned subsidiary of the Company held via Axiata Enterprise Sdn Bhd (formerly known as Axiata Business Services Sdn Bhd), had on 4 July 2023, registered the completion of the Voluntary Liquidation process of Suvitech with the Department of Business Development of Thailand (“DBD”). This is in pursuant to an application for the Voluntary Dissolution by Suvitech registered with DBD on 1 May 2023. The notification of the completion of the Voluntary Liquidation of Suvitech was received by Suvitech on 4 July 2023.

The liquidation above did not have a material impact to the Group during the current quarter and financial period to date.

(i) Acquisition of Equity Interest in Milvik (Cambodia) Micro Insurance Plc (“Milvik”) by Smart Axiata Co., Ltd. (“Smart”)

Smart, a subsidiary of the Company held via Axiata Investments (Cambodia) Limited and Axiata (Cambodia) Holdings Limited, had on 4 July 2023, completed its effective ownership of 128,247 ordinary shares representing 30.00% interest in Milvik valued at USD1.9 million (RM9.0 million), via a non-cash consideration in the form of a reduction in the existing revenue share under the Insurance Agency Agreement effective from 1 June 2022. Effectively, Milvik became an associate company of Smart.

The acquisition above did not have a material impact to the Group during the current quarter and financial period to date.

(j) Dilution of Equity Interest in PT Princeton Digital Group Data Centres (“PDGDC”)

On 14 July 2023, PT XL Axiata Tbk’s equity interest in PDGDC decreased from 14.82% to 10.71% following to the issuance of new ordinary shares by PDGDC which were wholly acquired by Princeton Digital Group (Indonesia Alpha) Pte Ltd.

The dilution above did not have a material impact to the Group during the current quarter and financial period to date.

(k) Incorporation of r ventures PLC (“r ventures”)

Robi Axiata Limited (“Robi”) had on 24 July 2023 completed the incorporation of r ventures (Registration No C-189796/2023), a public company limited by shares, under the Bangladesh Companies Act 1994.

r ventures was incorporated with an issued and paid-up share capital of BDT150.0 million (RM6.5 million). The principal activities of r ventures are to operate in the area of digital services, including over-the-top (“OTT”) services, ticketing services and mobile value-added services, while also investing in startups and digital ventures.

The incorporation above did not have a material impact to the Group during the current quarter and financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

12. Effects of Changes in the Composition of the Group (continued)

(I) Acquisition of Equity Interest in Vista Bumira Sdn Bhd (“VBSB”) by Touch Mindscape Sdn. Bhd. (“TMSB”)

TMSB, a subsidiary of the Company held via edotco Group Sdn Bhd and edotco Malaysia Sdn Bhd, had on 27 June 2023, entered into a Share Sale Agreement for the acquisition of up to 100% stake in VBSB comprising 500,000 ordinary shares (“Sale Shares”) representing entire issued and paid-up share capital of VBSB held by the following sellers at a purchase cash consideration amounted to RM0.9 million:

- (i) Dato’ Emil Rinaldi bin Sjaiful (50%, 250,000 Sale Shares);
- (ii) Elizabeth Ken Tze Ying (31%, 155,000 Sale Shares); and
- (iii) En Vogue Media Sdn. Bhd. (19%, 95,000 Sale Shares).

The acquisition was completed on 31 July 2023 following which VBSB became a wholly owned subsidiary of TMSB. VBSB is principally involved in the business of telecommunication infrastructure and services.

The acquisition above did not have a material impact to the Group during the current quarter and financial period to date.

Other than the above, there was no other change in the composition of the Group for the financial period ended 30 September 2023.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Significant Changes in Contingent Assets or Contingent Liabilities

The following is the material change in the Group's contingent liabilities since the last disclosed in the 2022 Audited Financial Statements and other than as disclosed in Part B, Note 10 of this announcement:

(a) Claim Related to Value Added Tax ("VAT") and Supplementary Duty ("SD") on SIM and Scratch Cards

On 8 June 2023, the Large Taxpayer Unit ("LTU-VAT") of the National Board of Revenue of Bangladesh ("NBR") issued a demand letter for BDT857.6 million (RM36.6 million) ("the Disputed Amount") to Robi alleging an arrear of payment from Warid Telecom ("Warid"), predecessor of Airtel Bangladesh Ltd which was then merged with Robi in 2016.

Previously, on 14 June 2007, LTU-VAT officials visited Warid's office, seized the VAT registers and other related documents and demanded BDT434.0 million (RM18.5 million) as VAT and SIM tax for SIM and scratch cards which were absent from Warid's custody. Warid duly complied and paid the demanded amount in full.

Subsequently, LTU-VAT officials returned and demanded the Disputed Amount which then sums the total claimed amount to BDT1,292.0 million (RM55.1 million). Warid refuted the claim. On 11 June 2009, LTU-VAT of the NBR passed the order No.18/Mushak/09 demanding Warid to pay the Disputed Amount in full. In the same year, Warid filed an appeal to the High Court Division of Bangladesh ("HCD").

On 31 May 2016, the appeal was heard and the HCD dismissed LTU-VAT claim and directed LTU-VAT authorities to reassess the VAT and SD payable and adjust any excess amount paid, to which LTU-VAT failed to comply.

Following to the demand letter issued on the Disputed Amount, on 6 July 2023, Robi issued demand of justice letter requesting LTU-VAT to form a committee to assess any claim based on the documents that LTU-VAT officials have seized. Robi also demanded that those documents to be provided for Robi to assist any claim that LTU-VAT may have.

On 17 August 2023, Robi has filed a writ petition in the HCD. The case has been heard on 29 October 2023 and is currently pending decision.

Based on the external legal advice received, the Board of Directors are of the view that Robi has good prospects of succeeding the claim.

14. Capital Commitments

As at	Group	
	30 September 2023	31 December 2022*
	RM'000	RM'000
PPE		
Commitments in respect of expenditure approved and contracted for	2,583,756	3,048,523

* Includes Ncell's capital commitments of RM118.3 million as at 31 December 2022.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

15. Related Party Transactions

All related party transactions are entered into in the normal course of business and at prices available at negotiated terms. The names of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of MFRS 124 “Related Parties Disclosure”.

Khazanah Nasional Berhad (“Khazanah”) has direct interest in the Company’s shares. Khazanah is the sovereign wealth fund of the Government of Malaysia and was incorporated under the Companies Act 2016 on 3 September 1993 as a public limited company.

The Government of Malaysia and bodies controlled or jointly controlled by the Government of Malaysia are related parties of the Group. The Group enters into transactions with many of these bodies, which includes but are not limited to:

- receiving telecommunications services, including interconnection revenue/charges
- purchasing of goods, including use of public utilities and amenities, and
- placing of bank deposits

The Group has established its procurement policies and approval processes for purchases of products and services, which do not depend on whether the counterparties are government-related entities or not.

The Group provides telecommunications services as part of its ordinary operations. The Group has collectively, but not individually significant transactions with Government-related entities. These telecommunication services are carried out on commercial terms that are negotiated and agreed upon between the parties.

Set out below are significant related party transactions and balances which were carried out on terms and conditions negotiated amongst the related parties.

