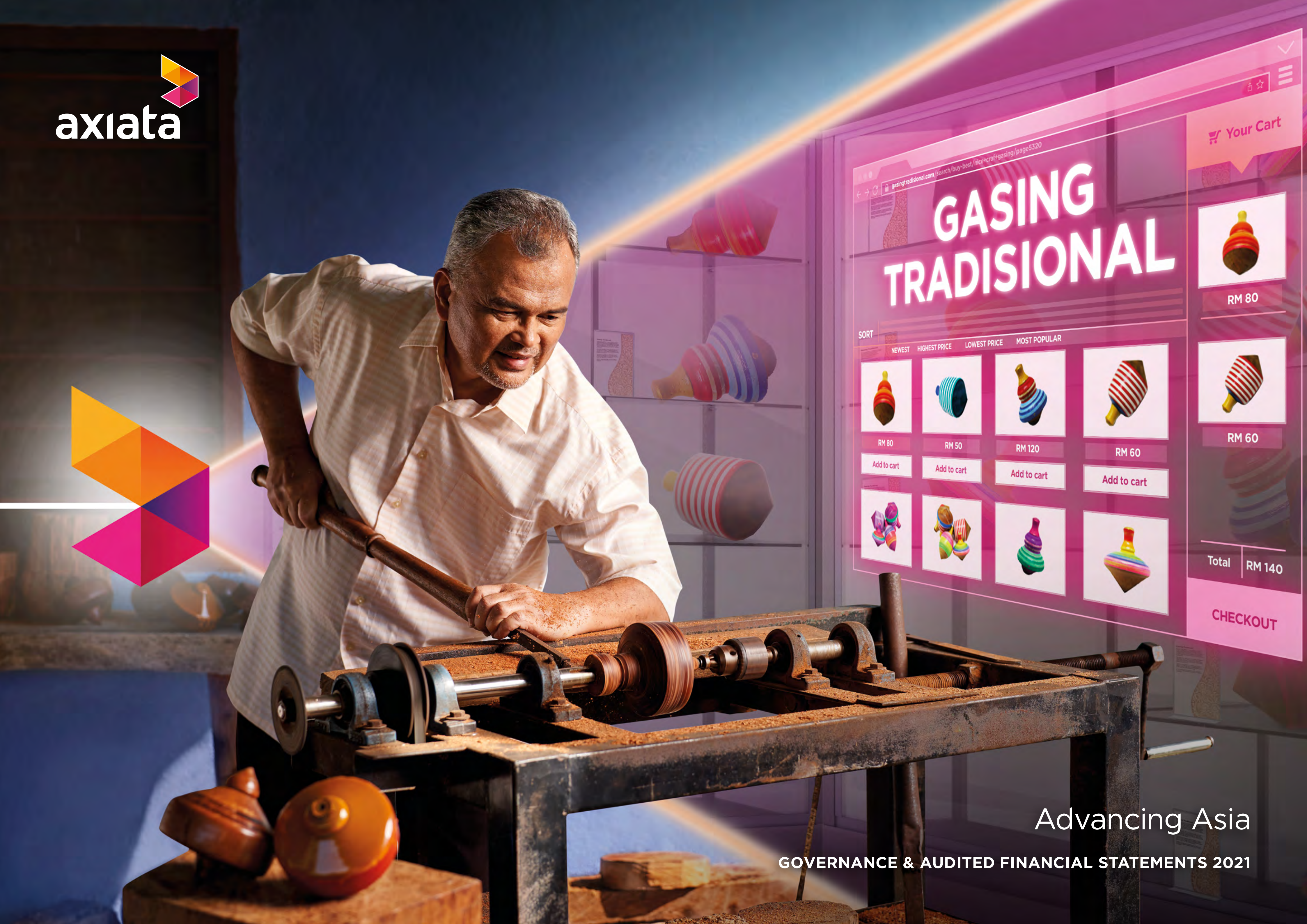

Advancing Asia

GOVERNANCE & AUDITED FINANCIAL STATEMENTS 2021

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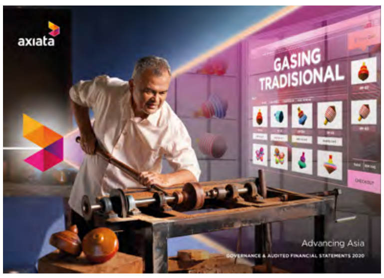
OTHER INFORMATION

Axiata's Integrated Annual Report 2021 Suite is made up of the following:

IAR Integrated Annual Report 2021



GAFS Governance & Audited Financial Statements 2021

SNCR Sustainability & National Contribution Report 2021

GOVERNANCE

Governance & Compliance Information

Group Corporate Structure* As at 31 March 2022

AXIATA GROUP BERHAD

- Celcom Axiata Berhad (Malaysia)
  - Celcom Resources Berhad (Malaysia)
  - Celcom Networks Sdn Bhd (Malaysia)
  - Celcom Mobile Sdn Bhd (Malaysia)
    - *Tune Talk Sdn Bhd* (Malaysia) 35.00%
  - Celcom Properties Sdn Bhd (Malaysia)
  - Celcom Retail Holding Sdn Bhd (Malaysia)
    - Celcom Retail Sdn Bhd (Malaysia)
  - Celcom Timur (Sabah) Sdn Bhd (Malaysia) 80.00%
  - Infront Consulting Group (M) Sdn Bhd (Malaysia) 60.00%
    - Infront Consulting Group (S) Pte Ltd (Singapore) 69.00%
  - Bridgenet Solutions Sdn Bhd (Malaysia) 51.00%
  - Sacofa Sdn Bhd (Malaysia) 15.12%
- Axiata SPV1 (Labuan) Limited (Labuan)
  - Axiata Investments 1 (India) Limited (Mauritius)
  - Axiata Investments 2 (India) Limited (Mauritius)
- Axiata SPV2 Berhad (Malaysia)
- Axiata Management Services Sdn Bhd (Malaysia)
- Axiata Foundation#
- Axiata Investments (UK) Limited (United Kingdom)
  - Reynolds Holdings Limited (St. Kitts & Nevis)
  - Ncell Axiata Limited (Nepal) 80.00%
- Axiata Business Services Sdn Bhd (Malaysia)
  - Xpand Investments (Labuan) Limited (Labuan)
    - Suvitech Co., Ltd (Thailand) 65.00%
  - Axiata Global Services Pte Ltd (Singapore)
- Axiata SPV5 (Labuan) Limited (Labuan)
- Axiata Investments (Singapore) Limited (Labuan)
- Axiata SPV4 Sdn Bhd (Malaysia)
  - Merchantrade Asia Sdn Bhd (Malaysia) 19.00%
  - Axiata Digital Innovation Fund Sdn Bhd (Malaysia) 62.19%
- Axiata Digital Services Sdn Bhd (Malaysia) 96.47%
  - Axiata Digital & Analytics Sdn Bhd (Formerly known as Axiata Digital Advertising Sdn Bhd) (Malaysia) 63.47%
  - PT Axiata Digital Analytics Indonesia (Indonesia)
  - Axiata Digital Bangladesh (Private) Limited (Bangladesh)
  - Boost Holdings Sdn Bhd (Malaysia) 78.12%
    - Axiata Digital Capital Sdn Bhd (Malaysia)
      - PT Axiata Digital Capital Indonesia (Indonesia)
    - PT Axiata Digital Services Indonesia (Indonesia)
    - Axiata Digital eCode Sdn Bhd (Malaysia)
    - Apigate Sdn Bhd (Malaysia)
    - Apigate India Services Private Limited (India)
    - PT Creative Mobile Adventure (Indonesia) 68.75%
  - Apigate Inc. (USA)
  - Trust Axiata Digital Limited (Bangladesh) 49.00%

Legend:

- * Depicting active subsidiaries, associates and affiliates
- ☐ Key Operating Companies
- ▶ Wholly-owned Subsidiaries
- ▶ Non wholly-owned Subsidiaries
- ▷ Associates/Affiliates
- ‡ Listed Companies
- # Company Limited by Guarantee

Note:
The complete list of subsidiaries, associates and joint ventures and their respective principal activities, country of incorporation and the Group's effective interest are shown in notes 44 to 46 to the financial statements on pages 167 to 176 of this Governance & Audited Financial Statements 2021.

Governance & Compliance Information

Group Corporate Structure* As at 31 March 2022

ADA Digital Singapore Pte Ltd (Singapore)

ADA Digital Philippines Inc. (Philippines) 99.99%

ADA Asia Malaysia Sdn Bhd (Malaysia)

PT ADA Asia Indonesia (Indonesia) 99.00%

ADA Digital (Thailand) Co Ltd (Thailand) 99.85%

AAD Holdings Pte Ltd (Singapore)

AAD Indochina Pte Ltd (Singapore)

Thien An Investment Co Ltd (Vietnam)

AADistribution Phils Inc. (Philippines)

Awake Asia Distribution Sdn Bhd (Malaysia)

Awake Asia Distribution Pte Ltd (Singapore)

PT Awake Asia Distribution Indonesia (Indonesia)

Axiata Investments (Cambodia) Limited (Labuan)

Axiata (Cambodia) Holdings Limited (Labuan) 72.48%

Smart Axiata Co., Ltd (Cambodia)

Pi Pay International Co., Ltd (Hong Kong) 26.42%

20%

Edotco (Cambodia) Co., Ltd (Cambodia) – 80%

SADIF LP (Labuan) 80.00%

edotco Group Sdn Bhd (Malaysia) 63.00%

edotco Malaysia Sdn Bhd (Malaysia) 0.002%

79.998%

Tanjung Digital Sdn Bhd (Malaysia)

Yiked Bina Sdn Bhd (Malaysia) 79%

On Site Services Sdn Bhd (Malaysia)

Touch Mindscape Sdn Bhd (Malaysia)

0.1%

99.9%

PT edotco Infrastruktur Indonesia (Indonesia)

edotco Holdings (Labuan) Limited (Labuan)

edotco Investments (Labuan) Limited (Labuan)

edotco Services Lanka (Private) Limited (Sri Lanka)

34.3%

edotco Towers (Bangladesh) Limited (Bangladesh)

edotco Pakistan (Private) Limited (Pakistan)

edotco Bangladesh Co. Ltd (Bangladesh) 35.7%

edotco Towers Pakistan (Private) Limited (Pakistan)

80%

edotco Lao Company Limited (Laos)

51%

ISOC edotco Towers, Inc. (Philippines)

Axiata Investments (Labuan) Limited (Labuan)

Axiata Investments (Indonesia) Sdn Bhd (Malaysia)

PT XL Axiata Tbk ‡ (Indonesia) 61.48%

PT One Indonesia Synergy (Indonesia) 50.00%

PT Princeton Digital Group Data Centres (Indonesia) 30.00%

Touch Matrix Sdn Bhd (Malaysia)

Shahzan Alam Muda Sdn Bhd (Malaysia) 80.00%

Touch Mobile Sdn Bhd (Malaysia)

Touch Mindscape (Melaka) Sdn Bhd (Malaysia) 55.00%

edotco Investments Singapore Pte. Ltd. (Singapore) 87.50%

Asian Towers Holdings Pte. Limited (Singapore)

99.00% 1.00%

edotco Myanmar Limited (Myanmar)

edotco Urban Infrashare Ltd (Myanmar)

Telecard (Private) Limited (Sri Lanka)

Digital Realty (Private) Limited (Sri Lanka) 35.00%

H One (Private) Limited (Sri Lanka)

Dialog Broadband Networks (Private) Limited (Sri Lanka)

Dialog Device Trading (Private) Limited (Sri Lanka)

Dialog Television (Private) Limited (Sri Lanka)

Digital Holdings Lanka (Private) Limited (Sri Lanka)

99.03%

Digital Commerce Lanka (Private) Limited (Sri Lanka) 0.97%

Dialog Business Services (Private) Limited (Sri Lanka)

Dialog Finance PLC ‡ (Sri Lanka) 99.05%

Dialog Network Services (Private) Limited (Sri Lanka)

25%

Dialog Axiata Digital Innovation Fund (Private) Limited (Sri Lanka) 25%

20.45%

Headstart (Private) Limited (Sri Lanka) 50.59%

Digital Health (Private) Limited (Sri Lanka) 37.24%

My Health Solutions (Private) Limited (Sri Lanka)

Robi Axiata Limited ‡ (Bangladesh) 61.82%

RedDot Digital Limited (Bangladesh) 99.99%

Axiata Lanka (Private) Limited (Sri Lanka)

Axiata Digital Labs (Private) Limited (Sri Lanka)

99.99%

PT Axiata Digital Labs Indonesia (Indonesia)) –0.01%

Dialog Axiata PLC ‡ (Sri Lanka) 82.74%

Governance & Compliance Information
Profile of Directors

TAN SRI SHAHRIL RIDZA RIDZUAN
Chairman
Independent Non-Executive Director

Nationality / Age / Gender:
Malaysian / 51 / Male

Date of Appointment:
29 November 2021

Length of Service:
4 months

Date of Last Re-election:
Nil

Membership of Board Committees:
Nil

Qualifications:
- Master in Arts (First Class), Cambridge University
- Bachelor in Civil Law (First Class), Oxford University

Working Experience and Occupation:
Tan Sri Shahril was appointed as Chairman of Axiata Group Berhad on 1 January 2022, after joining the Board on 29 November 2021.

