

**NEWS RELEASE  
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**CELCOM ENDED 2017 WITH A SOLID PERFORMANCE**

- Uplift in performance after three consecutive years of decline
- Making good progress in Customer Experience, retail tNPS at 68 ; up from 66 in Q4 17/ from 58 in Q3 16
- #1 in Malaysian Relationship Net Promoter Score per 3rd party Market Study
- Increase in service revenue to RM1.562 billion (2.5%), total revenue of RM1.777 billion (7.4%) QoQ
- Data Revenue made 43% of total revenue, with YoY growth of 25% to RM767million
- Data Consumption grew by 17.5% to 8.5GB per month, QoQ
- Stronger ARPU recorded for postpaid, with growth of RM3 to RM87 per subscriber
- QoQ normalised EBITDA and normalised PATAMI growth of 6.6% and 8.6% respectively.

**NUSAJAYA, 8 MARCH 2018** – Celcom Axiata Berhad recorded a solid performance and ended 2017 with an uplift in its performance, after a consecutive decline for three years.

Celcom's strategy to deliver an awesome customer experience in every part of the customer journey is delivering results. The company recorded improvements in its Transactional Net Promoter Scores (tNPS) which improved in retail to 68 points, compared to 66 in the past quarter, and up from 58 in Q316. Further improvements into Q1 2018 are already visible partly contributed by the new look and feel of Celcom Bluecube shops, introduced within the quarter to provide an exciting walk-in experience on top of the excellent retail service it offers. Celcom aims to have 60-80% of its bluecube stores refreshed by end of 2018.

Beyond this, tNPS of Celcom's Contact Centres have seen substantial improvements in Q417 by further improving processes and implementing new capabilities for better customer experience.

Celcom's Quarter on Quarter (QoQ) service revenue grew to RM1.562 billion, and total revenue to RM1.777 billion, recording an increase of 2.5% and 7.4% each.

The company recorded stronger data performance for the observed quarter with growth of 25% year on year (YoY) to RM767 million, which contributed 43% of the company's total revenue. Data consumption also showed steady increase of 17.5% to 8.5GB per month per active data user, compared to 7.2GB in the previous quarter. The increase was driven by a higher smartphone penetration from 72% in Q317, to 74%.

Postpaid business delivered a robust performance with an improvement in average revenue per user (ARPU) of RM3 to RM87, led by higher value plan subscriptions and

monetization efforts. Meanwhile, prepaid delivered improvement in its revenue base by growing 0.4% in Q417.

Normalised EBITDA (earnings before interest, tax, depreciation and amortisation) QoQ improved with an increase of 6.6%, from RM688 million to RM734 million. The company also delivered growth in QoQ normalised PATAMI of 8.6% to RM336 million.

Michael Kuehner, Chief Executive Officer of Celcom Axiata Berhad attributed the growth to the strong focus on customer experience and improvements in major revenue generating turnaround elements and key functional areas such as sales and distribution, network and products.

During the media briefing held in Nusajaya today, Michael said, "The improved result for this quarter signifies the steadfast progress for Celcom's turnaround and we are gradually regaining our position in the market."

Also present in the media briefing were Azwan Khan Osman Khan, Deputy Chief Executive Officer, Business Operation, Jennifer Wong, Chief Financial Officer and Rene Werner, Chief Customer Experience & Service Officer of Celcom Axiata Berhad.

"Customer experience is key and therefore Celcom strengthened further its focus in delivering the best customer experience during the quarter. I am glad to announce that Celcom has taken the lead in the Malaysian Relationship Net Promoter Score (rNPS), following a third party market survey carried out recently. The research was done by AC Nielsen with more than 7, 000 respondents from the four key Malaysian network operators across all regions," he said.

Celcom's digitization efforts are also delivering results by continuously innovating how we interact with customers driving growth in digital transaction volume – up by 68% in 2017. A new web site has been launched with fresh and simplified design. The company has also launched new partnerships that provide customers with convenience and privileges to reward their loyalty.

Michael also established that Celcom's network enhancement was a major contributing factor to the results. Celcom is proud to have substantially achieved an expansion of its 4G and LTE-A population coverage to 87% and 74% in Q417.

"In 2017, we invested a substantial amount in our Networks, fulfilling our commitment to deliver the best video experience to the customers. It was worth it, and we are pleased to announce that Celcom is now rated No. 1 for HD-rated YouTube video streaming in over 21 major cities in Malaysia," he added.

Among the many Celcom initiatives that contributed further in driving its positive growth within the quarter are:

- Super Video Walla - Celcom enabled consumers with an enriched video experience to satisfy their streaming needs.
- The New Xpax Internet Plan – offers great value for prepaid customers with its new additional features; FREE 10GB data for Instagram, Instagram Walla and data rollover.

- The New Xpax Roaming Plan – enables prepaid customer to stay digitally connected via social chats when traveling overseas, from as low as RM1.
- RM300, 000 Cash Prizes Up For Grabs on Celcom Game Hero – Kill Shot Legacy – the third series of the Biggest Mobile Tournament in Malaysia.
- Celcom Partners Uber to Enhance Digital Lifestyle for Riders and Drivers – partnership with Uber to provide special benefits for customers.

## **Moving forward**

In 2017 Celcom focused its efforts on stabilizing revenue and return to growth. Continuing the momentum in 2018, Celcom will remain focused on the core strategy of delivering awesome customer experience.

This will include increased speed of delivery in our digitization efforts, transforming and enhancing how Celcom interacts with customers and partners through their channel of choice. We will deliver a Humanized experience whilst focusing on automating and speeding up service delivery for the end customer.

“Celcom will also maintain a strong focus on managing our cost base to deliver improved profitability.

“Driving change through Digitization starts with changing mind-sets and the culture of our organization. Culture and People transformation is a special focus area in 2018 where we will be challenging everything in our “business-as-usual” way of working.” Michael concluded.

For more info, visit:

[http://axiata.listedcompany.com/misc/Axiata\\_Presentation\\_4Q17.pdf](http://axiata.listedcompany.com/misc/Axiata_Presentation_4Q17.pdf)

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