	Financial Period Ended	
	30 September 2023	30 September 2022
	RM'000	RM'000
<u>Continuing operations:</u>		
Sale of telecommunication services to associates	15,343	10,040
Purchase of network related services from associates	(57,981)	(28,663)
Lease services to an associate	440,917	-

	30 September 2023	31 December 2022
Receivables from associates	13,282	2,555,096
Payable to associates	(13,727)	(24,746)
Lease receivable from an associate	36,397	-
Lease payable to an associate	(112,819)	(112,063)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

16. Financial Instruments at Fair Value Measurements

The Group's financial instruments that were measured at fair value as at reporting date were as follow:

- Derivative financial instruments (assets and liabilities); and
- Securities

The Group measured the financial instruments based on:

- Level 1 (traded in active markets): Quoted market prices
- Level 2 (not traded in active markets): Valuation techniques such as quoted market prices or dealer quotes for similar instruments, present value of the estimated future cash flows based on observable market curves and forward exchange rates at reporting date with the resulting value discounted back to present value
- Level 3 (unobservable inputs): underlying assets' significant inputs are not available from observable market data

The Group's financial instruments were grouped as below:

Financial instruments	30 September 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>								
Financial assets at FVTPL:								
-Trading securities	42	-	-	42	34	-	-	34
-Unquoted securities	-	-	6,971	6,971	-	-	5,758	5,758
-Non-hedging derivatives	-	2,311	-	2,311	-	2,311	-	2,311
-Derivative used for hedging	-	147,736	-	147,736	-	38,565	-	38,565
Financial assets at FVTOCI ¹ :								
-Equity securities	-	-	143,993	143,993	-	-	179,180	179,180
Assets at FVTPL:								
-Other receivables	-	-	82,679	82,679	-	-	447,010	447,010
<u>Liabilities</u>								
Financial liabilities at FVTPL:								
-Derivatives used for hedging	-	(41,676)	-	(41,676)	-	(186,642)	-	(186,642)
Total	42	108,371	233,643	342,056	34	(145,766)	631,948	486,216

¹ Fair value of these instruments are obtained mainly from independent valuations.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. Review of Performance

(a) Quarter-on-Quarter (Q3'23 vs Q3'22)

	Current Year Quarter	Preceding Year Corresponding Quarter	Variance	
	30/09/2023	30/09/2022		
	RM'million	RM'million	RM'million	%
Continuing operations				
Revenue	5,695.7	5,367.4	328.3	6.1
EBITDA	2,538.0	2,307.8	230.2	10.0
EBIT ¹	678.5	627.3	51.2	8.2
PAT ²	108.0	(371.9)	479.9	+>100
PATAMI ³	27.1	(412.1)	439.2	+>100
Discontinued /Discontinuing operations				
PAT	(1,022.9)	365.5	(1,388.4)	->100
PATAMI	(824.5)	359.7	(1,184.2)	->100
Total⁴				
PAT	(914.9)	(6.4)	(908.5)	->100
PATAMI	(797.4)	(52.4)	(745.0)	->100

¹ EBIT : Earnings before interest and tax

² PAT : Profit after tax

³ PATAMI : Profit after tax and minority interest

⁴ Total : Continuing operations and Discontinued/Discontinuing operations

Group Performance

Compared to the preceding year's corresponding quarter (Q3'23 vs Q3'22), Group revenue for **continuing operations** grew by 6.1% to RM5,695.7 million mainly contributed by all Operating Companies ("OpCos") except for mobile operations in Cambodia and fixed broadband operations in Indonesia. Consequently, Group EBITDA grew by 10.0% to RM2,538.0 million. Group EBIT grew by 8.2% to RM678.5 million, flowing from higher topline and lower operating costs. There was one-off additional fees (net of accruals) and penalties charged for the use of microwave equipment in prior years of RM151.6 million recorded by mobile operations in Cambodia in Q3'22.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(a) Quarter-on-Quarter (Q3'23 vs Q3'22) (continued)

Group Performance (continued)

Group PAT and PATAMI for **continuing operations** both increased by more than 100% to RM108.0 million and RM27.1 million respectively, mainly driven by higher topline, lower foreign exchange losses and share of profits from associates mainly from CelcomDigi Berhad, partially offset by higher depreciation and amortisation, and higher finance costs.

Following the completion of the merger between Celcom and Digi on 30 November 2022, the Group's share of the financial results of CelcomDigi Berhad is recorded under continuing operations from 1 December 2022 onwards, while Celcom's financial results prior to 1 December 2022 is presented as discontinued operations. There is no PAT and PATAMI contribution from **discontinued operations** for Q3'23 compared to recognition of gain on disposal of Celcom of RM402.0 million as a result of the completion of final closing adjustments in Q2'23.

Following to the Group's intention to exit Nepal and the sale is highly probable, Ncell's financial results is classified as discontinuing operations and the comparative is presented accordingly. PAT and PATAMI contributions from **discontinuing operations** for Q3'23 is a loss of RM1,022.9 million and a loss of RM824.5 million respectively. This includes the provision for impairment of assets of RM1,013.8 million (PATAMI: RM811.0 million).

Geographical Highlights

- **Indonesia:** Revenue increased by 9.3% to RM2,470.2 million, mainly due to higher prepaid data and digital advertising revenue. EBITDA grew by 14.6% to RM1,253.6 million, flowing from higher revenue. PAT decreased by 6.9% to RM111.4 million, impacted by higher depreciation and amortisation, finance costs and share of losses from associates, partially cushioned by higher topline and lower taxes.
- **Bangladesh:** Revenue grew by 4.7% to RM1,080.0 million, mainly driven by higher data revenue from prepaid business. EBITDA grew by 10.5% to RM498.9 million, due to lower operating costs. PAT increased by more than 100% to RM44.7 million, mainly due to higher topline and lower foreign exchange losses, partially offset by higher depreciation and amortisation, finance costs and taxes.
- **Sri Lanka:** Revenue increased by 17.4% to RM675.5 million, mainly due to higher data revenue. EBITDA grew by 42.7% to RM248.4 million, flowing from higher revenue. PAT decreased by 45.7% to RM45.9 million, mainly due to higher depreciation and amortisation, foreign exchange losses of RM18.7 million in Q3'23 resulting from USD denominated loans and liabilities due to depreciation of LKR against USD as opposed to foreign exchange gains of RM60.3 million in Q3'22, coupled with higher finance costs and taxes.
- **Cambodia:** Revenue decreased by 4.1% to RM437.3 million, cushioned by higher data revenue from growth in postpaid business and higher wholesale revenue. EBITDA grew by 29.1% to RM241.2 million, flowing from higher revenue and lower operating costs. PAT increased by more than 100% to a profit of RM108.5 million, mainly resulting from higher topline, coupled with one-off additional fees (net of accruals) and penalties charged for the use of microwave equipment in prior years of RM151.6 million in Q3'22.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(a) Quarter-on-Quarter (Q3'23 vs Q3'22) (continued)

Group Performance (Continued)

- **Fixed Broadband (Indonesia):** Revenue decreased by 8.0% to RM295.2 million. EBITDA decreased by 31.1% to RM119.9 million, mainly flowing from lower revenue and higher operating costs, mainly due to network expansion and provision for impairment of receivables. PAT decreased by more than 100% to a loss of RM43.9 million mainly due to lower topline coupled with higher finance costs to support the network expansion.
- **Infrastructure:** Revenue increased by 10.8% to RM692.5 million from organic growth mainly from Malaysia and contribution from new acquisition of towers in the Philippines. EBITDA remained flat at RM444.4 million, mainly flowing from higher revenue and partially offset by higher operating costs. PAT improved to a loss of RM8.1 million, driven by lower depreciation and amortisation, lower foreign exchange losses from USD denominated loans and working capital and lower taxes, partially offset by higher finance costs.
- **Digital (ADA):** Revenue increased by 1.6% to RM246.4 million. EBITDA reported a loss of RM8.9 million, mainly from the provision for minimum guarantee obligation to a related key client, partially cushioned by higher revenue. PAT reported a loss of RM10.1 million, impacted by lower topline and higher depreciation and amortisation, partially cushioned by higher finance income and lower taxes.
- **Digital (Boost):** Revenue grew by 21.7% to RM32.0 million, driven by monetisation of marketing assets and higher interest income from loan disbursements. EBITDA grew by 11.0% to a loss of RM41.6 million, flow through from higher revenue, partially offset by higher operating costs. PAT declined by 6.1% to a loss of RM59.3 million, due to higher depreciation and amortisation and higher finance costs.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(b) Year-on-Year (YTD'23 vs YTD'22)

	Current Year to Date	Preceding Year Corresponding Period	Variance	
	30/09/2023	30/09/2022		
	RM'million	RM'million	RM'million	%
Continuing operations				
Revenue	16,429.7	14,844.1	1,585.6	10.7
EBITDA	7,348.9	6,498.8	850.1	13.1
EBIT	1,982.4	1,891.7	90.7	4.8
PAT	51.3	(1,014.9)	1,066.2	+>100
PATAMI	(141.0)	(1,164.2)	1,023.2	87.9
Discontinued /Discontinuing operations				
PAT	(1,546.1)	985.9	(2,532.0)	->100
PATAMI	(1,158.8)	962.5	(2,121.3)	->100
Total				
PAT	(1,494.8)	(29.0)	(1,465.8)	->100
PATAMI	(1,299.8)	(201.7)	(1,098.1)	->100

Group Performance

The Group's **continuing operations** recorded a total revenue of RM16,429.7 million for YTD'23, representing an 10.7% increase compared to the preceding year's corresponding period, with growth across all OpCos except for digital business (ADA). Consequently, Group EBITDA increased by 13.1% to RM7,348.9 million. Group EBIT increased by 4.8% to RM1,982.4 million, flowing from higher topline, partially offset by higher depreciation and amortisation. At constant currency of YTD'22, revenue, EBITDA and EBIT would have increased by 14.5%, 16.9% and 12.0% respectively.