Previously, he led Khazanah Nasional Berhad as its Managing Director from 20 August 2018 to 19 August 2021, where he worked towards striking a balance between growing financial returns at the national sovereign fund whilst also ensuring long-term benefits for future generations of Malaysians.

Before that, Tan Sri Shahril served as Chief Executive Officer of the Employees Provident Fund of Malaysia (EPF) from 2013 to 2018. He joined EPF as Deputy CEO (Investments) in 2009. During his tenure at EPF, he also served as a Non-Executive Board Member of Media Prima Berhad, Malaysia Building Society Berhad, Malaysian Resources Corporation Berhad (MRCB) and IJN Holdings Sdn Bhd.

Tan Sri Shahril was the Managing Director of MRCB from 2003 to 2009 and responsible for developing Kuala Lumpur Sentral into one of the main commercial centres in Malaysia.

Currently, Tan Sri Shahril also serves as a Non-Executive Director of Malaysia Airlines Berhad and Malaysia Aviation Group Berhad and chairs the Board Nomination and Remuneration Committee of both companies.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- Malaysia Airlines Berhad
- Malaysia Aviation Group Berhad

DATO' IZZADDIN IDRIS
Managing Director
President & Group Chief Executive Officer

Nationality / Age / Gender:
Malaysian / 59 / Male

Date of Appointment:
24 November 2016

Length of Service:
5 years 4 months

Date of Last Re-election:
29 May 2019

Membership of Board Committees:
- Board Risk and Compliance Committee
- Board Annual Report Committee*
- Axiata Enterprise Investment Board Committee

Qualifications:
- Bachelor of Commerce Degree (First Class Honours in Finance), University of New South Wales, Australia
- Fellow of CPA Australia (FCPA)
- Member of the Malaysian Institute of Accountants (MIA)

Working Experience and Occupation:
Dato' Izzaddin was appointed as Managing Director/ President & Group Chief Executive Officer of Axiata Group Berhad (Axiata) on 1 January 2021 after serving as Executive Director/Deputy Group Chief Executive Officer since 24 January 2020. He joined the Board in November 2016 as a Non-Independent Non-Executive Director and was re-designated as Independent Non-Executive Director in March 2019.

Prior to joining Axiata, Dato' Izzaddin was the Group Managing Director/Chief Executive Officer of UEM Group Berhad (UEM Group), a position he held since July 2009 until his departure in October 2018. Immediately before his position in UEM Group, he was the Chief Financial Officer/Senior Vice President (Group Finance) of Tenaga Nasional Berhad, a position he held from September 2004 to June 2009. Dato' Izzaddin has over 20 years of experience in the fields of investment banking, financial and general management having served in various senior positions at Malaysian International Merchant Bankers Berhad, Malaysian Resources Corporation Berhad and Southern Bank Berhad.

Directorships of Public Companies:
Axiata Group
Listed
- PT XL Axiata Tbk (Commissioner and Member of Nominating and Remuneration Committee)

Non-listed
- Celcom Axiata Berhad (Chairman)
- Axiata Foundation

Others
Listed
- Nil

Non-listed
- The Iclif Leadership and Governance Centre
- GSM Association

DATO DR NIK RAMLAH NIK MAHMOOD
Senior Independent Non-Executive Director

Nationality / Age / Gender:
Malaysian / 66 / Female

Date of Appointment:
21 March 2017

Length of Service:
5 years

Date of Last Re-election:
29 July 2020

Membership of Board Committees:
- Board Nomination and Remuneration Committee (Chairman)
- Board Risk and Compliance Committee

Qualifications:
- Bachelor of Law with Honours, University of Malaya
- Master of Law and PhD in Law, University of London

Working Experience and Occupation:
Dato Dr Nik Ramlah retired as Deputy Chief Executive of Securities Commission Malaysia (SC) in March 2016, having served the organisation for 23 years. She has extensive experience in policy and regulatory reform, capital market regulation, corporate governance and Islamic finance. Prior to joining the SC, Dato Dr Nik Ramlah was an Associate Professor at the Faculty of Law, University of Malaya.

Dato Dr Nik Ramlah is a member of the Board of Directors of Perbadanan Insurans Deposit Malaysia, Institute for Capital Market Research Malaysia and the International Centre for Education in Islamic Finance (INCEIF).

Directorships of Public Companies:
Axiata Group
Listed
- Dialog Axiata PLC

Non-listed
- Nil

Others
Listed
- United Malacca Berhad

Non-listed
- Permodalan Nasional Berhad
- Amanah Saham Nasional Berhad

Governance & Compliance Information
Profile of Directors

DR DAVID ROBERT DEAN
Independent Non-Executive Director

Nationality / Age / Gender:
British / 63 / Male

Date of Appointment:
11 December 2017

Length of Service:
4 years 3 months

Date of Last Re-election:
29 July 2020

Membership of Board Committees:
- Board Audit Committee
- Board Risk and Compliance Committee (Chairman)
- Axiata Enterprise Investment Board Committee (Chairman)

Qualifications:
- First Class Honours Degree (BA) in Physics, Oriel College, University of Oxford
- Master of Arts in Physics, Oriel College, University of Oxford
- D.Phil. in Theoretical Nuclear Physics, Oriel and Wolfson Colleges, University of Oxford

Working Experience and Occupation:
Dr Dean is an independent advisor and non-executive director at technology and telecommunications companies in Europe and Asia. He retired as Senior Partner from The Boston Consulting Group (BCG) at the end of 2013 after 28 years, where he served clients in the technology and telecommunications industries in Europe, the US, Africa, India, China, South East Asia and Japan, in particular on strategic, corporate development and other top management issues. For several years, Dr Dean led BCG's Global Technology & Communications Practice, during which time he helped create a leading position in Asia and contributed significantly to the firm's most innovative thinking in areas of the Internet economy, cloud computing and personal data.

Dr Dean has also contributed to projects at The World Economic Forum and participated in multiple World Economic Forum events.

Directorships of Public Companies:
Axiata Group
Listed
- PT XL Axiata Tbk (Commissioner)

Non-listed
- Ncell Axiata Limited (Chairman)

Others
Listed
- SÜSS MicroTec SE, Garching/Munich (Chairman)

Non-listed
- Nil

KHOO GAIK BEE
Independent Non-Executive Director

Nationality / Age / Gender:
Malaysian / 64 / Female

Date of Appointment:
1 January 2019

Length of Service:
3 years 3 months

Date of Last Re-election:
15 June 2021

Membership of Board Committees:
- Board Nomination and Remuneration Committee
- Board Annual Report Committee*

Qualifications:
- Bachelor of Arts (2nd Class Upper Honours Degree) in Public Administration, University of DeMontfort, Leicester, United Kingdom
- Certificate in Human Resource Management in Asia Programme, Euro-Asia Centre, INSEAD Campus

Working Experience and Occupation:
Gaik Bee brings a wealth of experience from a progressive 40 years career spanning the entire spectrum of Human Resource Management. She served at several international and Malaysian corporates including Digital Equipment Malaysia, ICI Paints (M) Sdn Bhd, Sunway Group of Companies and Arthur Young & Co., among others, before retiring as Executive Director/ Human Resource Director of Guinness Anchor Berhad in 2006.

Some of her key achievements include successful merger and acquisition integration initiatives and negotiations with in-house unions. During her tenure in employment, she was a member of the Malaysian Employers Federation (MEF) Council and a panel member of the Malaysian Industrial Court. She was also a Member of the Accreditation Board of the Women Institute of Management (WIM) Professional Manager Certification Programme. Post-retirement, she engages in executive coaching and strategic leadership advisory for organisations, having also served Axiata Group Berhad in this capacity.

Gaik Bee also served as the Chairman of Board Remuneration Committee of Celcom Axiata Berhad and Chairman of Board Nomination and Remuneration Committee of Smart Axiata Co., Ltd and Axiata Digital Services Sdn Bhd.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- QSR Brands (M) Holdings Berhad

THAYAPARAN S SANGARAPILLAI
Independent Non-Executive Director

Nationality / Age / Gender:
Malaysian / 67 / Male

Date of Appointment:
18 March 2020

Length of Service:
2 years

Date of Last Re-election:
15 June 2021

Membership of Board Committees:
- Board Audit Committee (Chairman)
- Board Annual Report Committee* (Chairman)
- Axiata Enterprise Investment Board Committee

Qualifications:
- Fellow of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Certified Public Accountants
- Member of the Malaysian Institute of Accountants

Working Experience and Occupation:
Thayaparan is a retired Senior Partner with over 32 years in PricewaterhouseCoopers, Malaysia. He has worked extensively with audit committees, senior management and Board members of top tier public listed companies across industries in audit, business advisory, mergers and acquisitions, valuations, initial public offerings and cross border transactions.

Thayaparan is a Board member and Chairman of the Risk Committee of Petroliam Nasional Berhad. Additionally, Thayaparan is the Chairman of Board Audit Committees of Celcom Axiata Berhad, Sime Darby Berhad (Sime Darby) and AIG Malaysia Insurance Berhad (AIG Malaysia). Thayaparan also sits on the Risk Committee of Sime Darby and chairs the Risk Committee of AIG Malaysia.

Directorships of Public Companies:
Axiata Group
Listed
- Robi Axiata Limited (Chairman)

Non-listed
- Celcom Axiata Berhad

Others
Listed
- Sime Darby Berhad

Non-listed
- Petroliam Nasional Berhad
- AIG Malaysia Insurance Berhad

Governance & Compliance Information
Profile of Directors

TAN SRI DR HALIM SHAFIE
Independent Non-Executive Director

Nationality / Age / Gender:
Malaysian / 73 / Male

Date of Appointment:
1 November 2020

Length of Service:
1 year 5 months

Date of Last Re-election:
15 June 2021

Membership of Board Committees:
- Board Risk and Compliance Committee

Qualifications:
- Bachelor of Economics, University of Malaya
- Masters of Economic Development, University of Pittsburgh, USA
- PhD in Information Transfer, Syracuse University, USA

Working Experience and Occupation:
Tan Sri Dr Halim has served in many Government agencies including the Ministry of Education, Malaysian Administrative Modernisation and Management Planning Unit (MAMPU) and the National Institute of Public Administration (INTAN). He was the Secretary General, Ministry of Energy, Water and Communications in 2000 and Chairman of the Malaysian Communications and Multimedia Commission (MCMC) from 2006 to 2009 before taking up position as Chairman of Telekom Malaysia Berhad from 2009 to 2015. His last position before Axiata Group Berhad was as Chairman of MCMC appointed for the second time from 2015 to 2018.

Tan Sri Dr Halim also served as the Chairman of Smart Axiata Co., Ltd.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- Nil

ONG KING HOW
Non-Independent Non-Executive Director (Representative of Khazanah Nasional Berhad)

Nationality / Age / Gender:
Malaysian / 47 / Male

Date of Appointment:
28 August 2020

Length of Service:
1 year 7 months

Date of Last Re-election:
15 June 2021

Membership of Board Committees:
- Board Nomination and Remuneration Committee

Qualifications:
- Bachelor of Business (Accountancy) with Distinction, RMIT University, Melbourne, Australia
- Member of CPA Australia

Working Experience and Occupation:
King How was first appointed as Alternate Director to Tengku Dato Sri Azmil Zahruddin Bin Raja Abdul Aziz on 27 November 2019 and ceased from the same position in view of the resignation of Tengku Dato Sri Azmil Zahruddin on 27 August 2020.

King How is currently Director of Investments at Khazanah Nasional Berhad (Khazanah) where his primary responsibility includes managing investment teams in the telecommunications and media sectors. He first joined Khazanah's Managing Director's Office in November 2006 and has held various positions in Khazanah's Investments division across multiple sectors including Banking, Telecommunications, Media and Power since February 2008.

Prior to Khazanah, he was with PricewaterhouseCoopers Malaysia where he accumulated more than seven years' experience in financial audit, accounting, advisory and financial due diligence specialising in financial services.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- Nil

SYED ALI SYED SALEM ALSAGOFF
Non-Independent Non-Executive Director (Representative of Permodalan Nasional Berhad)

Nationality / Age / Gender:
Malaysian / 46 / Male

Date of Appointment:
1 November 2020

Length of Service:
1 year 5 months

Date of Last Re-election:
15 June 2021

Membership of Board Committees:
- Board Audit Committee
- Axiata Enterprise Investment Board Committee

Qualifications:
- Bachelor of Accounting and Finance, Manchester Metropolitan University, United Kingdom

Working Experience and Occupation:
Syed Ali began his career in audit before joining a local brokerage house trading equities. He then moved into the marine logistics business, servicing major Exploration & Production companies in Malaysia, including Petronas.

He served Bumi Armada Berhad (Bumi Armada) between 2006 and 2009, heading the Corporate Finance team. Syed Ali oversaw Oil and Gas related investments during his time in Ekuiti Nasional Berhad. Syed Ali re-joined Bumi Armada in 2011, as the President Director of the Indonesian incorporated joint venture (JV), and successfully led the JV for major contract win.