Group PAT and PATAMI for **continuing operations** improved by more than 100% and 87.9% to RM51.3 million and a loss of RM141.0 million respectively, driven by higher topline, significantly lower foreign exchange losses, share of profits from associates mainly from CelcomDigi Berhad and lower taxes. This is partially offset by higher depreciation and amortisation and finance costs.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(b) Year-on-Year (YTD'23 vs YTD'22) (continued)

Group Performance (continued)

Following the completion of the merger between Celcom and Digi on 30 November 2022, The Group's share of the financial results of CelcomDigi Berhad is recorded under continuing operations from 1 December 2022 onwards, while Celcom's financial results prior to 1 December 2022 is presented as discontinued operations. The PAT and PATAMI contribution from **discontinued operations** for YTD'23 is for additional gain on disposal of Celcom amounting to RM402.0 million following the completion of final closing adjustments in Q2'23.

Following to the Group's intention to exit Nepal and the sale is highly probable, Ncell's financial results is classified as discontinuing operations and the comparative is presented accordingly. PAT and PATAMI contributions from **discontinuing operations** for YTD'23 are a loss of RM1,948.1 million and a loss of RM1,560.8 million respectively. This includes the provision for impairment of assets of RM1,505.6 million (PATAMI: RM1,204.5 million) and write-off of CGT related receivables of RM396.1 million (PATAMI: RM316.9 million) following the unfavourable outcome from the BIT Arbitration proceedings in Q2'23.

Geographical Highlights

- **Indonesia:** Revenue increased by 11.3% to RM7,136.5 million mainly due to higher prepaid data revenue, growth in digital advertising business and higher managed service revenue. Consequently, EBITDA grew by 14.3% to RM3,528.8 million. PAT grew by 2.5% to RM310.9 million, driven by higher topline and foreign exchange gains, partially offset by higher depreciation and amortisation, finance costs, share of losses from associates and taxes.
- **Bangladesh:** Revenue rose by 2.7% to RM3,129.5 million, mainly driven by higher data and voice revenue from growth in prepaid business. EBITDA grew by 3.6% to RM1,379.8 million, flowing from higher revenue. PAT increased by more than 100% to RM72.6 million, due to lower foreign exchange losses as compared to YTD'22, partially offset by higher finance costs and taxes.
- **Sri Lanka:** Revenue grew by 7.0% to RM1,997.1 million, mainly due to higher data revenue and growth in hubbing business. EBITDA grew by 1.1% to RM615.8 million, flowing from higher revenue. PAT increased by more than 100% to RM205.3 million, mainly due to higher topline, foreign exchange gains of RM147.7 million in YTD'23 as opposed to foreign exchange losses of RM482.8 million in YTD'22 from USD denominated loans and liabilities, lower depreciation and amortisation and lower taxes as there was one-off surcharge tax in YTD'22. This is partially offset by higher finance costs.
- **Cambodia:** Revenue grew by 2.9% to RM1,254.9 million, primarily due to higher data revenue from growth in postpaid business. EBITDA grew by 13.2% to RM671.9 million, flowing from higher revenue. PAT grew to RM312.5 million mainly due to higher topline, share of profits from associates as opposed to share of losses in YTD'22 and reversal of asset impairment, partially offset by higher depreciation and amortisation.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(b) Year-on-Year (YTD'23 vs YTD'22) (continued)

Geographical Highlights (continued)

- **Fixed Broadband (Indonesia):** The acquisition of Link Net was completed in June'22, with financial results consolidated from Q3'22 onwards. Contribution of revenue, EBITDA and PAT for YTD'23 are RM876.6 million, RM388.5 million and a loss of RM81.9 million respectively.
- **Infrastructure:** Revenue increased by 12.0% to RM2,021.1 million from organic growth mainly from Malaysia and contribution from new acquisition of towers in the Philippines and Indonesia. EBITDA grew by 8.5% to RM1,371.9 million, flowing from higher revenue. Despite higher topline, PAT reported a loss of RM122.6 million, mainly resulting from higher depreciation and amortisation, higher foreign exchange losses from USD denominated loans and working capital, additional provision for previous year taxes amounting to RM36.0 million following enactment of Income Tax Act 2023 in Bangladesh, effective retrospectively from 2022 and higher finance costs, partially cushioned by higher topline.
- **Digital (ADA):** Revenue decreased by 7.7% to RM601.5 million, primarily due to lower revenue share following contract renegotiation with a related key client. EBITDA reported a loss of RM9.3 million, mainly flowing from lower revenue coupled with the recognition of minimum guarantee obligation in a contract with a related key client. PAT reported a loss of RM15.0 million, impacted by lower topline and lower foreign exchange gains, partially cushioned by higher finance income and lower taxes.
- **Digital (Boost):** Revenue grew by 60.0% to RM92.4 million, driven by monetisation of marketing assets and higher interest income from loan disbursements. EBITDA improved by 5.1% to a loss of RM129.6 million, flowing from higher revenue, partially offset by higher operating costs due to additional start-up cost for Digibank. PAT declined by 6.7% to a loss of RM168.6 million, impacted higher depreciation and amortisation, lower foreign exchange gains and higher finance costs, partially cushioned by higher topline.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Result (Q3'23 vs Q2'23)

	Current Quarter	Immediate Preceding Quarter	Variance	
	30/09/2023	30/06/2023		
	RM'million	RM'million	RM'million	%
Continuing operations				
Revenue	5,695.7	5,664.9	30.8	0.5
EBITDA	2,538.0	2,566.5	(28.5)	-1.1
EBIT	678.5	725.3	(46.8)	-6.5
PAT	108.0	(185.3)	293.3	+>100
PATAMI	27.1	(230.6)	257.7	+>100
Discontinued /Discontinuing operations				
PAT	(1,022.9)	(721.8)	(301.1)	-41.7
PATAMI	(824.5)	(345.6)	(478.9)	->100
Total				
PAT	(914.9)	(907.1)	(7.8)	(0.9)
PATAMI	(797.4)	(576.2)	(221.2)	-38.4

Group Performance

Compared to the immediate preceding quarter (Q3'23 vs Q2'23), Group revenue for **continuing operations** grew marginally to RM5,695.7 million, driven by higher contribution from all OpCos except for mobile operations and fixed broadband in Indonesia, along with mobile operations in Sri Lanka. Consequently, Group EBITDA is flat at RM2,538.0 million. Group EBIT decreased by 6.5% to RM678.5 million from higher depreciation and amortisation during the quarter.

Group PAT and PATAMI for **continuing operations** increased by more than 100% to RM108.0 million and RM27.1 million respectively, driven by lower foreign exchange losses mainly from USD denominated borrowings and working capital, lower finance costs and higher share of profits from associates.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Result (Q3'23 vs Q2'23) (continued)

Group Performance (continued)

Following the completion of the merger between Celcom and Digi on 30 November 2022, The Group's share of the financial results of CelcomDigi Berhad is recorded under continuing operations from 1 December 2022 onwards, while Celcom's financial results prior to 1 December 2022 is presented as discontinued operations. There is no PAT and PATAMI contribution from **discontinued operations** for Q3'23 compared to recognition of gain on disposal of Celcom of RM402.0 million as a result of the completion of final closing adjustments in Q2'23.

Following to the Group's intention to exit Nepal and the sale is highly probable, Ncell's financial results is classified as discontinuing operations and the comparative is presented accordingly. PAT and PATAMI contributions from **discontinuing operations** for Q3'23 is a loss of RM1,022.9 million and a loss of RM824.5 million respectively. Q3'23 includes the provision for impairment of assets of RM1,013.8 million (PATAMI: RM811.0 million) compared to Q2'23 which comprised of provision for impairment of assets of RM491.8 million (PATAMI: RM393.5 million) and write-off of CGT related receivables of RM396.1 million (PATAMI: RM316.9 million).