During his stint at Baker Hughes Malaysia, Syed Ali was responsible for managing Petronas global accounts, advocating low carbon technologies for energy transition and digital solutions to enhance cost optimisations via operational efficiencies.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- Nil

Governance & Compliance Information
Profile of Directors

NURHISHAM HUSSEIN
Non-Independent Non-Executive Director
(Representative of Employees Provident Fund)

Nationality / Age / Gender:
Malaysian / 53 / Male

Date of Appointment:
25 January 2022

Length of Service:
2 months

Date of Last Re-election:
Nil

Membership of Board Committees:
Nil

Qualifications:
- Bachelor of Science (Econs) in Monetary Economics, University of London School of Economics and Political Science (LSE)
- Master in Economics, University Malaya

Working Experience and Occupation:
Nurhisham was appointed as the Non-Independent Non-Executive Director of Axiata Group Berhad on 25 January 2022. Currently he is the Chief Strategy Officer for the Employees Provident Fund (EPF). His division oversees corporate strategy, communications, economic research, and enterprise project management. Prior to holding this position, he headed the economic research team at the EPF. He joined EPF after a stint with Malaysian Rating Corporation Berhad, producing country reports, developing economic viewpoints and making quantitative forecasts.

Directorships of Public Companies:
Axiata Group
Listed
- Nil

Non-listed
- Nil

Others
Listed
- Nil

Non-listed
- Nil

Notes:
None of the Directors have:
(i) Any family relationship with any Director and/or major shareholder of Axiata.
(ii) Any conflict of interest with Axiata.
(iii) Any conviction for offences within the past five years and particulars of any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year ended 31 December 2021 (other than traffic offences).
(iv) Information on Directors' attendance at Board meetings held during the financial year is disclosed on page 89 of the Integrated Annual Report 2021.
* Now known as the Board Sustainability Committee effective 8 April 2022

Governance & Compliance Information
Board Remuneration

Breakdown of the aggregated remuneration of NEDs of Axiata Group Berhad ("Axiata") into appropriate components including remuneration for services rendered by them to Axiata Group for FY21 is set out below:

Name of Directors	Directors' Fees (Company) RM'000	Meeting Allowances (Company) RM'000	Monetary Value of Benefits-in-Kind RM'000	Fees - Subsidiaries RM'000	Meeting Allowances - Subsidiaries RM'000	Total RM'000
Tan Sri Shahril Ridza Ridzuan[a]	21	2	18	0	0	41
Dato Dr Nik Ramlah Nik Mahmood[b]	288	90	7	152	35	572
Dr David Robert Dean[c]	331	88	304	508	46	1,277
Khoo Gaik Bee[d]	250	76	35	0	1	362
Thayaparan S Sangarapillai[e]	288	87	3	254	61	693
Tan Sri Dr Halim Shafie[f]	261	66	12	53	6	398
Ong King How[g]	250	71	7	0	0	328
Syed Ali Syed Salem Alsagoff	264	72	43	0	0	379
Tan Sri Ghazzali Sheikh Abdul Khalid[h]	360	84	17	0	0	461
Total	**2,313**	**636**	**446**	**967**	**149**	**4,511**

[a] Appointed as Independent Non-Executive Director of Axiata on 29 November 2021 and subsequently as Chairman on 1 January 2022

[b] Appointed as Director of Dialog Axiata PLC on 13 May 2020. Appointed as Chairman of edotco Group Sdn Bhd ("edotco") and Chairman of Board Nomination and Remuneration Committee ("BNRC") of edotco on 9 April 2020

[c] Appointed as Chairman of Ncell Axiata Limited on 31 January 2019 and Commissioner of PT XL Axiata Tbk on 9 March 2018

[d] Appointed as Chairman of Board Remuneration Committee ("BRC") of Celcom Axiata Berhad ("Celcom") on 1 March 2021, Chairman of BNRC of Smart Axiata Co., Ltd ("Smart") on 5 March 2021 and Chairman of BNRC of Axiata Digital Services Sdn Bhd ("ADS") on 2 March 2021

[e] Appointed as Director of Celcom on 26 March 2020, Member of Board Audit Committee ("BAC") on 1 July 2015 and subsequently, Chairman of BAC of Celcom on 12 August 2020 and Member of BRC of Celcom on 12 August 2020. Appointed as Chairman of Robi Axiata Limited on 26 February 2021

[f] Appointed as Chairman of Smart on 6 May 2021

[g] Appointed as Director of ADS on 16 September 2020. Fees and meeting allowances are paid directly to Khazanah Nasional Berhad

[h] Resigned as Chairman of Axiata on 31 December 2021

Executive Director

Breakdown of the aggregated remuneration of the Executive Director of Axiata for FY21 into appropriate components is set out below:

	(RM'000)
a. Salaries, Allowances and Bonus	3,616
b. Benefits (Contribution to EPF, share-based payment expense and Monetary Value of Benefits-in-Kind)	1,260

Governance & Compliance Information
Directors' Training List 2021

Directors	List of Training/Conference/Seminar/Workshop Attended/Participated in 2021
Tan Sri Shahril Ridza Ridzuan	1) Leading through crisis and uncertainty by Azran Osman-Rani and Dr. Tiffanie Ong, Khazanah Nasional Berhad, 5 February 2021 2) Fajr Academy Leadership Series by Howard S. Marks, Fajr Capital, 23 February 2021 3) Board Continuous Development Programme Series by Khazanah Nasional Berhad, 14 July 2021 4) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4-6 October 2021 5) The Hasanah Forum: Special Address – New Horizons of Financing Positive Social Impact by Yayasan Hasanah, 17-18 November 2021
Dato' Izzaddin Idris	1) CGS-CIMB Annual Malaysia Virtual Corporate Day, 6 January 2021 2) Virtual Supplier Forum 2021, 21 January 2021: (a) The Axiata Enterprise Innovation Factory Enabled by Tony Kalcina, CIO APAC Tech Mahindra (b) Unleash Power of Digitalisation, Bring New Value to Axiata by Bruce Hsiao, Huawei (c) Axiata 5.0 Transformation Realised: Leveraging Innovation to Unlock Shareholder Value by Tom Loozen, Bharat Bhargava, E&Y 3) Anti-Bribery and Anti-Corruption Awareness by Axiata Group Berhad, 2 February 2021 4) Majlis Pelancaran MyDIGITAL Blueprint Ekonomi Digital Malaysia by YAB Prime Minister, 19 February 2021 5) Telco Report presentation by Arthur D Little, 23 April 2021 6) Trends in Southeast Asia's Digital Sectors by RedSeer, 18 May 2021 7) Infrastructure Funding presentation by Arthur D Little, 9 June 2021 8) Majlis Pelancaran Dasar 4IR Negara by YB Dato' Sri Mustapa Mohamed, Minister in the Prime Minister's Department (Economy) and Khairy Jamaludin, Minister of Science, Technology and Innovation (MOSTI), 1 July 2021 9) Insights on US Geopolitics & Economy by James Quigley of Bank of America, 8 July 2021 10) Axiata/Google Cloud Leadership Forum, 8 July 2021 11) Rising Above COVID-19: Reimagining work in Malaysia & Beyond (PNB), 14 July 2021 12) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 13) Indonesia Economy Outlook by Mandiri Sekuritas, 28 July 2021 14) 5G course for executives: 5G overview and key technology drivers by Ericsson, 24 August 2021 15) 5G course for executives: 5G business opportunities by Ericsson, 16 September 2021 16) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4 & 5 October 2021 17) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 18) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 19) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 20) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021
Dato Dr. Nik Ramlah Nik Mahmood	1) Upholding Good Governance in a Challenging Environment by PNB, 22 March 2021 2) Responsible Investments and the Sustainability Agenda by PNB, 20 April 2021 3) Anti-Corruption and Anti Money Laundering - Preventive Measures and What's Next for Malaysia by Perbadanan Insurance Deposit Malaysia (PIDM), 28 May 2021 4) Are Asset Management Companies Required in the Current Crisis? by PIDM, 29 May 2021 5) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 6) COVID-19, NPLs and Financial Challenges in Asia, by ADB for PIDM, 7 September 2021 7) Inter-Agency Crisis Communication by PIDM, 14 September 2021 8) Economic Condition in Malaysia – Briefing by Bank Negara Malaysia, 15 September 2021 9) Sustainable Reset: The Role of NRC in a Post-Pandemic World by Institute of Corporate Directors Malaysia (ICDM), 21 & 22 September 2021 10) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 11) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 12) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 13) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021 14) Case Studies of Failed Digital Banks, by True North Partners for PIDM, 29 November 2021

Governance & Compliance Information
Directors' Training List 2021

Directors	List of Training/Conference/Seminar/Workshop Attended/Participated in 2021
Dr David Robert Dean	1) Webinar on "Evolution after COVID-19" by Boston Consulting Group (BCG), 8 April 2021 2) Webinar on "Economic Development in Asia-Pacific" by Oxford University, 13 April 2021 3) Webinar on "ESG and Climate Change" by BCG, 12 May 2021 4) Webinar on "The 5G opportunity" by New Street Research, 10 June 2021 5) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 6) Webinar on "Open RAN" by New Street Research, 21 July 2021 7) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 8) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 9) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 10) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021 11) EMEA Gartner IT Symposium/Xpo 2021, 8-11 November 2021
Khoo Gaik Bee	1) Cultural Diversity in the Boardroom by ICDM, 2 March 2021 2) How to be an Effective NED in a Disruptive World by ICDM, 6 July 2021 3) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 4) Sustainable Reset: The Role of NRC in a Post-Pandemic World by ICDM, 21 & 22 September 2021 5) Russell Reynolds Associates Asia Pacific Board Leadership Forum 2021, 27 & 28 September 2021 6) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 7) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 8) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 9) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021
Thayaparan S Sangarapillai	1) MFRS17 Insurance Contracts: What Every Directors Must Know by FIDE Forum, 20 April 2021 2) JC3 to host Flagship Event on Climate Change-Finance for Change Virtual Conference by Bank Negara Malaysia and Securities Commission Malaysia, 23-25 June 2021 3) Power to the people: building a data-driven organisation by The Economist by Axiata Group Berhad, 24 June 2021 4) Risk Management Committee – Banking Sector by Asia School of Business (Iclif), 1-2 July 2021 5) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 6) Turning Data Ability into Adaptability by The Economist, 2 September 2021 7) BNM-FIDE FORUM Dialogue – Risk-Based Capital Framework for Insurers and Takaful Operators, 6 September 2021 8) Corporate Governance Regulatory Updates for the Capital Markets, 9–10 September 2021 9) Keynote interview: Taking Bold actions to save the world by The Economist, 4 October 2021 10) Keynote interview: COP26 carrying the hopes of the world by The Economist, 4 October 2021 11) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 12) Financial Reporting, Audit and Assurance Conference, 12 October 2021 13) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 14) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 15) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021 16) Audit Oversight Board (AOB) Conversation with Audit Committees by Securities Commission Malaysia, 6 December 2021
Tan Sri Dr. Halim Shafie	1) Digital Financial Services (DFS) and Axiata Digital Advertising (ADA) by Mohd Khairil Abdullah (ADS CEO), Sheyantha Abeykoon (ADS CFO) and Srinivas Gattamneni (ADA CEO), 3 May 2021 2) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 3) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4–6 October 2021 4) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 5) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 6) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 7) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021

Governance & Compliance Information
Directors' Training List 2021

Directors	List of Training/Conference/Seminar/Workshop Attended/Participated in 2021
Ong King How	1) Value creation: A look back and a look forward by BCG Leadership Institute, 21 January 2021 2) Outlook 2021 – Will the global economy keep recovering faster than expected? by BCG Leadership Institute, 29 January 2021 3) Leading through crisis and uncertainty by Azran Osman-Rani and Dr Tiffanie Ong, Khazanah Nasional Berhad, 5 February 2021 4) Thinking in new boxes by BCG Leadership Institute, 18 February 2021 5) The Montgomery Summit 2021, 3–4 March 2021 6) General Atlantic Virtual Investor Summit, 14 April 2021 7) Responsible Investing Workshop by BCG Leadership Institute, 27 April 2021 8) GSMA – MWC Barcelona 2021, 28 June–1 July 2021 9) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 10) Sustainable Reset: The Role of NRC in a Post-Pandemic World organised by ICDM, 21 & 22 September 2021 11) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4 & 5 October 2021 12) Axiata Pre-Retreat (1st session) - Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 13) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 14) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 15) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021 16) Invest Malaysia – Series 2: Reviving Malaysia's Growth Engine by Bursa Malaysia, 9 November 2021
Syed Ali Syed Salem Alsagoff	1) Corporate Restructuring & Turnaround for the Company Directors by ICDM, 3-4 February 2021 2) M&A Due Diligence: From Legal and Risk Perspectives by ICDM, 1 April 2021 3) GSMA – MWC Barcelona 2021, 28 June – 1 July 2021 4) Digital Financial Services (DFS) and Axiata Digital Advertising (ADA) by Mohd Khairil Abdullah (ADS CEO), Sheyantha Abeykoon (ADS CFO) and Srinivas Gattamneni (ADA CEO), 3 May 2021 5) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 6) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4-6 October 2021 7) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 8) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 9) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 10) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021
Tan Sri Ghazzali Sheikh Abdul Khalid[1]	1) Tech Talk: AI & IoT in Industries by Malaysian Global Innovation & Creativity Centre (MaGIC), 6 March 2021 2) Scarcity of Digital Talents – Our Collective Responsibility by Korn Ferry, 18 March 2021 3) PIKOM-MASSA on Human Capital to Drive Digital Transformation by Malaysian South-South Association (MASSA), 14 April 2021 4) Digital Financial Services (DFS) and Axiata Digital Advertising (ADA) by Mohd Khairil Abdullah (ADS CEO), Sheyantha Abeykoon (ADS CFO) and Srinivas Gattamneni (ADA CEO), 3 May 2021 5) How Cyber Resilient Are you? The Real Hard Facts by The Malaysia Australian Alumni Council (MABC), 19 May 2021 6) Axiata Risk & Compliance Conference 2021 by Axiata Group Berhad, 16 July 2021 7) Asia-Pacific Roundtable (APR) 34 by Institute of Strategic & International Studies (ISIS) Malaysia, 17 & 18 August 2021 8) MAJECA – PIKOM – ASOCIA on Cyber Security: "How Safe Are You Online?" by MASSA, 18 August 2021 9) A Cyber Security Webinar – "Cyber-Attack Prevention for Consumers and Enterprises" by MASSA-MyAIRA-MAJECA, 4 October 2021 10) Khazanah Megatrends Forum 2021 by Khazanah Nasional Berhad, 4-6 October 2021 11) Axiata Pre-Retreat (1st session) – Sector Outlook and TSR Expectation by Navin Killa, Managing Director, UBS, 6 October 2021 12) "Opportunities in the Drone Industry" – A Drone Webinar by MASSA-MyAIRA-MAJECA, 13 October 2021 13) Axiata Pre-Retreat (2nd session) – Building an ICT Business by Jose Cerdan, CEO TEF Tech / Chief Business Solutions Officer, 13 October 2021 14) Axiata Pre-Retreat (3rd session) – Economist: Macro & Market by Nick Khaw, Director & Head, Khazanah Research and Mohamed Ridzuan Mohamed, Director, Khazanah Research, 22 October 2021 15) Axiata Pre-Retreat (4th session) – Value Creation by Gopal Vittal, CEO, Bharti Airtel, EQ Kuala Lumpur, 26 October 2021

Notes:
All trainings were attended via virtual participation
[1] Resigned on 31 December 2021

Governance & Compliance Information

Profile of Group Senior Leadership Team

DATO' IZZADDIN IDRIS

Managing Director
President & Group Chief Executive Officer

Please refer to page 4

DR HANS WIJAYASURIYA

Chief Executive Officer - Telecommunications Business/ Group Executive Vice President

Nationality / Age / Gender:
Sri Lankan / 53 / Male

Date of Appointment to Current Position:
24 January 2020

Length of Service at Axiata:
28 years 2 months

Department/Portfolio:
- Telecommunications Business – ASEAN and South Asia Regions
- Group Synergy and Digitisation
- Operational Development and Support
- Group Product Innovation and Partnerships
- Axiata Enterprise
- Axiata Group Wholesale

Academic/Professional Qualification(s):
- Degree in Electrical and Electronic Engineering, University of Cambridge, UK
- MBA, University of Warwick, UK
- PhD in Digital Mobile Communications, University of Bristol, UK
- Chartered Engineer and Fellow of the Institute of Engineering Technology UK

Working Experience:
In line with Axiata's regional expansion in the South Asia region, Dr Hans was appointed as Corporate Executive Vice President & Regional Chief Executive Officer, South Asia Operations in January 2016. Up to the end of 2016, Dr Hans also functioned as the Group CEO of Dialog Axiata PLC (Dialog), Sri Lanka. He joined Dialog's founding management team in 1994 and took on the role of CEO in 1997. From 2012 till 2014, Dr Hans was also the founding CEO of Axiata Digital Services Sdn Bhd.

Directorships of Public Companies:
Axiata Group
Listed
- Dialog Axiata PLC
- Robi Axiata Limited
- PT XL Axiata Tbk.

Non-listed
- Celcom Axiata Berhad
- Ncell Axiata Limited

Others
Listed
- John Keells Holdings PLC

VIVEK SOOD

Group Chief Financial Officer

Nationality / Age / Gender:
Indian / 58 / Male

Date of Appointment to Current Position:
3 April 2017

Length of Service at Axiata:
4 Years 11 months

Department/Portfolio:
- Strategic Finance, Financial Planning and Analysis
- Investor Relations
- Treasury and Corporate Finance
- Tax
- Accounts Operation
- Financial System
- Strategic Cost Management
- Procurement

Academic/Professional Qualification(s):
- Bachelor in Commerce and Qualified Chartered Accountant India
- Accountancy and Audit Training in PricewaterhouseCoopers PLT

Working Experience:
Vivek was the Executive Vice President and Group Chief Marketing Officer of Telenor Group Inc. Prior to this he has held positions as CFO and subsequently CEO of Telenor India, CEO of Grameenphone (Bangladesh) and COO and CFO of Tata AIA Life Insurance.

Directorships of Public Companies:
Axiata Group
Listed
- PT XL Axiata Tbk.
- Dialog Axiata PLC
- Robi Axiata Limited

Non-listed
- Axiata SPV2 Berhad

Governance & Compliance Information
Profile of Group Senior Leadership Team

THOMAS HUNDT

Group Chief Strategy & Technology Officer

Nationality / Age / Gender:
German / 44 / Male

Date of Appointment to Current Position:
24 January 2020

Length of Service at Axiata:
13 years 8 months

Department/Portfolio:
- Strategy
- Technology and IT

Academic/Professional Qualification(s):
- Siemens AG "Stammhauslehre", Siemens Zwiegniederlassung Leipzig, Germany
- IHK Industrial Business Administration

Working Experience:
Thomas was appointed Axiata Group Berhad's Group Chief Strategy & Technology Officer in October 2021. Prior to this he was the Group's Executive Vice President for Technology since January 2020 while continuing to serve as CEO of Smart Axiata in Cambodia, a role which he held since 2013. Thomas has gained vast experience in the telecommunications industry during his tenure in key management positions with Siemens AG's Communication Division and Nokia Siemens Networks. Thomas was also a member of the Supervisory Board of Azerfon in Azerbaijan. Since mid-2008, he has been CEO of Smart Mobile, which he grew from Greenfield, number eight position in the market to number three position, including through the acquisition of Star-Cell in 2011 and the merger with Hello Axiata in 2013.

Directorships of Public Companies:
Axiata Group
Non-listed
- Celcom Axiata Berhad

NORLIDA AZMI

Group Chief People Officer

Nationality / Age / Gender:
Malaysian / 61 / Female

Date of Appointment to Current Position:
1 January 2021

Length of Service at Axiata:
1 year 5 months

Department/Portfolio:
- Organisational Development and People Services
- Talent Management
- Performance and Rewards
- Axiata FastForward
- Facility Management

Academic/Professional Qualification(s):
- MBA (Finance), Northern Illinois University DeKalb, Illinois, USA
- Bachelor of Science (Applied Computer Science), Northern Illinois University DeKalb,Illinois, USA

Working Experience:
Norlida's first post in Malaysia after working overseas for 18 years was with UEM Group in 2014 as the Group Chief Human Capital Officer responsible for the human capital transformation agenda across UEM subsidiaries. She was also a Board Member of Cement Industries Malaysia Berhad. In 2018, she joined HSBC Malaysia as the Country Head of HR to drive talent management, digital upskilling, and employee diversity and wellbeing, before becoming Permodalan Nasional Berhad's Chief People and Culture Officer.

Prior to 2000, Norlida held diverse roles in the banking industry overseas, including Chief Operating Officer - Business Development and Strategy, Wholesale Banking of Abu Dhabi Islamic Bank in Abu Dhabi, and subsequently Global Head of Talent Management; Group CHRO of the Commercial Bank of Qatar Group - Doha , Oman and UAE; Strategic Planning Head, Wholesale Banking Samba Financial Group, Saudi Arabia; and Chief of Staff to Group, ED, Risk, Legal and Compliance, Standard Chartered London, UK and Singapore.

LILA AZMIN ABDULLAH

Group Chief Corporate Development Officer

Nationality / Age / Gender:
Malaysian / 54 / Female

Date of Appointment to Current Position:
1 August 2020

Length of Service at Axiata:
1 year 7 months

Department/Portfolio:
- Group Corporate Development

Academic/Professional Qualification(s):
- BSc Accounting and Financial Analysis, Warwick University, UK
- Fellow of the Chartered Institute of Certified Accountants (FCCA)

Working Experience:
Lila brings with her over 25 years of experience and joins us from UEM Group, where she was the Director of Group Corporate Finance. At UEM Group, she was leading and managing a team in evaluating and executing projects and transactions, including mergers and acquisitions locally and abroad. Her expertise includes project finance, risk and capital management. She was also a Board Member of Cement Industries Malaysia Berhad, a cement manufacturing business. Lila previously held the position of Vice President, Corporate Finance at Axiata Group in 2009. Prior to joining Axiata, she was with Malakoff Corporation Berhad where her last held position was Vice President, Corporate and Project Finance.

Governance & Compliance Information
Profile of Group Senior Leadership Team

ANTHONY RODRIGO

Group Chief Information Officer

Nationality / Age / Gender:
Sri Lankan / 54 / Male

Date of Appointment to Current Position:
1 August 2017

Length of Service at Axiata:
11 years 6 months

Department/Portfolio:
- Information Technology
- Axiata Analytics

Academic/Professional Qualification(s):
- B.Eng from Kings College,University of London, UK
- MBA from Regis University Denver, Colorado, USA

Working Experience:
Anthony has been with Axiata Group of companies since 2010, as Chief Information Officer (CIO) of Dialog Axiata. Anthony was appointed Axiata Group Berhad's Group CIO in 2017. He also continues to serve Dialog Axiata in Sri Lanka as Chief Innovation Officer and Chief Architect. He has gained vast experience in the telecommunications and software industries with Nokia, Nokia Siemens Networks and British Telecom. Prior to joining Dialog, Anthony was the Head of North America Systems Integration Business for Nokia Siemens Networks. He holds several European and US patents in the area of Charging and Speech Recognition technology.

ASRI HASSAN SABRI

Group Chief Corporate Officer

Nationality / Age / Gender:
Malaysian / 55 / Male

Date of Appointment to Current Position:
1 September 2018

Length of Service at Axiata:
6 years 2 months

Department/Portfolio:
- Group Programme Office
- GCEO Office Support
- Government Relations
- Corporate Communications & Sustainability
- Regulatory Affairs

Academic/Professional Qualification(s):
- Bachelor of Commerce, University of Newcastle, Australia

Working Experience:
Asri has 31 years of experience in various management, consulting and entrepreneur engagements in the IT and telecom industries. He is a former country President for Motorola Malaysia, a position he held from 2006 till 2008. He was also a strategic partner with Provident Capital Partners, an established South Asia private equity company. Besides Motorola, Asri has also worked with other multinational corporations (MNCs) such as Nokia.

HADI HELMI ZAINI SOORIA

Group Chief Internal Auditor

Nationality / Age / Gender:
Malaysian / 52 / Male

Date of Appointment to Current Position:
15 October 2018

Length of Service at Axiata:
24 years 8 months

Department/Portfolio:
- Internal Audit
- Compliance and Investigation

Academic/Professional Qualification(s):
- Associate Member of the Chartered Institute of Management Accountants (CIMA)
- Associate Member of the Association of International Certified Professional Accountants (AICPA)
- MBA, Multimedia University, Malaysia

Working Experience:
Hadi has been with Axiata Group for over 20 years, and has held various management positions across the Group including Senior Vice President in Celcom and Managing Director of edotco Malaysia. He was also the Chief Financial Officer of Ncell, a position he held for more than two years. He was among Ncell's new management team after its acquisition and has been instrumental in the company's successful integration into the Axiata Group.

Governance & Compliance Information
Profile of Group Senior Leadership Team

ABID ABDUL ADAM

Group Chief Risk and Compliance Officer

Nationality / Age / Gender:
South African / 40 / Male

Date of Appointment to Current Position:
2 March 2020

Length of Service at Axiata:
4 years 4 months

Department/Portfolio:
- Cyber Security and Privacy
- Enterprise Risk Management
- Compliance/Ethics/Integrity

Academic/Professional Qualification(s):
- BSc in Computer Science, University of South Africa, South Africa
- Practitioner Certified Information Risk Management (PCIRM)
- Certified Information Systems Security Professional (CISSP)
- Member Business Continuity Institute (MBCI)

Working Experience:
Abid has over 16 years of industry experience in Risk Management, Cyber Security and Privacy, having worked across multiple continents and leading diverse teams in a matrix structured organisation. Prior to his appointment as Group Chief Risk and Compliance Officer in March 2020, he was the Group Chief Information Security Officer (CISO) and the Head of Privacy at Axiata Group. He continues leading the Cyber Security and Privacy function, as well as heading Enterprise Risk Management, Compliance/Ethics/Integrity, and maintaining oversight over Compliance in the Regulatory function. Before joining Axiata, Abid held senior roles in various financial service institutions in South Africa.

SURYANI HUSSEIN

Group Company Secretary

Nationality / Age / Gender:
Malaysian / 56 / Female

Date of Appointment to Current Position:
1 April 2008

Length of Service at Axiata:
19 years 6 months

Department/Portfolio:
- Group Company Secretarial

Academic/Professional Qualification(s):
- LLB (Hons) Bachelor of Laws, International Islamic University, Malaysia
- Advocate and Solicitor of the High Court of Malaya and Licensed Company Secretary

Working Experience:
Suryani, a qualified Advocate and Solicitor of the High Court of Malaya and licensed Company Secretary, spent the early years of her career in legal practice. She subsequently joined the corporate sector doing both legal and company secretarial work and was appointed Head of Legal and Secretarial, Celcom in 2002. Suryani joined Axiata upon its listing in 2008 and until June 2011 retained her leadership role as Head of Legal in Celcom.