Geographical Highlights

- **Indonesia:** Revenue fell by 0.9% to RM2,470.2 million, impacted by lower prepaid data revenue. EBITDA increased by 1.4% to RM1,253.6 million, mainly due to lower operating costs. PAT fell by 19.3% to RM111.4 million, mainly due to higher depreciation and amortisation, foreign exchange losses as opposed to foreign exchange gains in Q2'23, higher finance costs, partially cushioned by EBITDA and lower taxes.
- **Bangladesh:** Revenue increased by 0.5% to RM1,080.0 million, driven by higher data and voice revenue. EBITDA grew by 11.4% to RM498.9 million, flowing from higher revenue and lower operating costs. PAT increased to RM44.7 million, mainly flowing from higher topline and lower depreciation and amortisation as a result of asset write-off in Q2'23.
- **Sri Lanka:** Revenue fell by 3.2% to RM675.5 million mainly due to lower hubbing revenue, cushioned by higher data revenue and the appreciation of the Sri Lankan Rupee ("LKR") against Ringgit Malaysia ("RM"). EBITDA (in RM) grew by 21.0% to RM248.4 million, driven by lower hubbing costs in line with lower hubbing revenue. PAT decreased by 10.3% to RM45.9 million, impacted by foreign exchange losses of RM18.7 million as opposed to foreign exchange gains of RM56.0 million in Q2'23, partially cushioned by lower depreciation and amortisation and finance costs.

Sri Lanka's mobile operation represents approximately 4% of the Group's net assets. After Sri Lanka secured the much-awaited International Monetary Fund Extended Fund Facility Agreement, the Central Bank of Sri Lanka introduced the Domestic Debt Optimisation plan to address uncertainties related to the sovereign's debt restructuring program. Although the implementation of the reforms and debt restructuring, would be challenging endeavours, the successful completion of same would set Sri Lanka on a sustainable growth path. The current quarter also witnessed favourable movements in macro indicators including strengthening of the LKR against USD, moderation in inflation and lowering of interest rates.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Result (Q3'23 vs Q2'23) (continued)

Geographical Highlights (continued)

- **Cambodia:** Revenue grew by 3.9% to RM437.3 million due to higher prepaid data revenue. EBITDA grew by 17.8% to RM241.2 million, flowing from higher revenue and lower operating costs. PAT grew by 11.9% to RM108.5 million, mainly due to higher topline and lower foreign exchange losses, partially offset by higher depreciation and amortisation, finance costs and taxes.
- **Fixed Broadband (Indonesia):** Revenue fell by 1.5% to RM295.2 million, mainly due to lower residential and enterprise revenue. EBITDA decreased by 18.3% to RM119.9 million, flowing from lower revenue and higher impairment of receivables. PAT reported a loss of RM43.9 million due to lower topline and further impacted by higher depreciation and amortisation and foreign exchange losses in Q3'23 as opposed to foreign exchange gains in Q2'23.
- **Infrastructure:** Revenue increased by 1.2% to RM692.5 million, driven by organic growth mainly from Malaysia and contribution from new acquisition of towers in the Philippines. EBITDA fell by 7.4% to RM444.4 million, impacted by higher operating cost. PAT improved to a loss of RM8.1 million, due to lower depreciation and amortisation, lower foreign exchange losses from USD denominated loans and taxes.

Myanmar is one of the infrastructure segment's operating footprint and it represents approximately 5% of Group's net assets. Since the state of emergency announced on 1 February 2021, the United States, United Kingdom and European Union continue to expand sanctions for companies and individuals with ties to the military. To-date, none of the expanded list include or cause our operation in Myanmar to be in violation to sanctions regulation. The Group is consistently communicating with all stakeholders including its employees, customers and vendors in Myanmar and will continue to closely monitor and assess the business, operational, financial and regulatory compliance risks to mitigate against any potential impact arising from this challenging environment.

- **Digital (ADA):** Revenue grew by 19.6% to RM246.4 million, primarily driven by higher customer engagement and marketing solutions revenue. EBITDA reported a loss of RM8.9 million, impacted by higher operating costs and provision for minimum guarantee obligation to a related key client. PAT decreased to a loss of RM10.1 million, flowing from EBITDA, higher depreciation and amortisation and lower foreign exchange gains.
- **Digital (Boost):** Revenue rose by 8.2% to RM32.0 million due to higher monetisation of marketing assets. EBITDA improved to a loss of RM41.6 million, flowing from higher revenue and lower operating costs. PAT fell by 5.3% to a loss of RM59.3 million due to higher depreciation and amortisation, foreign exchange losses in Q3'23 as opposed to foreign exchange gains in Q2'23 and higher finance costs.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

2. Headline Key Performance Indicators (“KPIs”) for the Financial Year Ending 31 December 2023

On 23 February 2023, the Group announced its Headline KPIs guidance for the financial year ending 31 December 2023. The Group’s 2023 Headline KPIs announced were as below:

	FY 2023 Headline KPIs @ Constant rate¹
Revenue Growth ²	Mid single Digit
Earnings before Interest, and Tax (“EBIT”) Growth ³	High single Digit

Notes:

¹ Constant rate is based on FY22 Average Forex Rate (e.g. 1 USD = RM4.397)

² Revenue is based on revenue excluding device

³ Exclude impairment of assets

The Group posted steady operational performance* in the first nine months of financial year ending 31 December 2023 with double-digit growth in revenue and EBITDA. EBIT however was impacted by provision for asset impairment for Ncell in Nepal, and incremental depreciation and amortisation from Link Net and XL in Indonesia, and EDOTCO. PATAMI was further impacted by capital gains tax related receivables write-off, cushioned by additional gain on disposal of Celcom due to final closing adjustments, lower taxation and lower forex losses.

Year on year (YTD’23 versus YTD’22), XL in Indonesia and Robi in Bangladesh have their performances lifted by favourable industry data growth and ARPU uplift. Amidst the macroeconomic crisis in Sri Lanka, Dialog’s revenue growth remained resilient, whilst profitability was boosted by cost rescaling initiatives and forex gains from appreciation of the LKR against USD. Ncell in Nepal continues to face challenges as data growth has not been sufficient to offset the declining voice segment, exacerbated by additional cost from prior year tax adjustments. Smart in Cambodia continues to deliver steady profits and remain a stable cash generator for the Group.

For the Group’s digital businesses, Boost’s near-term profitability has been impacted by start-up costs from digital bank, whilst ADA has been impacted by contract renegotiation relating to a key client. EDOTCO continues to record strong topline growth, reaping the benefits from its inorganic ventures in Philippines and Indonesia. Despite continued growth in fixed broadband in Indonesia, Link Net’s profitability is impacted by its ongoing transformation to a fiber company.

Challenging macro environment persist across our footprint markets, whilst Indonesia fixed broadband market offers exciting growth opportunities. On balance, the Board of Directors believe the Group’s operational performance for the financial year ending 31 December 2023 to be broadly in line with headline KPIs.

** based on combined operations from continuing and discontinued/discontinuing operations*



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

3. Variance of Actual Profit from Forecast Profit / Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document in respect of the financial period ended 30 September 2023.

4. Revenue

	3 rd Quarter Ended		Financial Period Ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
<u>Disaggregation of revenue from contracts with customers under MFRS 15:</u>				
Goods or services transferred:				
-at a point in time	329,132	402,106	743,074	925,348
-over time	4,952,955	4,585,752	14,464,078	12,835,874
<u>Revenue under other MFRS:</u>				
Lease and services of passive infrastructure	399,887	367,653	1,181,947	1,052,629
Financial institution interest income	13,723	11,872	40,596	30,282
	5,695,697	5,367,383	16,429,695	14,844,133

5. Taxation

The taxation charge for the Group comprises:

	3 rd Quarter Ended		Financial Period Ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Income tax	139,442	121,069	402,479	384,230
Deferred tax	(3,820)	24,002	3,296	85,875
Total taxation	135,622	145,071	405,775	470,105

The current quarter and financial period to date's effective tax rate of the Group are higher than the statutory tax rate mainly due to non-deductible expenses incurred and temporary differences for which no deferred tax asset is recognised.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

6. Status of Corporate Proposals

(a) Proposed Combined Operations of Dialog Axiata Plc (“Dialog”) and Bharti Airtel Lanka (Private) Limited (“Airtel Lanka”)

On 2 May 2023, Dialog, a subsidiary of the Company held via Axiata Investments (Labuan) Limited announced that Dialog, the Company and Bharti Airtel Limited (“Airtel”) have entered into a binding term sheet to combine operations of Airtel Lanka, Airtel’s wholly owned subsidiary with Dialog.

The proposed transaction envisages Airtel being granted a stake in Dialog, representing the fair value of Airtel Lanka. Airtel would accordingly be issued new shares of Dialog upon completion of the transaction.

Discussions with respect to the proposed transaction are ongoing between the parties and also with the relevant regulatory authorities as per applicable laws and regulations. The proposed transaction is subject to signing of definitive agreements and necessary closing conditions including applicable regulatory and shareholder approvals.

Other than the above, there was no other corporate proposal announced but not completed as at 22 November 2023.

7. Group’s Borrowings and Debt Securities

(a) Breakdown of the Group’s borrowings and debt securities were as follows:

	30 September 2023		31 December 2022*	
	Current	Non-current	Current	Non-current
	RM'000	RM'000	RM'000	RM'000
Secured	179,128	4,215,225	361,942	2,677,548
Unsecured	2,556,604	17,868,575	6,726,186	15,669,956
Total	2,735,732	22,083,800	7,088,128	18,347,504

* Includes Ncell's borrowings of RM652.8 million as at 31 December 2022.

(b) Foreign currency borrowings and debt securities in RM equivalent were as follows:

Foreign Currencies	30 September 2023	31 December 2022
	RM'000	RM'000
USD	14,799,321	14,319,900
IDR	5,065,508	4,864,119
BDT	309,504	378,759
SLR	828,442	231,270
PHP	2,130,617	1,900,965
Others	50,342	80,162
Total	23,183,734	21,775,175



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

8. Outstanding Derivatives

(a) The details of the Group's outstanding net derivatives financial instruments set out as follow:

Type of derivative financial instruments	30 September 2023		31 December 2022	
	Notional value	Fair value favourable/ (unfavourable)	Notional value	Fair value favourable/ (unfavourable)
	RM'000	RM'000	RM'000	RM'000
<u>Cross currency interest rate swaps:</u>				
- < 1 year	-	(2,886)	790,200	(12,882)
- > 3 years	4,692,000	71,815	4,390,000	(142,564)
<u>Interest rate swaps:</u>				
- < 1 year	-	491	-	9,940
- 1 - 3 years	797,640	20,404	1,097,500	3,844
<u>Forward:</u>				
- < 1 year	-	262	-	(52)
- 1 - 3 years	375,360	15,974	351,200	(6,363)
<u>Call option:</u>				
- > 3 years	5,490	2,311	5,136	2,311
Total		108,371		(145,766)

(b) The risks associated with the derivative financial instrument and the policies in place for mitigating such risks were disclosed in 2022 Audited Financial Statements.

9. Fair Value Changes of Financial Liabilities

There was no derivative financial instrument which is marked to market as at the date of financial statement position that requires the recognition of fair value changes to the consolidated profit or loss for the current quarter and financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations

The status of material litigation of the Group is as follows:

(a) Robi Axiata Limited (“Robi”) vs Commissioner of Large Taxpayer Unit (“LTU-VAT”) and Ors. (SIM Replacement Tax)

Robi SIM Replacement Dispute 2007-2011

On 17 May 2015, the LTU-VAT of the National Board of Revenue (“LTU-VAT of the NBR”) issued a revised demand letter for BDT4,145.5 million (RM176.9 million) (“2007 to 2011 Revised Claim”) to Robi alleging that Robi had evaded payment of supplementary duty and VAT levied on the issuance of a certain number of SIM cards to new customers of Robi for the duration from March 2007 to June 2011 when such SIM cards were issued as replacement cards to the existing subscribers of Robi.

In August 2015, Robi filed an appeal against the 2007 to 2011 Revised Claim to the Customs, Excise and VAT Appellate Tribunal. Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on provisions of the VAT Act 1991. This appeal was first heard on 28 September 2016 by the Customs, Excise and VAT Appellate Tribunal and later reheard on 11 April 2017 by a reconstituted bench of the Customs, Excise and VAT Appellate Tribunal. The Customs, Excise and VAT Appellate Tribunal dismissed Robi’s appeal.

In September 2017, Robi filed an appeal to the High Court Division against the Customs, Excise and VAT Appellate Tribunal’s decision (“VAT Appeal No.1”). This VAT Appeal No. 1 is currently pending for hearing before the High Court Division.

Robi SIM Replacement Dispute July 2012 to June 2015

On 20 November 2017, the LTU-VAT of the NBR issued a demand letter for BDT2,852.0 million (RM121.7 million) (“2012 to 2015 Claim”) to Robi alleging that Robi had evaded payment of supplementary duty and VAT levied on the issuance of certain number of SIM cards to new customers of Robi for the duration from July 2012 to June 2015 when such SIM cards were issued as replacement cards to the existing subscribers of Robi.

On 18 February 2018, Robi filed an appeal against the 2012 to 2015 Claim to the Customs, Excise and VAT Appellate Tribunal on the basis that replacement cards do not establish new connections and do not change existing subscribers’ numbers. Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on provisions of the VAT Act 1991. This appeal was dismissed by the Customs, Excise and VAT Appellate Tribunal.

Robi then filed an appeal to the High Court Division against the Customs, Excise and VAT Appellate Tribunal’s decision (“VAT Appeal No.2”).



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(a) Robi Axiata Limited (“Robi”) vs Commissioner of Large Taxpayer Unit (“LTU-VAT”) and Ors. (SIM Replacement Tax) (continued)

Robi SIM Replacement Dispute July 2012 to July 2015 (continued)

On 23 November 2020, both VAT Appeal No.1 and VAT Appeal No.2 pending in the High Court Division were fixed for hearing whereupon the High Court Division ordered parties to file the remaining paper books.

On 3 December 2020, the High Court Division took the view that Robi needed to file a revision application for the VAT Appeal No. 2 under the new VAT and Supplementary Duty Act 2012 which became effective on 1 July 2019, and pursuant thereto, to deposit a further 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR.

Robi has filed written arguments against such views on the basis that the new VAT and Supplementary Duty Act 2012 is not applicable. This legal point was heard on 2 March 2021 in which the High Court Division dismissed Robi’s argument and advised Robi to file a revision application under the new VAT and Supplementary Duty Act 2012, to which Robi had on 23 March 2021 filed the Civil Miscellaneous Petition for Leave to Appeal (“CMP”) before the Appellate Division contending the dismissal. Pending the hearing of the CMP by the Appellate Division, the High Court Division issued a certified copy of the judgement on maintainability on 23 August 2021. Robi subsequently filed a Civil Petition for Leave to Appeal (“CP”) before the Appellate Division of the Supreme Court of Bangladesh. The CP is now pending for hearing.

(b) Robi vs LTU-VAT of the NBR (VAT Audit)

The LTU-VAT of the NBR issued 5 show cause cum demand notices to Robi for a total amount of BDT9,245.0 million (RM394.4 million). Robi filed writ petitions for judicial review on 3 May 2018 to challenge these claims. The details are as below. The LTU-VAT of the NBR referred the matter to the Directorate General of Audit Intelligence and Investigation (“DGAI”) to re-examine the claims and as such, Robi is not pursuing the Writ Petitions.