Directorships of Public Companies:
Axiata Group
Non-listed
- Axiata SPV2 Berhad

TAN GIM BOON

Group General Counsel

Nationality / Age / Gender:
Malaysian / 49 / Male

Date of Appointment to Current Position:
1 April 2008

Length of Service at Axiata:
17 years 5 months

Department/Portfolio:
- Group Legal

Academic/Professional Qualification(s):
- Bachelor of Commerce and Bachelor of Laws, University of Adelaide, Australia
- Advocate and Solicitor of the High Court of Malaya and as a solicitor in New South Wales, Australia
- Masters of Law, University of New South Wales, Australia

Working Experience:
Gim Boon joined TM International Berhad (now Axiata) in 2004. Prior to joining Axiata, he was working as a lawyer in Malaysia and Australia. His areas of practice were predominantly in the fields of mergers and acquisitions, equity capital markets and corporate finance. Gim Boon's last post before joining Axiata, was with Malaysia's largest law firm, Zaid Ibrahim & Co.

Directorships of Public Companies:
Axiata Group
Non-listed
- Axiata SPV2 Berhad

Notes:
1. None of the Group Senior Leadership Team have:
   - Any family relationship with any Director and/or major shareholder of Axiata
   - Any conflict of interest with Axiata
   - Any conviction for offences within the past five years and particulars of any public sanctions or penalties imposed on them by any regulatory bodies during the financial year ended 31 December 2021 (other than traffic offences)
2. Unless otherwise indicated, these individuals do not hold directorships in public listed and non-listed companies.
3. Years of Service at Axiata refers to tenure within Axiata and its group of companies.

Governance & Compliance Information
Profile of Operating Companies' Management Team

DATUK IDHAM NAWAWI

Chief Executive Officer
Celcom Axiata Berhad

Nationality / Age / Gender:
Malaysian / 54 / Male

Date of Appointment to Current Position:
1 September 2018

Length of Service at Axiata:
9 years

Academic/Professional Qualification(s):
- Bachelor of Science in Mechanical Engineering, University of Rochester, New York, USA
- Master's in Communications Management (MBA in Telecommunications), University of Strathclyde, Glasgow, Scotland

Working Experience:
Datuk Idham was appointed as the CEO of Celcom Axiata Berhad on 1 September 2018. Datuk Idham's aspiration is to turn Celcom, a telecommunications company founded more than 30 years ago, into an agile, progressive and competitive digital organisation by creating a new culture and operating model that resembles a start-up. Datuk Idham has more than 30 years of experience in the regional telecommunications and IT industries and he brings with him a good deal of insights and experience, having served multiple at business operations and on various company Boards. Prior to his appointment at Celcom, Datuk Idham was the Group Chief Corporate Officer at Axiata Group Berhad, with responsibility in regulatory and corporate affairs that spanned six operating companies in ASEAN and South Asia. Before joining the Axiata Group, Datuk Idham served as the Chief Operating Officer of Packet One Networks in Malaysia, Head of Strategy and Corporate Affairs for Axis Communications in Indonesia, and various senior management positions for Maxis in Malaysia. He began his career as an engineer with Carl Zeiss in Princeton, New Jersey, USA, before venturing into ICT at IBM. A Chevening Scholar, Datuk Idham holds a Bachelor of Science in Mechanical Engineering from University of Rochester, New York, USA, and received his Masters in Communications Management (MBA in Telecommunications) from the University of Strathclyde, Glasgow, Scotland.

Directorships of Public Companies:
Axiata Group
Non-listed
- Celcom Axiata Berhad

DIAN SISWARINI

Chief Executive Officer & President Director
PT XL Axiata Tbk

Nationality / Age / Gender:
Indonesian / 53 / Female

Date of Appointment to Current Position:
1 April 2015

Length of Service at Axiata:
25 years

Academic/Professional Qualification(s):
- Bandung Institute of Technology, majoring in Telecommunications
- Harvard Advance Management Programme, Harvard Business School

Working Experience:
Dian has more than 20 years of working experience in the telecommunications industry. She began her career in XL in 1996 holding various key positions at the Department of Network and Engineering. In 2007, Dian was appointed as Director of Network Services. Along with the change in the XL strategy, in 2011 she was entrusted to lead the Department of Content and New Business as Chief Digital Services Officer until 2013. In June 2014, she was appointed as Group Chief of Marketing and Operations Officer to assist the growth of all Axiata subsidiaries. Dian rejoined XL as Vice President Director on 7 January 2015 and was subsequently appointed as President Director in April 2015.

SUPUN WEERASINGHE

Director/Group Chief Executive Officer
Dialog Axiata PLC

Nationality / Age / Gender:
Sri Lankan / 46 / Male

Date of Appointment to Current Position:
1 January 2017

Length of Service at Axiata:
22 years

Academic/Professional Qualification(s):
- Bachelor of Science (First Class Honours) in Accountancy and Financial Management, University of Jayewardenepura, Sri Lanka
- MBA, University of Western Sydney, Australia
- Fellow Chartered Management Accountant, UK (FCMA)
- Harvard Advance Management Programme, Harvard Business School

Working Experience:
Supun was appointed as the Group Chief Executive and as a member of the Board of Dialog Axiata in January 2017. Mr. Weerasinghe commenced his career in telecommunications at Dialog Axiata in 1999 and held multiple roles, such as Head of Strategy and CEO of the Mobile Business before being appointed as Group Chief Operating Officer of Dialog Axiata in 2010. In 2013, he was seconded to Axiata Group Berhad in Malaysia as its Group Chief Strategy Officer. From January 2014 to October 2016, he functioned as the CEO and Managing Director of Robi Axiata Limited in Bangladesh, the second largest mobile network provider in the country. Supun serves on several Boards of subsidiary and associate companies of Dialog as well as the UNGC Network Sri Lanka. He is a fellow member of the Chartered Institute of Management Accountants, UK and holds a Bachelor of Science in Accountancy and Financial Management from the University of Sri Jayewardenepura, Sri Lanka. Supun also holds an MBA from the University of Western Sydney, Australia and is an alumnus of the Harvard Business School.

Directorships of Public Companies:
Axiata Group
Listed
- Dialog Axiata PLC

Governance & Compliance Information
Profile of Operating Companies' Management Team

M. RIYAAZ RASHEED

Acting Chief Executive Officer/
Chief Financial Officer
Robi Axiata Limited

Nationality / Age / Gender:
Sri Lankan / 54 / Male

Date of Appointment to Current Position:
- 5 August 2021 (as Acting CEO)
- 16 November 2020 (as CFO)

Length of Service at Axiata:
1 year

Academic/Professional Qualification(s):
- Bachelor of Science from the Open University of Sri Lanka, Sri Lanka
- MBA, Postgraduate Institute of Management of the University of Sri Jayewardenepura, Sri Lanka
- Fellow Member of the Chartered Institute Management Accountants of UK
- Fellow Member of the Institute of Chartered Management Accounts of Sri Lanka

Working Experience:
With a career experience spanning over 30 years, Riyaaz possesses 25 years' experience in the mobile telecommunications industry, working for subsidiaries of multinational corporations like Millicom International Cellular SA of Luxemburg, Emirates Telecommunication Corporation of UAE, and CK Hutchison Group before joining the Axiata Group. Riyaaz is a hands-on professional with leadership experience in senior management spanning over 22 years in executive and leadership roles, including experiences in working with very diversified cultures. He serves as a collaborative business partner and fosters productive partnerships with internal and external stakeholders, which results in the attainment of corporate goals. Riyaaz began his professional career at Ernst & Young and his last assignment prior to joining Robi was as the Deputy Chief Executive Officer at Hutchison Telecommunications, Sri Lanka. Prior to Hutchison Telecommunications, Riyaaz also served Etisalat in Sri Lanka as its Deputy CEO/ Chief Financial Officer. He has also held the posts of Chief Financial Officer of Celltel Lanka Limited and Tigo Lanka Private Limited in Sri Lanka. Additionally, Riyaaz has worked at the Sri Lankan conglomerate Hayleys Group of Companies before venturing into mobile telecommunications.

Directorships of Public Companies:
Axiata Group
Non-listed
- RedDot Digital Limited, Bangladesh

FEIRUZ IKHWAN

Acting Chief Executive Officer/
Chief Financial Officer
Smart Axiata Co., Ltd.

Nationality / Age / Gender:
Malaysian / 46 / Male

Date of Appointment to Current Position:
- 26 October 2021 (as Acting CEO)
- 21 September 2018 (as CFO)

Length of Service at Axiata:
14 years

Academic/Professional Qualification(s):
- Chartered Accountant, Chartered Institute of Management Accountants, United Kingdom
- Bachelor of Science in Economics (Accounting and Finance), London School of Economics, United Kingdom

Working Experience:
Feiruz was appointed as Acting Chief Executive Officer of Smart Axiata in October 2021 whilst maintaining his portfolio as Chief Financial Officer. He had joined Smart Axiata in October 2018, having worked for Axiata Group for over 10 years in Indonesia and Malaysia. He was previously the Group Head of Finance at XL Axiata in Indonesia, leading strategic financial initiatives and playing a key role in XL's "Transformational Journey". Having been with the Axiata Group since 2008, Feiruz has led Axiata's investor relations efforts and was an integral member of the team overseeing regional operations. His career in the telecommunications industry began at Telekom Malaysia Berhad, which later demerged and listed as Axiata Group Berhad.

ANDY CHONG YEE BIN

Chief Executive Officer/Managing Director
Ncell Axiata Limited

Nationality / Age / Gender:
Malaysian / 60 / Male

Date of Appointment to Current Position:
1 November 2019

Length of Service at Axiata:
15 years

Academic/Professional Qualification(s):
- Bachelor of Engineering (Electronics & Computer Systems), Monash University, Australia
- MBA (General Management), Monash University, Australia

Working Experience:
Andy joined the Axiata Group in 2008 and was Senior Vice President and Head of Group Marketing and Operations till 2014. He returned to Axiata in 2016 as Interim Chief Commercial Officer for Ncell and moved to Axiata Digital as a Consultant in 2017. In January 2018, Andy was appointed Ncell's Chief Commercial Officer (CCO) and in May 2019 he became Ncell's Acting CEO in addition to being its CCO. As a part of the Ncell Leadership Team, Andy has helped build strong partnerships based on trust, reliability and efficiency with customers with his visionary leadership skills. With more than three decades of management and operations experience in the telecommunications, IT/technology and electronics sectors, Andy has held CEO and top management positions in Malaysia, Singapore and Indonesia, leading teams to build and grow businesses, and providing strategic direction in the areas of sales and marketing, technical and operations, and finance. His previous roles include Consultant Vice President of Global Wireless partnerships at Its ON Inc, USA; Vice President Director and CCO in Sampoerna Telekom, Indonesia; Regional CEO of T-Systems Asia Pacific, Singapore; and Head of Marketing, Maxis in Malaysia.

Governance & Compliance Information
Profile of Operating Companies' Management Team

MOHAMED ADLAN AHMAD TAJUDIN

Chief Executive Officer
edotco Group Sdn Bhd

Nationality / Age / Gender:
Malaysian / 51 / Male

Date of Appointment to Current Position:
1 November 2020

Length of Service at Axiata:
18 years

Academic/Professional Qualification(s):
- Bachelor of Arts in Economics & Statistics, University of Exeter, Englan
- Member of the Malaysian Institute of Certified Public Accountants
- Member of the Malaysian Institute of Accountants

Working Experience:
Adlan is the Director & Group CEO of edotco Group, one of Asia's leading integrated telecommunications infrastructure services companies.

In his role, Adlan continues to help edotco realise its vision of enabling NextGen connectivity, expanding its presence across Asia and steering the company to become the world's Top Five TowerCo. He is also pivotal in shaping the Group to become a Bionic Organisation that is Fitter, Faster and Better. Under his leadership, edotco Group has witnessed accelerated growth and has been recognised as one of the three Malaysia-based unicorns in Asia by Credit Suisse.

Adlan first joined the Group in 2003 as Vice President Finance of Celcom and rose rapidly to assume the position of Chief Financial Officer, followed by Chief Corporate Officer. He then joined PT XL Axiata as its Chief Financial Officer and spent nine years in Indonesia. In his early career, he also worked with Arthur Anderson & Co in Assurance and Business Advisory for a period of nine years.

He is an Economics and Statistics graduate of the University of Exeter, United Kingdom, and a Chartered Accountant with the Malaysian Certified Public Accountants. He is also a member of the Malaysian Institute of Accountants.

In addition to his role at edotco, Adlan is also a Board of Director of Celcom Timur (Sabah) Sdn Bhd.