- (i) the first show cause cum demand notice for BDT7,118.2 million (RM303.7 million) was issued based on the credit balance of VAT payable General Ledger (“GL”) and VAT Return and VAT payable for the period from 2013 to 2016. While conducting its audit, the LTU-VAT of the NBR asked for month-on-month movement of output and withholding GL from Systems, Applications and Products i.e., SAP (Opening, debit balance during the month, credit balance during the month and closing balance). Robi had submitted the required documents. The LTU-VAT of the NBR just considered the total credit balance of SAP GL as payable and compared it with VAT return without considering the documents or explanation submitted by Robi.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(b) Robi vs LTU-VAT of the NBR (VAT Audit) (continued)

- (ii) the second show cause cum demand notice for BDT910.5 million (RM38.8 million) alleges unpaid VAT on merger and spectrum fee. The LTU-VAT of the NBR which collected merger fee/spectrum information from the Bangladesh Telecommunication Regulatory Commission ("BTRC") in relation to merger directly, thereafter arbitrarily calculated VAT without considering Robi's documents and information regarding actual payment to BTRC. This issue has already been covered in item (i), nevertheless the LTU-VAT of the NBR still arbitrarily made the same claim separately.
- (iii) the third show cause cum demand notice for BDT16.5 million (RM0.7 million) is to claim that VAT is payable on interconnection charges from Bangladesh Telecommunications Limited ("BTCL") for 2012. The output VAT for BTCL service to customer is centrally collected by the LTU-VAT of the NBR and that BTCL cannot adjust input VAT on interconnection charges payable to Robi. Therefore, BTCL did not pay the VAT on same to Robi. This issue has already been covered in item (i), nonetheless the LTU-VAT of the NBR still arbitrarily made the same claim separately.
- (iv) the fourth show cause cum demand notice for BDT35.7 million (RM1.5 million) is to claim that VAT is payable on interconnection charges from BTCL for 2013 to 2016 (the issue is same as item (iii) of this case but relating to different period (2013-2016)).
- (v) the fifth show cause cum demand notice for BDT1,164.1 million (RM49.7 million) is for VAT rebate cancellation on imported telecom items. The LTU-VAT of the NBR directly collected imports information from Customs Authority, then cancelled few imported items such as battery, switch, cable, router, system, etc. on arbitrary basis. These are the integral parts of machineries and spare parts.

Pursuant to re-examinations of the aforementioned demand notices by the DGAI, the LTU-VAT of the NBR issued 4 new show cause notices dated 22 March 2020 to Robi on the cumulative amount of BDT7,459.5 million (RM318.2 million) for the period of January 2013 to December 2016, details of which are set out as follows:

- (i) the first show cause notice is on BDT3,676.0 million (RM156.8 million) in relation to VAT deducted at source on grounds of (I) withholding VAT on handsets; (II) withholding VAT on dealer's commission; (III) withholding VAT not paid on revenue sharing on the basis of audited financial statements; (IV) less withholding VAT paid on the basis of audited accounts etc.
- (ii) the second show cause is on BDT394.3 million (RM16.8 million) in relation to VAT of BDT368.6 million (RM15.7 million) and supplementary duty payment of BDT25.7 million (RM1.1 million) based on Robi's audited financial statements.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(b) Robi vs LTU-VAT of the NBR (VAT Audit) (continued)

- (iii) the third show cause notice is on BDT1,308.0 million (RM55.8 million) in relation to VAT on revenue sharing.
- (iv) the fourth show cause notice is on BDT2,081.2 million (RM88.8 million) in relation to VAT rebate cancellation.

Robi has filed writ petitions for judicial review on 27 June 2020 to the High Court Division against these four (4) new show-cause notices. The High Court Division subsequently issued a rule nisi in favour of Robi on 31 August 2020 and the rule nisi is pending for hearing.

(c) Robi vs BTRC

The BTRC conducted an audit on Robi's information system for the years between 1997 to 2014 and issued a claim of BDT8,672.4 million (RM370.0 million) against Robi on 31 July 2018 ("Information System Audit Claim"). This Information System Audit Claim is disputed by Robi and a Notice of Arbitration was served on BTRC on 30 May 2019.

On 13 June 2019, notwithstanding Robi's Notice of Arbitration, the BTRC directed Robi to make payment for the Information System Audit Claim within 10 days. Challenging the demand, Robi filed a suit on 25 August 2019 before the Joint District Judge, Dhaka seeking a declaration and permanent injunction against BTRC's Information System Audit Claim. The District Court admitted the suit.

Additionally, Robi filed an application seeking an ad interim relief in relation to: (i) temporary injunction restraining BTRC from demanding payment of the Information System Audit Claim; (ii) temporary injunction restraining BTRC from causing any interference with the operation of Robi's mobile telecommunication services; and (iii) direction from the court to the effect that BTRC shall issue all relevant No Objection Certificate(s) for the importation of telecommunication equipment and software, and grant all relevant approvals for tariff, service, package, etc. as and when required by Robi from time to time.

The abovementioned application for ad interim relief was dismissed on 1 September 2019 by the Joint District Judge, Dhaka. Robi referred an appeal before the High Court Division in respect of the rejection of temporary injunction application on 5 September 2019.

On 5 January 2020, the High Court Division issued an injunction upon BTRC on condition that Robi deposit BDT1,380.0 million (RM69.0 million) in five installments. Robi has deposited these five equal installments as of 31 May 2020. This matter is currently pending for hearing before the Joint District Judge in Dhaka.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(d) Robi vs LTU-VAT of the NBR (VAT Rebate Cancellation)

For the period of 2010 to 2016, Robi claimed rebate for input VAT payable on certain services and goods related to capital machineries (i.e. antenna, cable, media gateway switch, battery, modem, telephone and telegraphic switch, power system, optical multi service systems, universal service router, printed service board, racks, etc.). The LTU-VAT of the NBR cancelled the rebates and issued the following demand notices cumulatively for BDT3,636.2 million (RM155.1 million) to which Robi is challenging:

- (i) the demand notice for the period of March 2012 to April 2013 is for BDT830.6 million (RM35.4 million).
- (ii) the demand notice for the period of July 2013 to June 2014 is for BDT596.8 million (RM25.5 million).
- (iii) the demand notice for the period of July 2014 to January 2016 is for BDT993.2 million (RM42.4 million).
- (iv) the demand notice for the period of February 2016 to April 2016 for BDT41.0 million (RM1.7 million).
- (v) the demand notice for the period of May 2016 to December 2016 is for BDT707.7 million (RM30.2 million).
- (vi) the demand notice for the financial years of 2010 to 2012 is for BDT466.9 million (RM19.9 million).

Robi filed VAT appeals to the High Court Division on 26 August 2013 for item (i), 21 January 2019 for items (ii) to (v), and on 1 June 2020 for item (vi). For item (i), Robi paid the amount in full. For items (ii) to (vi), Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on the provisions of the VAT Act 1991.

All the cases are currently pending for hearing before the High Court Division.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(e) Robi vs The Commissioner of Taxes

The Commissioner of Taxes assessed the income tax return of Robi and disallowed certain losses and expenses (i.e. subsidy on acquisition expenses/promotional expense (SIM tax subsidy), foreign exchange losses, non-adjustment of depreciation allowances, etc.) and further determined the income tax payable as follows:

- (i) for the assessment year 2013-2014, BDT2,273.6 million (RM97.0 million) and interest of BDT378.2 million (RM16.1 million);
- (ii) for the assessment year 2014-2015, BDT2,246.3 million (RM95.8 million) and interest of BDT414.4 million (RM17.7 million); and
- (iii) for the assessment year 2015-2016, BDT2,263.2 million (RM96.6 million) and interest of BDT295.3 million (RM12.6 million).

Robi has referred its appeals to the High Court Division against the Commissioner of Taxes' respective determination and such appeals are pending hearing before the High Court Division.

(f) Mahtab Uddin Ahmed vs Robi and 4 Others

Former managing director and chief executive officer of Robi, Mahtab Uddin Ahmed ("MUA") filed a civil suit 22 August 2022, being Title Suit 568 of 2022 (the "Suit") against Robi and four (4) others, before the 1st Court of Joint District Judge, Dhaka. MUA is claiming BDT2,270.2 million (RM96.9 million) in retirement benefits and compensation, allegedly owed to MUA. The case is currently pending before the Court.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(g) Amended assessment notice by LTPO of Nepal on income tax return filed by Ncell for fiscal year 2015 to 2016

On 25 December 2020, the LTPO issued a notice ("Reassessment Notice") under section 101(6) of the ITA to amend its earlier tax assessment of the income tax return filed by Ncell for the fiscal year of 2015 to 2016, being the fiscal year when the Transaction took place.

The LTPO had reassessed Ncell's income tax return for the fiscal year of 2015 to 2016 and determined that based on section 57 of the ITA, Ncell's taxable income for such fiscal year is now NPR127,827.6 million (RM4,512.1 million). Ncell responded to the Reassessment Notice on 12 January 2021 disagreeing, among other things, with the applicability of the assessment and the method used by LTPO to make the assessment.