ANTHONY SHEYANTHA ABEYKOON

Chief Executive Officer
Boost Holdings Sdn Bhd

Nationality / Age / Gender:
Sri Lankan / 42 / Male

Date of Appointment to Current Position:
1 March 2021

Length of Service at Axiata:
9 years

Academic/Professional Qualification(s):
- Bachelor of Science in Information Systems and Management, University of London, United Kingdom
- MBA, Wharton School, University of Pennsylvania, USA
- Chartered Accountant, Chartered Institute of Management Accountants, United Kingdom
- CFA Charterholder, CFA Institute

Working Experience:
Sheyantha was appointed as Chief Executive Officer of Boost the fintech holding company of Axiata Digital in March 2021. Sheyantha first joined Axiata in 2013 and served as the Senior General Manager, Finance and Strategy for Dialog Digital Services. Subsequently, he assumed the role of Chief Executive Officer of WOW.lk, the ecommerce subsidiary of Dialog Axiata PLC leading the company to market leadership status. In 2017, he was appointed as the Chief Financial Officer (CFO) of Axiata Digital Services (ADS). In addition to his CFO responsibilities, he played a pivotal role in overseeing the expansion of Digital Financial Services in ADS, spearheading the growth of the micro-financing business in Malaysia and Indonesia. As CEO of Boost, he has operational oversight over all areas of the business. Prior to Axiata, Sheyantha spent over 13 years in the financial services industry in investment banking, financial advisory and portfolio management. He also holds an Masters in Business Administration from the Wharton School, University of Pennsylvania, as well as being a Chartered Management Accountant and a Chartered Financial Analyst Charter holder. Sheyantha is currently a Board member of a number of digital portfolio companies under the Axiata Group.

SRINIVAS GATTAMNENI

Chief Executive Officer
Axiata Digital & Analytics Sdn Bhd

Nationality / Age / Gender:
Indian / 40 / Male

Date of Appointment to Current Position:
1 September 2018

Length of Service at Axiata:
8 years

Academic/Professional Qualification(s):
- Bachelor of Engineering (Computer), National University of Singapore, Singapore
- MBA, London Business School, United Kingdom

Working Experience:
Srinivas is the CEO of ADA, the largest data and artificial intelligence company in Asia that integrates data, insights, media and content focused on driving digital transformation for brands. Under his leadership, ADA has expanded into 10 countries across South and Southeast Asia and has grown a team of over 1,000 data scientists, digital media gurus, industry experts and management consultants. Prior to his current role, Srinivas served as Chief Portfolio Officer at Axiata Digital where he oversaw all mergers and acquisitions (M&A), portfolio operations and investments for the Axiata portfolio of companies in digital advertising, digital financial services and platforms. Before that, he founded PayZazz, a UK-based mobile payments start-up. He has also headed Corporate Venturing at ARM Ltd. in Cambridge, UK and led China operations for Motorola Mobile Devices software group in Shanghai. Srinivas holds a Masters in Business Administration from London Business School and a Bachelor in Engineering from the National University of Singapore.

Governance & Compliance Information
Significant Milestones in 2021

7 January 2021	Completion of the acquisition of 1,111,111 ordinary shares representing 100.0% of the issued share capital of H One (Private) Limited at a purchase consideration of SLR481.7 million (RM10.0 million) pursuant to the Share Sale and Purchase Agreement between Dialog Broadband Networks (Private) Limited, a subsidiary of Dialog Axiata PLC ("Dialog") with Hirdaramani Investment Holdings Private Limited and W K AS A Fernando dated 23 December 2020.
20 February 2021	Acquisition of 100% of the issued share capital of My Health Solutions by Digital Health (Private) Limited ("DH"), an indirect subsidiary of Dialog from its existing shareholders, Dialog Axiata Digital Innovation Fund (Private) Limited ("DADIF") and Aartiz Technologies (Private) Limited ("Aartiz") via the issuance of DH's ordinary shares to DADIF and Aartiz, representing 20.45% and 9.55% respectively.
5 March 2021	Dissolution of PLDT Malaysia Sdn Bhd via Members' Voluntary Winding-Up pursuant to Section 459(5) of the Companies Act 2016.
8 April 2021	Advanced discussions between Axiata Group Berhad ("Axiata" or "Company") and Telenor Asia Pte Ltd ("Telenor Asia") to undertake a merger of the telco operations of Celcom Axiata Berhad ("Celcom") and Digi.Com Berhad ("Digi") (a company listed on the Main Market of Bursa Malaysia Securities Berhad) ("MergeCo").
21 April 2021	Completion of the acquisition of 68.75% interest in PT Creative Mobile Adventure ("CMA") by Boost Holdings Sdn Bhd ("Boost Holdings"), a subsidiary of Axiata held via Axiata Digital Services Sdn Bhd ("ADS") via the: a) purchase of Series A secondary shares of 2,250 Series A shares in CMA at a total consideration of USD2.3 million (RM9.3 million) from existing shareholders on 19 April 2021; and b) subscription of Series B primary shares of 2,700 newly issued Series B shares in CMA at a total consideration of approximately USD3.0 million (RM12.3 million).
30 April 2021	Increase of ADS equity interest in ADS Digital Ventures Sdn Bhd (formerly known as Merchantrade Digital Services Sdn Bhd) ("ADSDV") from 51.00% to 100.00% upon completion of the acquisition by ADS of the remaining 49 ordinary shares representing 49.00% of the issued share capital of ADSDV for a total consideration of RM490 pursuant to an agreement between ADS and Merchantrade Asia Sdn Bhd.
17 May 2021	Completion of the subscription of 6,622,517 ordinary shares by Softbank Corp. ("Softbank") at the consideration of USD60.0 million (RM246.4 million) representing 23.07% of the total issued and paid-up share capital of Axiata Digital & Analytics Sdn Bhd (formerly known as Axiata Digital Advertising Sdn Bhd) ("ADA"), a subsidiary of Axiata held via ADS. This has resulted in the shareholdings of ADA held by ADS, Softbank and Sumitomo Corporation be changed to 63.47%, 23.07% and 13.46% respectively.
31 May 2021	Completion of the acquisition of 20,000,000 ordinary shares representing 100.00% equity interest in AAD Holdings Pte Ltd ("AADH") held by TheScaleGroup Pte. Ltd. by ADA Digital Singapore Pte Ltd ("ADADS"), an indirect subsidiary of ADS held via ADA at a purchase consideration of USD19.6 million (RM81.9 million). Effectively, AADH became a wholly-owned subsidiary of ADADS. AADH owns five direct subsidiaries namely AAD Indochina Pte Ltd ("AADI"), AADistribution Phils Inc, Awake Asia Distribution Sdn Bhd, Awake Asia Distribution Pte Ltd and PT Awake Asia Distribution Indonesia, and an indirect subsidiary held via AADI, namely Thien An Investment Co Ltd.
21 June 2021	Conclusion of the due diligence exercise and the signing of the agreements for the Proposed Merger by the Company and Telenor Asia: (i) conditional share purchase agreement with Digi ("SPA"); and (ii) master transaction agreement with Telenor Asia and Telenor ASA ("Telenor") ("MTA"). On the closing of the SPA, the Company intends to enter into a shareholders' agreement with Telenor Asia and Telenor to establish the respective rights and obligations of the parties with respect to the activities and governance of MergeCo as well as ownership and disposition of the securities in MergeCo ("SHA"). (The SPA, MTA and the agreed form of the SHA are collectively referred to as the "Transaction Agreements"). At completion, the merger of Celcom and Digi will result in the Company receiving newly issued ordinary shares in Digi, representing 33.10% of the enlarged issued share capital of Digi, cash consideration of RM2.0 billion adjusted with movement in net debt and working capital of which RM1.7 billion from Digi as new debt and RM297.9 million from Telenor Asia for the purpose of ownership equalisation under the terms of the Transaction Agreements.
30 June 2021	Submission of the joint application for the digital bank licence to Bank Negara Malaysia by Boost Holdings, a subsidiary of ADS, and RHB Bank Berhad (collectively the "Parties") pursuant to the heads of agreement entered into between the Parties on 2 June 2021 setting out the terms of the said proposed application.
27 August 2021	Full repayment by Celcom Networks Sdn Bhd ("Celcom Networks"), a wholly-owned subsidiary of Celcom, of its RM400.0 million Sukuk Murabahah Series 5 ("Series 5 Sukuk") which matured on 27 August 2021. The Series 5 Sukuk carried a coupon rate of 4.05% per annum (payable semi-annually) and had a tenure of nine years from the date of issuance.
16 October 2021	Full repayment by PT XL Axiata Tbk ("XL") of its IDR399.0 trillion (RM116.9 million) Sukuk Ijarah II Tranche I Year 2018 Series B and its IDR450.0 trillion (RM131.9 million) Bond I Tranche 1 Year 2018 Series B which matured on 16 October 2021.

Governance & Compliance Information
Significant Milestones in 2021

27 October 2021	Completion of the disposal of 533,409,349 ordinary shares in XL, representing approximately 5% equity interest in XL at a disposal consideration of IDR1,440,205.2 million (equivalent to approximately RM421.9 million) or IDR2,700 (equivalent to approximately RM0.79) per XL share by Axiata Investments (Indonesia) Sdn Bhd, an indirect wholly-owned subsidiary of Axiata, to Ferrymount Investments Limited. This has resulted into the decreased of the Group's equity interest in XL from 66.48% to 61.48%.
28 October 2021	Full repayment by Celcom Networks, a wholly-owned subsidiary of Celcom, of its RM150.0 million Sukuk Murabahah Series 7 ("Series 7 Sukuk") which matured on 28 October 2021. The Series 7 Sukuk carried a coupon rate of 4.85% per annum (payable semi-annually) and had a tenure of five years from the date of issuance.
20 December 2021	Completion of the acquisition of 14,100,000 ordinary shares and 10,900,000 preference shares representing 100.0% equity interest in Touch Mindscape Sdn Bhd ("TMs") held by Touch Group Holdings Sdn Bhd by edotco Malaysia Sdn Bhd ("edotco Malaysia") at a net purchase consideration of RM1.6 billion after adjustments provided under the terms and conditions of the Share Sale Agreement dated 30 November 2021. Subsidiaries of TMs are principally, involved in construction and leasing of telecommunication infrastructure in Pahang and is one of the leading providers of telecommunication infrastructures in Pahang and Malaysia with one of its companies, a Pahang State-Appointed One-Stop Agency to process, coordinate and obtain approvals for telecommunication infrastructures in Pahang. Effectively, TMs became a wholly-owned subsidiary of edotco Malaysia.

Governance & Compliance Information
Awards

2021

Axiata

- **MSWG-ASEAN Corporate Governance Awards 2020**
  Excellence Award for Corporate Governance Disclosure
  Industry Excellence Award, Telecommunication & Media
- **PwC Malaysia Building Trust Awards 2021**
  Third Place (FBM KLCI)
- **Sustainable Business Awards Malaysia 2020/2021**
  Winner in the Energy Management category
- **National Annual Corporate Report Awards (NACRA) 2021**
  Excellence Award (Silver) - Companies with More Than RM10 Billion in Market Capitalisation
- **Australasian Reporting Awards 2021**
  Integrated Annual Report 2019 (Gold)
- **Malaysian Investor Relations Association (MIRA)**
  Best IR Professional (Large Cap)
- **LinkedIn Top Companies 2021**
  One of the Top 15 Companies in Malaysia as the Best Place to Grow your Career
- **Twitter Best of Tweets 2021 Awards**
  Best Campaign for Driving Positive Change in Society
- **Twimbit Research**
  Top 10 Telcos in the World to Ace Employee Experience

Celcom

- **2021 Frost & Sullivan Best Practices Awards**
  2021 Excellence in Customer Experience (Telecommunications) for Online Experience
  2021 Excellence in Customer Experience (Telecommunications) for Contact Center Experience
- **International Business Review ASEAN Awards 2020**
  Corporate Excellence Award (ICT & Telecommunications Sector)
- **Frost & Sullivan Institute**
  2021 Enlightened Growth Leadership
- **Informatica World**
  AI/ML for Data Management (Honoree)
- **Asia Responsible Enterprise Awards (AREA 2021)**
  Social Empowerment Category for Digital Entrepreneurship and Equity in Education
- **Business Media International (BMI)**
  VISA Sustainable Brand Award 2021
- **Putra Brand Awards 2020**
  Communications Network (Gold)
- **A+M Markies Awards 2021**
  Most Creative - Digital for Celcom 5G Future (Gold)
  Most Creative - eSports Marketing for Yoodo ‘When a Telco Start-up Became a Gamer’ (Gold)
  Most Effective Use - eSports Marketing for Yoodo ‘When a Telco Start-up Became a Gamer’ (Gold)
  Most Creative - Content Marketing for Celcom 5G Future (Silver)
  Most Creative - Integrated Media for Celcom MeReka Merdeka (Bronze)
  Most Creative - Experiential for Celcom MeReka Merdeka (Bronze)
  Most Creative - Video for Yoodo ‘Wanna Hook Up? (Bronze)
- **Marketing Excellence Awards 2020**
  Excellence in TV/Video Advertising (Gold)
  Excellence in Launch/Re-Launch Marketing (Gold)
  Excellence in Digital Marketing (Gold)
  Excellence in Out-of-Home Advertising (Silver)
- **Malaysia Effie Awards**
  Celcom MeReka Merdeka Campaign (Bronze)
- **Graduates’ Choice Award (GCA) 2021/2022**
  Graduates’ Top 25 Preferred Employer in 2022
  Top 3 Most Preferred Graduate Employers to Work With in 2022 (Telecommunication Category)
- **Twimbit Research**
  Top 10 Companies in Malaysia to Ace CX for Yoodo
- **Marketing Excellence Awards 2020**
  Excellence in Sports/eSports Marketing for Establishing Yoodo as the Go-To Telco for Gamers (Gold)
  Excellence in Influencer Marketing for Yoodo: Connecting with Gamers Through Their Own Kind (Silver)
  Excellence in Brand Awareness: Yoodo Powered By Celcom, You Do It Better (Silver)
- **Dragons of Malaysia 2021**
  Best Marketing Discipline Campaign for Establishing Yoodo as the Go-To Telco for Gamers (Gold)
- **Mob-ex Awards 2021**
  Industry Specific Use of Mobile for Yoodo – Government, Utility, and Services for You Do It Better (Gold)
  Industry Specific Use of Mobile for Yoodo – Gaming & eSports for Yoodo, The Telco for Gamers (Bronze)