Ncell has filed a writ petition ("First Writ") against LTPO and related government agencies. On 13 January 2021, Ncell obtained an order from the Supreme Court ("SC") that all decisions and proceedings in relation to the Reassessment Notice be stayed until the matter is heard by the SC. On 14 January 2021, the Tribunal also issued its procedural order recording the undertaking given by Nepal and its organs and agencies will not take any measures against Ncell in relation to the section 57 demand and the Transaction.

Notwithstanding the order from the SC, LTPO had on the same day issued a further notice ("Demand Notice") under section 102 of the ITA for additional tax liability of NPR57,852.3 million (RM2,042.1 million). Ncell has filed another writ petition ("Second Writ") to dispute the Demand Notice as the remedies sought in the First Writ have been rendered inapplicable by the Demand Notice. On 7 February 2021, the SC issued an interim order directing the respondents in the Second Writ not to execute the Demand Notice and not to withhold any benefits or facilities that Ncell is legally entitled to.

The hearing which was originally scheduled to take place on 2 November 2021 has been postponed by the SC a few times and recently to 5 December 2023.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

10. Material Litigations (continued)

The status of material litigation of the Group is as follows: (continued)

(h) Ncell Employee Trade Union (“NETU”) vs Ncell

On 13 January 2020, NETU filed an application at the Labour and Employment Office of Nepal (“LO”) claiming that the calculation of bonus by Ncell is in contrary to the provisions of the Bonus Act, 2030. On 4 September 2022, the LO rejected NETU’s claim on the computation of bonus based on taxable income determined by Nepal’s Tax Authority.

NETU subsequently filed an appeal at the Labour Court of Nepal (“LC”) challenging the decision of the LO on 31 October 2022. Pursuant to the order of the LC dated 15 February 2023, the LTPO submitted Ncell’s taxable income for FY 2012/13 to FY 2016/17. Both NETU and Ncell proceeded to submit their respective pleading notes.

Based on the information provided by LTPO, NETU has calculated the shortfall bonus as the difference between the Ncell’s self-assessed income and income assessed by the LTPO which amounts to approximately NPR8,751.2 million (RM308.9 million).

On 3 August 2023, LC had ordered Ncell to submit copies of its financial statements by 29 August 2023. Following the submission of the financial statements, the matter was heard and LC has upheld the decision of the LO delivered on 4 September 2022.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

11. Other Disclosure Requirements under Appendix 9B of the Main LR

Other than those items disclosed in the statements of comprehensive income and notes in Part A of this announcement, there are no material impairment of inventories, gains/loss on disposal of investments, properties and assets during the current quarter and financial period to date.

12. Earnings Per Share (“EPS”)

(a) Basic EPS

	3 rd Quarter Ended		Financial Period Ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
Profit/(Loss) attributable to owners of the Company (RM'000)				
- continuing operations	27,094	(412,107)	(140,962)	(1,164,214)
- discontinued/discontinuing operations	(824,505)	359,707	(1,158,815)	962,459
	(797,411)	(52,400)	(1,299,777)	(201,755)
Adjusted weighted average number of ordinary shares in issue ('000)	9,178,994	9,176,880	9,178,532	9,176,331
Basic EPS (sen):				
- continuing operations	0.3	(4.5)	(1.6)	(12.7)
- discontinued/discontinuing operations	(9.0)	3.9	(12.6)	10.5
	(8.7)	(0.6)	(14.2)	(2.2)

Basic EPS of the Group was calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares during the current quarter and financial period to date.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

12. Earnings Per Share (“EPS”) (continued)

(b) Diluted EPS

For the diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

	3 rd Quarter Ended		Financial Period Ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
Profit/(Loss) attributable to owners of the Company (RM'000)				
- continuing operations	27,094	(412,107)	(140,962)	(1,164,214)
- discontinued/discontinuing operations	(824,505)	359,707	(1,158,815)	962,459
	(797,411)	(52,400)	(1,299,777)	(201,755)
Weighted average number of ordinary shares in issue ('000)	9,178,994	9,176,880	9,178,532	9,176,331
Adjusted for diluted effect of Axiata PBLTIP ('000)	6,378	7,857	6,642	7,911
Adjusted weighted average number of ordinary shares ('000)	9,185,372	9,184,737	9,185,174	9,184,242
Diluted EPS (sen):				
- continuing operations	0.3	(4.5)	(1.6)	(12.7)
- discontinued/discontinuing operations	(9.0)	3.9	(12.6)	10.5
	(8.7)	(0.6)	(14.2)	(2.2)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Analysis of Consolidated Profit and Loss

The consolidated profit and loss of the Group for the financial period ended 30 September 2023 and comparative figures of 2022 is re-presented in a combined format of continuing, discontinued and discontinuing operations for reference purposes:

	3rd Quarter Ended 2023			
	Continuing Operations	Discontinued Operations	Discontinuing Operations	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	5,695,697	-	314,126	6,009,823
Operating costs:				
- depreciation, impairment and amortisation	(1,859,537)	-	(1,297,061)	(3,156,598)
- foreign exchange losses	(12,171)	-	(26,585)	(38,756)
- domestic interconnect, international outpayment and other direct costs	(666,200)	-	(10,724)	(676,924)
- marketing, advertising and promotion	(461,877)	-	(16,393)	(478,270)
- other operating costs	(1,528,728)	-	(88,505)	(1,617,233)
- staff costs	(464,415)	-	(24,116)	(488,531)
- (reversal of)/provision for impairment on financial assets, net	(36,469)	-	1,304	(35,165)
Other gains - net	132	-	-	132
Other income/(expense) - net	26,572	-	(13,692)	12,880
	693,004	-	(1,161,646)	(468,642)
Finance income	69,595	-	7,160	76,755
Finance costs	(586,882)	-	3,127	(583,755)
Foreign exchange losses on financing activities	(75,192)	-	-	(75,192)
	(662,074)	-	3,127	(658,947)
Joint ventures				
- share of results (net of tax)	(570)	-	-	(570)
Associates				
- share of results (net of tax)	143,658	-	-	143,658
Profit/(Loss) before taxation	243,613	-	(1,151,359)	(907,746)
Taxation	(135,622)	-	128,509	(7,113)
Profit/(Loss) for the financial period	107,991	-	(1,022,850)	(914,859)
Profit/(Loss) for the financial period attributable to:				
- owners of the company	27,094	-	(824,505)	(797,411)
- non-controlling interests	80,897	-	(198,345)	(117,448)
	107,991	-	(1,022,850)	(914,859)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Analysis of Consolidated Profit and Loss (continued)

The consolidated profit and loss of the Group for the financial period ended 30 September 2023 and comparative figures of 2022 is re-presented in a combined format of continuing, discontinued and discontinuing operations for reference purposes: (continued)

	3rd Quarter Ended 2022			
	Continuing Operations	Discontinued Operations	Discontinuing Operations	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	5,367,383	1,550,987	341,948	7,260,318
Operating costs:				
- depreciation, impairment and amortisation	(1,680,506)	(264,150)	(156,760)	(2,101,416)
- foreign exchange gains	62,868	55	14,433	77,356
- domestic interconnect, international outpayment and other direct costs	(568,587)	(83,818)	(15,852)	(668,257)
- marketing, advertising and promotion	(414,772)	(86,144)	(28,862)	(529,776)
- other operating costs	(1,623,200)	(488,240)	(112,112)	(2,223,552)
- staff costs	(420,163)	(168,582)	(19,603)	(608,348)
- (reversal of)/provision for impairment on financial assets, net	(32,893)	6,947	(830)	(26,776)
Other gains - net	(2,315)	(1)	7,332	5,016
Other (expense)/income - net	(82,776)	42,855	10,374	(29,547)
	605,039	509,909	40,068	1,155,016
Finance income	57,349	(4,658)	5,699	58,390
Finance costs	(461,635)	(34,121)	(26,799)	(522,555)
Foreign exchange losses on financing activities	(424,006)	-	-	(424,006)
	(885,641)	(34,121)	(26,799)	(946,561)
Joint ventures				
- share of results (net of tax)	(3,621)	-	-	(3,621)
Associates				
- share of results (net of tax)	80	5,280	-	5,360
(Loss)/Profit before taxation	(226,794)	476,410	18,968	268,584
Taxation	(145,071)	(123,035)	(6,858)	(274,964)
(Loss)/Profit for the financial period	(371,865)	353,375	12,110	(6,380)
(Loss)/Profit for the financial period attributable to:				
- owners of the company	(412,107)	349,847	9,860	(52,400)
- non-controlling interests	40,242	3,528	2,250	46,020
	(371,865)	353,375	12,110	(6,380)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Analysis of Consolidated Profit and Loss (continued)