XL

- **Selular Award 2021, Selular Media Network**
  Most Innovative Data Package for XL Axiata ONE Fiber
  Best Home Internet for XL Home
- **WOW Brand Indonesia 202, MarkPlus, Inc.**
  Live.On (Digital Operator Category)
  XL Axiata (Cellular Operator Category)
- **TOP Digital Company Awards 2021, Marketing Magazine**
  The Best in Building Digital Transformation
- **Bisnis Indonesia Corporate Social Responsibility Award (BISRA) 2021, Bisnis Indonesia & Habitat for Humanity Indonesia**
  Corporate Social Responsibility Programme Category (Gold)
- **TOP CSR Awards 2021, Top Business**
  TOP CSR Awards 2020 #STAR 4
  TOP Leader on CSR Commitment for XL Axiata President Director & CEO Dian Siswarini
- **IICD Corporate Governance Award 2021, Indonesian Institute for Corporate Directorship (IICD)**
  Top 50 Big Capitalisation Public Listed Companies
  Best Non-Financial Sector for Big Capitalisation Public Listed Company
- **Indonesia Best CSR Awards 2021, Warta Ekonomi**
  Innovative CSR with Digital
- **Best Public Company Award 2021, Warta Ekonomi**
  Indonesia Best Public Company with Prudent Trading Share category (Infrastructure, Utilities and Transportation category)
- **Indonesia Customer Service Quality Awards 2021, SWA Media Group**
  Cellular Operator Service Center for XL Center
  Cellular Operator Apps for myXL

Governance & Compliance Information
Awards

- **ESG Awards, Beritasatu Media Holdings with Bumi Global Karbon Foundation (BGKF)**
  Appreciation for Commitment CC Rating

- **The Loyalty360 Awards 2021, The Loyalty360**
  Device Club Application in CX Strategy Category (Gold)

- **Asosiasi Big Data & AI (ABDI) Award 2021, Asosiasi Big Data & AI (ABDI)**
  Best Data Technology for Smart Intelligent City
  Best Data Governance Enterprise Data Protection Excellence

- **Citra Pariwara 2021**
  Print - AXIS Gourmet Timeline Version Like-Like (Bronze)
  Print - AXIS Popcult Student Version Like-Like (Bronze)
  Print - Light Up Your World for AXIS Suka-Suka (Bronze)

- **Selular Editor's Choice 2021, Selular**
  Most Innovative IoT Product (Health Care Category) - XL Axiata Business Solutions' 'Wearable Device' solution

- **Obsession Awards 2021, Obsession Media Group (OMG)**
  Best Companies Category

- **Iconomics Awards 2021, The Iconomics**
  Indonesia Corporate Branding PR Awards (2nd Place)

- **Indonesia BEST CEO Awards 2021, The Iconomics**
  BEST CEO for the Mobile Telecommunications category for Dian Siswarini

- **Marketeer of The Year 2021, MarkPlus Inc. in collaboration with Marketeers magazine and Indonesia Marketing Association (IMA)**
  Best Industry Marketing Champion – Dian Siswarini (Telecom Services Sector)

- **PR Indonesia Award 2021, PR Indonesia**
  Most Popular Leader in Social Media - Dian Siswarini (Private Corporate Leader Category)

- **Indonesia Most Powerful Women 2021, Herstory (member of Warta Ekonomi Group)**
  Inspirational Women Leader for Sustainable Company Management and Performance - Dian Siswarini

- **Indonesia PR of The Year 2021, MIX Marketing**
  Spoke Person of The Year for Dian Siswarini

- **Indonesia Best Women Empowerment Awards 2021 'Redefining the Defined', Warta Ekonomi & Herstory Indonesia**
  Best Women Empowerment Initiative with Outstanding Female Leadership - Dian Siswarini

- **CIO75 ASEAN Award, IDG**
  Top 75 CIOs - Director & Chief Strategic Transformation & Information Officer of XL Axiata, Yessie D. Yosetya

- **Indonesia Corporate Pandemic Heroes, SWA Media Group**
  Recognised among 20 companies in Indonesia that have contributed significantly in dealing with the COVID-19 pandemic

Dialog

- **TM Forum Excellence Awards 2021**
  AI, Data & Insights Category

- **SLIM-Nielsen Peoples Awards 2021**
  Telecommunication Brand of the Year (10th consecutive year)
  Youth Choice Brand of the Year (2nd consecutive year)
  Service Brand of the Year (2nd consecutive year)

- **National Best Quality Software Awards 2020**
  Ideamart's AppMaker won the Gold Award at the Business Services - ICT Services Solutions category

- **e-Swabhimani Digital Social Impact Awards 2020**
  Dialog's Digital Vesak Kalpaya won the Gold Award under the Culture & Tourism category

- **Brand Finance Sri Lanka**
  Most Valuable Brand (3rd consecutive year)
  Most Valuable Telecommuncations Brand (14th consecutive year)

- **ACEF 10th Global Customer Engagement Awards**
  Gold Award under the category of Effective Use of Customer Feedback for Service Excellence

- **Great Place to Work® Sri Lanka**
  H One was Great Place to Work-Certified™
  DBS was listed as one of the 40 best workplaces in Sri Lanka
  DBS was listed as 10 Best Workplaces for Women in Sri Lanka (2nd consecutive year)
  DBS certified as a Great place to work (2nd consecutive year)

- **Ceylon Chamber of Commerce**
  Ranked amongst Top 10 Corporate Citizens
  Economic Contribution Award
  Sector Based Sustainability Champions (Knowledge Service Sector)

- **LMD Best Workplaces In Sri Lanka**
  DBS was listed amongst the 40 best workplaces in Sri Lanka

- **CIMA Top 20 Employers**
  Ranked amongst the Top 20 Employers in Sri Lanka

- **Capital Market Awards 2021 by CFA Sri Lanka**
  Best Investor Relations (Bronze)

- **SLASSCOM Digital Genesis Awards**
  Business Process Management (2nd place)

- **ACEF Asian Leaders Awards for Branding, Marketing and CSR (2021)**
  Marketing Campaign Of The Year

- **FITIS Digital Transformation Awards**
  Digitised Operation (Merit)
  OMNI Channel Experience (2nd place)
  Cx Centric Process Automation (3rd place)

- **The ISO 14001 standard**
  The First Quad Play Telco in South Asia to Receive the ISO 14001:2015 Certification

Robi

- **Business Leader Of The Year Award, 19th Global Edition**
  Innovation Leadership and Green Telecom

- **Bangladesh Innovation Award 2021**
  Best Innovation Public Service-Innovation in Service Delivery (Honorable Mention)

- **Bangladesh Project Management Symposium and Excellence Awards 2021**
  PMO of the Year from Project Management Institute of Bangladesh

- **ICMAB Best Corporate Award 2020**
  Telco Category (Silver)

- **Social Baker**
  Best Socially Devoted Brand in Bangladesh for more than 3 consecutive years
  Ranked #1 in the world in Q2 2021

Governance & Compliance Information
Awards

- **COMMWARD 2021, Bangladesh Brand Forum (BBF)**
  Best Use Of Digital Media – Airtel's Eid Fashion Challenge (Gold)
  Best Social Campaign – Airtel's "Let's Talk!" (Silver)
  Best Use Of Digital Media – Airtel's "It's Okay To Be Single" (Bronze)
  Best Copywriting – Airtel's "It's Okay To Be Single" (Bronze)
  Most Creative Use Of Media – Airtel's Eid Fashion Challenge (Bronze)
  Best Media Innovation – Airtel's "With friends by your side, everything is possible" (Bronze)
  Best Campaign By New Agency – Robi's Sound Of Independence Campaign (Gold)
  Robi's Sound Of Independence Campaign (Silver)

- **Digital Marketing Awards 2021, Bangladesh Brand Forum (BBF)**
  Best Content Marketing – Airtel's "Let's Talk!" (Silver)
  Best Use Of Facebook – Airtel's "Let's Talk!" (Silver)
  Best Video – Airtel's "Let's Talk!" (Silver)
  Best Video – Airtel's New Year Campaign "20-Bish Song" (Silver)
  Best User Generated Content – Airtel's Eid Fashion Challenge (Silver)
  Best Content In New Platform – Airtel's Eid Fashion Challenge (Bronze)
  Best Use Of Search – Robi's Search Campaign (Bronze)

Smart

- **2021 Frost & Sullivan Asia Pacific Best Practices Awards**
  Cambodia Mobile Service Provider of the Year
  Cambodia Mobile Data Service Provider of the Year

- **Global Banking and Finance Review 2021**
  Best CSR Company Cambodia
  Best Telecommunication Company Cambodia
  Leading Company in Building Community Resilience Cambodia

Ncell

- **TM Forum 2021 Catalyst Awards**
  Sustainability Leadership

- **Global Business Outlook (GBO) Awards 2021**
  Telecom CEO of the Year
  Most Socially Responsible Telecom Company

- **World Communication Awards (WCA) 2021**
  The Social Contribution Award
  Crisis Response Award

- **World HRD Congress 2021**
  Asia's Best Employer Brand Award

- **Asian-Oceanian Computing Industry Organization (ASOCIO) Awards 2021**
  Health Tech Award

- **World Information Technology and Services Alliance (WITSA) Global ICT Excellence Awards**
  Innovative e-Health Solutions Award (Private Sector/NGO Category) (Merit)

- **HR Meet 2021, Growth Sellers Private Limited**
  National HR Excellence Awards 2020

edotco

- **2021 Frost & Sullivan Asia Pacific Best Practices Awards**
  Best Telecom Tower Company of the Year

- **Kincentric**
  Best Employer Award 2021

- **HRD Asia Awards 2021**
  Winner for Best Rewards and Recognition (Asia)
  Winner for HR Team of the Year 2021 (Asia)
  Excellence Awards for HR Technology (Asia)
  Excellence Awards for Employer of Choice (Asia)
  HR Rising Star of the Year 2021 (Asia)

- **HR Excellence Awards 2021**
  Gold for Most People Focused CEO
  Silver for HR Leader of the Year
  Silver for Excellence in Business Transformation
  Silver for Excellence in Digital Transformation
  Bronze for Excellence in HR Team Collaboration

- **Employee Experience Awards 2021**
  Best Soft Skill Training (Gold)
  Most Inspiring Leadership (Silver)
  Best HR Digital Transformation (Silver)
  Best Succession Planning Strategy (Bronze)

- **UN Global Compact Network Malaysia & Brunei (UNGCMYB) Sustainability Performance Award 2021**
  SDG Ambition Benchmark 8 – 100% resource recovery, with all materials and products recovered and recycled or reused at end of user

- **Sustainable Business Awards Malaysia 2021**
  Workforce Category (Winner)
  Energy Management Category (Significant Achievements)

- **Sustainability & CSR Malaysia Awards 2021**
  Company of the Year for Excellence in Environmental and Community Welfare

Boost

- **A+M Markies Awards 2021**
  Most Effective Use – Loyalty and CRM for Online Boost Day 8.8 and 12.12 (Gold)
  Most Creative Campaign Pivot - Boost Raya Campaign (Bronze)

- **Malaysia Technology Excellence Awards 2021**
  Payments Award for "Street Parking" (Fintech Category)
  Financial Services Award for "Micro-Insurance (Boost Protect)" (Fintech Category)

- **SME100:**
  Sustainable Brand Awards 2021

ADA

- **Campaign Asia Agency of the Year 2021, Asia-Pacific**
  Asia-Pacific Tech Agency of the Year (Gold)
  Southeast Asia Consultancy Agency of the Year (Silver)
  Cambodia, Laos, Myanmar Creative Agency of the Year (Silver)
  Cambodia, Laos, Myanmar Digital Agency of the Year (Silver)
  Cambodia, Laos, Myanmar Independent Agency of the Year (Silver)
  Cambodia, Laos, Myanmar Media Agency of the Year (Silver)
  Southeast Asia B2C Marketing Agency of the Year (Bronze)
  Southeast Asia Mobile Marketing Agency of the Year (Bronze)
  Malaysia Independent Agency of the Year (Bronze)
  Indonesia Independent Agency of the Year (Bronze)
  Rest of South Asia Digital Agency of the Year in Bangladesh (Bronze)

- **The Drum Digital Advertising Awards 2021, Asia-Pacific**
  Best Ad Ops Team (Winner)
  Best Response to Change (Award)
  Not for Profit/Charity (Award)
  Finance and Professional Services (Award)
  Finance and Professional Services (II) (Award)
  Finance and Professional Services (Highly Commended)
  Best Paid Search Campaign (Highly Commended)
  Retail, eCommerce, and Consumer Goods (Highly Commended)