The consolidated profit and loss of the Group for the financial period ended 30 September 2023 and comparative figures of 2022 is re-presented in a combined format of continuing, discontinued and discontinuing operations for reference purposes: (continued)

	Financial Period Ended 2023			
	Continuing Operations	Discontinued Operations	Discontinuing Operations	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	16,429,695	-	953,370	17,383,065
Operating costs:				
- depreciation, impairment and amortisation	(5,366,514)	-	(2,300,057)	(7,666,571)
- foreign exchange gains/(losses)	140,044	-	(11,416)	128,628
- domestic interconnect, international outpayment and other direct costs	(1,850,973)	-	(33,491)	(1,884,464)
- marketing, advertising and promotion	(1,318,160)	-	(57,653)	(1,375,813)
- other operating costs	(4,482,945)	-	(289,205)	(4,772,150)
- staff costs	(1,331,177)	-	(64,489)	(1,395,666)
- (reversal of)/provision for impairment on financial assets, net	(97,532)	-	1,764	(95,768)
Other gains - net	464	-	12,778	13,242
Other income/(expense) - net	30,038	-	(413,257)	(383,219)
Gain on disposal of a subsidiary	-	402,000	-	402,000
	2,152,940	402,000	(2,201,656)	353,284
Finance income	218,074	-	19,494	237,568
Finance costs	(1,723,743)	-	(118,298)	(1,842,041)
Foreign exchange losses on financing activities	(554,072)	-	-	(554,072)
	(2,277,815)	-	(118,298)	(2,396,113)
Joint ventures				
- share of results (net of tax)	(151)	-	-	(151)
Associates				
- share of results (net of tax)	364,065	-	-	364,065
Profit/(Loss) before taxation	457,113	402,000	(2,300,460)	(1,441,347)
Taxation	(405,776)	-	352,380	(53,396)
Profit/(Loss) for the financial period	51,337	402,000	(1,948,080)	(1,494,743)
(Loss)/Profit for the financial period attributable to:				
- owners of the company	(140,962)	402,000	(1,560,815)	(1,299,777)
- non-controlling interests	192,299	-	(387,265)	(194,966)
	51,337	402,000	(1,948,080)	(1,494,743)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Analysis of Consolidated Profit and Loss (continued)

The consolidated profit and loss of the Group for the financial period ended 30 September 2023 and comparative figures of 2022 is re-presented in a combined format of continuing, discontinued and discontinuing operations for reference purposes: (continued)

	Financial Period Ended 2022			
	Continuing Operations	Discontinued Operations	Discontinuing Operations	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	14,844,133	4,543,702	1,046,691	20,434,526
Operating costs:				
- depreciation, impairment and amortisation	(4,607,174)	(769,254)	(464,908)	(5,841,336)
- foreign exchange (losses)/gains	(379,875)	554	40,051	(339,270)
- domestic interconnect, international outpayment and other direct costs	(1,449,274)	(237,713)	(45,152)	(1,732,139)
- marketing, advertising and promotion	(1,285,517)	(232,086)	(83,687)	(1,601,290)
- other operating costs	(4,398,637)	(1,595,240)	(302,453)	(6,296,330)
- staff costs	(1,148,131)	(441,000)	(61,877)	(1,651,008)
- (reversal of)/provision for impairment on financial assets, net	(63,736)	26,635	(3,952)	(41,053)
Other gains - net	3,733	(4)	21,553	25,282
Other (expense)/income - net	(54,401)	83,706	9,780	39,085
	1,461,121	1,379,300	156,046	2,996,467
Finance income	146,266	(20,649)	13,229	138,846
Finance costs	(1,172,802)	(102,936)	(85,032)	(1,360,770)
Foreign exchange losses on financing activities	(959,917)	-	-	(959,917)
	(2,132,719)	(102,936)	(85,032)	(2,320,687)
Joint ventures				
- share of results (net of tax)	(7,941)	-	-	(7,941)
Associates				
- share of results (net of tax)	(11,499)	13,367	-	1,868
(Loss)/Profit before taxation	(544,772)	1,269,082	84,243	808,553
Taxation	(470,105)	(361,183)	(6,288)	(837,576)
(Loss)/Profit for the financial period	(1,014,877)	907,899	77,955	(29,023)
(Loss)/Profit for the financial period attributable to:				
- owners of the company	(1,164,214)	896,559	65,900	(201,755)
- non-controlling interests	149,337	11,340	12,055	172,732
	(1,014,877)	907,899	77,955	(29,023)



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

13. Analysis of Consolidated Profit and Loss (continued)

(a) Quarter-on-Quarter (Q3'23 vs Q3'22)

The Group recorded a total revenue of RM6,009.8, for Q3'23, representing a 17.2% decrease due to disposal of Celcom effective from 30 November 2022. On the basis of continuing operations, excluding Celcom and Nepal's mobile segment from Q3'22, revenue increased by 6.1% mainly contributed by all OpCos except mobile operations in Cambodia and fixed broadband operations in Indonesia. Consequently, Group EBITDA and EBIT grew by 10.0% and 8.2% to RM2,538.0 million and RM678.5 million respectively, flowing from higher topline and lower operating costs. There was one-off additional fees (net of accruals) and penalties charged for the use of microwave equipment in prior years of RM151.6 million recorded by mobile operations in Cambodia in Q3'22.

Group PAT and PATAMI both decreased by more than 100% to a loss of RM914.9 million and a loss of RM797.4 million respectively, mainly impacted by disposal of Celcom effective from 30 November 2022. On the basis of continuing operations, excluding Celcom and Nepal's mobile segment from Q3'23, Group PAT and PATAMI would have increased by more than 100% to RM108.0 million and RM27.1 million respectively, mainly driven by higher topline, lower foreign exchange losses and share of profits from associates mainly from CelcomDigi Berhad, partially offset by higher depreciation and amortisation, and higher finance costs.

(b) Year-on-Year (YTD'23 vs YTD'22)

The Group recorded a total revenue of RM17,383.1 million for YTD'23, representing a 9.4% increase compared to the preceding year's corresponding period. On the basis of continuing operations, excluding Celcom and Nepal's mobile segment from both YTD'23 and YTD'22, revenue increased by 10.7% with growth across all OpCos except digital business (ADA). Consequently, Group EBITDA and EBIT increased by 13.1% and 4.8% to RM7,348.9 million and RM1,982.4 million respectively, flowing from higher topline, partially offset by higher depreciation and amortisation. At constant currency of YTD'22, revenue, EBITDA and EBIT would have increased by 14.5%, 16.9% and 12.0% respectively.

Group PAT and PATAMI both decreased by more than 100% to a loss of RM1,494.8 million and a loss of RM1,299.8 million respectively, mainly impacted by the provision for impairment on assets in Nepal's mobile segment amounting to RM1,505.6 million (PATAMI: RM1,204.5 million) and write-off of CGT related receivables of RM396.1 million (PATAMI: RM316.9 million), cushioned by one-off gains on disposal of Celcom amounting to RM402.0 million in YTD'23.



AXIATA GROUP BERHAD
Company No. 199201010685 (242188-H)

14. Qualification of Preceding Audited Financial Statements

The 2022 Audited Financial Statements were not subject to any qualification.

15. Dividend Proposed

- (a) On 29 August 2023, the Board of Directors declared a tax exempt interim dividend under single tier system of 5.0 sen per ordinary share of the Company in respect of financial year ending 31 December 2023 amounting to RM459.0 million. The dividend was paid on 18 October 2023.
- (b) No dividend is declared for the current quarter ended 30 September 2023 (Q3'22: 5.0 sen).

By Order of the Board

Suryani Hussein (LS0009277)
Secretary

Kuala Lumpur
29 November 2023