Governance & Compliance Information
Awards

- **Mob-Ex Awards 2021, Asia-Pacific**
  Best Use of KOLs (Gold)
  Industry-Specific Use of Mobile for Government, Utility, and Services (Gold)
  Industry-Specific Use of Mobile for Insurance Services (Silver)
  Industry-Specific Use of Mobile for Food & Beverages (Silver)
  Best Location-Based Marketing (Silver)
  Best Direct to Consumer Campaign (Silver)
  Best Direct to Consumer Campaign (Bronze)
  Best Insights-Driven Mobile Campaign (Bronze)
  Industry-Specific Use of Mobile for Banking Services (Bronze)
  Best Launch/Relaunch (Bronze)
  Best Location-Based Marketing (Bronze)
  Best Use of Display Advertising (Bronze)
  Industry-Specific Use of Mobile for Gaming & eSports (Bronze)
  Industry-Specific Use of Mobile for Insurance Services (Bronze)

- **Deloitte x SwissCham's ASEAN Digital Transformation (DX) Award 2021**
  Business to Consumer (B2C) Subcategory (Winner)

- **Dragons of Asia 2021**
  Best Integrated Marketing Campaign (Silver)
  Best Mobile Marketing Campaign (Merit)
  Best Cause, Charity Marketing or Public Sector Campaign (Merit)

- **Dragons of Malaysia 2021**
  Best Marketing Discipline Campaign (Gold)
  Best Mobile Marketing Campaign (Gold)
  Best Integrated Marketing Campaign (Silver)
  Best Social Media or Word of Mouth Campaign (Bronze)
  Best Digital Campaign (Merit)

- **Malaysia Technology Excellence Award 2021**
  Analytics Category for Advertising Industry (Winner)

- **The APPIES Malaysia 2021**
  Best in Consumer for Business Services (Bronze)
  Best in eCommerce (Merit)

- **Marketing Interactive's Agency of the Year Awards 2021 & MARKies Awards 2021**
  Performance Marketing Agency of the Year (Gold)
  Most Effective Use, Loyalty and CRM (Gold)
  Most Effective Use, eSports Marketing (Gold)
  Most Creative, eSports Marketing (Gold)
  Consultant of the Year (Silver)
  Most Creative Campaign Pivot (Bronze)
  Analytics Agency of the Year (Bronze)
  Digital Agency of the Year (Bronze)
  Full Service Agency of the Year (Bronze)
  Performance Marketing Agency of the Year (Bronze)

- **Marketing Interactive's Marketing Excellence Awards 2021 (Malaysia)**
  Excellence in eSports Marketing (Gold)
  Excellence in Brand Awareness (Bronze)

- **Marketing Interactive's Marketing Excellence Awards 2021 (Singapore)**
  Excellence in Marketing Transformation (Gold)
  Excellence in Data-Driven Marketing (Silver)
  Excellence in Launch/Relaunch Marketing (Bronze)

- **Commward 2021**
  Best Campaign of the Year (Gold)
  Native (Silver)
  Best Rural Marketing (Bronze)
  Efficacy (Bronze)

- **Graduate's Choice Award 2021**
  Most Preferred Graduate Employers 2022 for Advertising (Winner)
  Most Preferred Graduate Employers 2022 for Analytics (Winner)

- **Bangladesh Brand Forum's Digital Marketing Award 2021**
  Best Use of Search (Bronze)

Scan the QR code to view our past years' awards online

Governance & Compliance Information
Statement on Risk Management and Internal Control

This Statement has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) issued by Bursa Malaysia Securities Berhad (Bursa Malaysia).

Accordingly, the Board of Directors (Board) is pleased to provide the following statement that has been prepared and jointly endorsed by the Board Risk and Compliance Committee (BRCC) and Board Audit Committee (BAC), for purposes of disclosure, in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Malaysia.

This statement outlines the nature and scope of the risk management and internal control systems within Axiata Group Berhad and its Operating Companies (Axiata or the Group) during the year under review.

RESPONSIBILITY AND ACCOUNTABILITY

Board of Directors

The Board is accountable for ensuring sound processes of risk management and internal control practices. The Board has approved the risk management policy, framework, governance structure and has set the risk appetite. To achieve strategic goals and objectives, the Board balances the risk-return trade-off within the established risk appetite and tolerance level of the Group in its decision making.

The BRCC has been established to assist the Board to discharge its risk oversight function. Among the BRCC's broad responsibilities include:

- Overseeing risk management, business continuity, cyber security, data privacy, ethics and integrity compliance, and regulatory compliance
- Reviewing and recommending frameworks and policies specifically to address risks and compliance in the businesses and operations and provide assurance of its implementation
- Reviewing and articulating strategic emerging and inherent risks and ensuring sufficient action plans are formulated to mitigate exposure to risks
- Reviewing initiatives to promote a healthy risk and compliance culture and behaviours through ongoing awareness programmes, communication, training and education on risk and compliance management

The BRCC convenes quarterly to ensure all material risks are appropriately managed and the controls system is adhered to accordingly.

Axiata's Senior Leadership

The Senior Leadership Team (SLT) led by the President & Group Chief Executive Officer (PGCEO) is responsible for implementing the approved framework, policies and all procedures pertaining to risk management and internal control, to ensure that business strategies and risk management are aligned. The SLT is committed to the identification, monitoring and management of risks associated with business activities and ensuring the implementation of effective controls and mitigation measures.

The PGCEO and SLT are ultimately responsible to the Board for the Group's systems of risk management and internal control.

Chaired by the PGCEO, the Risk and Compliance Management Committee (RCMC) has been established with the SLTs as members to deliberate the material risks and appropriate mitigation plans. The RCMC also ensures the implementation of our risk management processes across the Group.

Corporate Centre Operations

All employees have a duty to assess risks that could emerge from their actions or decisions. Employees ensure reasonable care is taken to prevent loss, maximise opportunity, and safeguard Axiata's reputation and assets through appropriate controls to prevent or manage uncertainties.

The Group Risk and Compliance Division (GRC) is entrusted to provide support to the Board and the SLT. The GRC's key responsibilities include:

- Facilitating the establishment, formulation, review, recommendation and management of sound and best practices in risk and compliance programmes for Axiata
- Inculcating risk and compliance awareness within Axiata and integrating risk and compliance considerations into the decision-making process
- Monitoring implementation of controls, action plans and strategies to mitigate uncertainties that could impact Axiata's objectives
- Communicating and reporting material risks to the RCMC, BRCC and Board periodically for effective and efficient risk management governance
- As secretariat to the BRCC and RCMC, ensuring risk and compliance integrated reports are prepared and presented in a timely manner

In addition to ensuring that the risk and compliance frameworks and processes are institutionalised at Axiata, the GRC extends advisory and support to all Axiata's Operating Companies (OpCos) across its footprint. The GRC provides support to OpCos in their journey to establish and implement risk and compliance requirements and assist OpCos in achieving adequate maturity levels.

Group Internal Audit (GIA) is an independent function of Axiata that reports directly to the BAC and administratively to the PGCEO. It provides objective assurance to the Board and Management on the adequacy, effectiveness and efficiency of the Group's internal controls system and governance.

Axiata's OpCos

Risk management and compliance processes at the OpCo level are managed through the risk committees or senior management committees chaired by the OpCo's Chief Executive Officer (CEO). For OpCos, the risk management and compliance function facilitates end-to-end risk management and compliance processes and acts as the secretariat to the OpCo's respective BRCC. At the same time, each OpCo Risk Management and Compliance function is expected to provide timely risk updates and act as the key liaison with GRC. Events that may materially impact the Group's financial position and reputation are escalated to the GRC for appropriate action.

RISK MANAGEMENT

Risk Management Framework

Enterprise Risk Management (ERM) framework provides the risk frames and policies undertaken for timely identification, reporting and management of key risks. The framework is aligned with the ISO31000:2018.

Risk Management Policy

Axiata's Risk Management Policy outlines the Group's commitment to assess risks in alignment with business objectives, integrating risk management in all decision-making processes, anticipating potential risks in response to changes in the internal and external environments and ensuring that risk information is communicated through a clear and robust monitoring and reporting structure.

Governance & Compliance Information
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Risk Management Process

The ERM is a structured and disciplined approach aligning Axiata's strategies, processes, people, technology, and body of knowledge to evaluate and manage the uncertainties that Axiata faces as it pursues its objectives sustainably.

A structured risk assessment process is in place to guide Axiata to identify, analyse, evaluate and treat risks. The business entities apply the process systematically and collaboratively, drawing on their knowledge and global views to develop their respective risk profiles.

Axiata has adopted its risk management approach based on ISO31000:2018 and has tailored the guidelines to fit the Group's business operations as set out below:

Communication and Consultation

- Periodic consultation
- Risk review engagement
- Feedback
- Risk awareness or training

Scope, Context and Criteria

- The Scope covers strategic, financial, corporate, and business risk assessment
- Understanding of the external and internal environment in which the Group operates
- The Group's Risk Appetite Statement is determined and adopted

Risk Assessment

Risk Identification
Determine risks that could potentially prevent the Group from achieving its objectives, documenting the risk description, root cause and impact

Risk Analysis
Analyse the likelihood and consequences of the risk as an input to assess the level of gross (inherent) and residual (upon taking into account existing controls) risks

Risk Evaluation
Evaluate risk identified in accordance to the Group's risk appetite to determine the need of appropriate mitigation action

Risk Treatment

- Selection of the appropriate risk treatment to be applied to avoid, accept, reduce or transfer each risk depending on the risk rating
- Preparing and implementing mitigation actions

Monitoring and Review

- Conducting risk workshop
- Review of current status of action plans
- Risk management committees and sub-committees

Recording and Reporting

- The use of the risk register as a tool to create risk profiling for documenting and recording detailed description of the risk
- Risk reporting is continuous and embedded into existing management reporting processes and structures

Key Risks and Mitigation

Axiata strives to achieve a balance in realising value creation opportunities and mitigating adverse risks. The risk management approach is designed to protect Axiata's ability to create value and achieve strategic objectives. The principal risks faced by Axiata are mapped out below:

RISK	DETAILS	MITIGATION
Financial Risk	Axiata is exposed to foreign currency exchange and interest rate volatilities due to its presence across 11 countries and borrowings in foreign currency. Potential adverse impact on the Group's cash flow and financial performance.	• Oversee and control the Group's treasury and funding matters • Develop hedging strategies which are governed strictly by the treasury policies • Monitor current and outlook of the relevant economies and foreign exchange markets
Market Risk	Axiata's OpCos continue to be challenged by stiff price competition with little certainty of possible market consolidation in certain markets.	• Invest in new technologies • Drive cost efficiencies • Establish strategic ties with hyper scalers, 'Over-the-Top' (OTT), and digital product developers to create products and services that meet evolving customer needs

RISK	DETAILS	MITIGATION
Regulatory Risk	Current regulatory risks which affect Axiata in its various markets include but are not limited to: restrictions of spectrum refarming and reuse, availability of new spectrum and associated acquisition costs, timely renewal of key operating licenses and of current spectrum allocations, discriminatory practices favoring locally-owned competitors, regulatory over-reach by policy makers and regulatory authorities, unpredictability of sector-specific taxation policies, subscriber registration, and broad range/lack of precedents of legal and regulatory frameworks.	• Advocates strict compliance, fair and transparent practices of government policies • Dedicated personnel and resources to constantly monitor all relevant developments and maintain regular contact and a courteous relationship with the governing authorities • Constantly enhance Axiata's process flows to encourage quick and cost-effective responses to changing regulations • Senior officials from Axiata have been at the forefront in engaging regulatory officials in implementing sustainable regulatory regimes which will lead to a development of healthy regimes for the mobile telecommunications sector • Participate in government consultations and industry association events, to foster collaboration and knowledge sharing for best industry policies and practices • The governments within Axiata's footprint are enforcing regulations where digital companies and OTT players need to comply with the local regulatory landscape. While such regulations are meant to create a level playing field between OTT players and mobile telco operators, the advantageous position OTTs have remained. The digitalisation of functions and processes within Axiata's businesses means that areas previously not regulated by cyber laws may now be subject to these additional regulations
Cyber and Data Privacy Risk	The sensitivity of customers' personal data, records of communication and factors relating to their use of the Internet and digital applications are Axiata's priority. Lack of effective and meaningful privacy protection and cyber security in place pose risks to Axiata.	• Instil digital trust and confidence in Axiata's customers and counter parties through robust Privacy and Cyber Security policies, frameworks and management • Axiata's vendors and business partners must adhere to a high standard of data protection and compliance controls set out in the Axiata Supplier Code of Conduct principles and contractual obligations • Defined cyber security strategy to constantly improve and upgrade processes, technology and people • Each OpCo is aligned to a common set of Key Performance Indicators (KPIs) and collaborates closely through regularly scheduled meetings • Adopted the international National Institute of Standards and Technology (NIST) Cyber Security Framework and focused on Axiata's ability to detect and respond to incidents effectively
Operational Risk	Axiata's operations and assets span across wide geographical locations and are subject to risks of supply chain disruptions, technical failures, partner failures, human errors, wilful acts, and natural disasters. Non-performance or non-deliverables of third-party vendors will have an impact on the Axiata's operations. A disruption or loss of supply due to a key vendor suffering business or operational failure may significantly and adversely affect the Group's core business and operations.	• Monitor the performance of vendors and develop diversified partnerships to reduce such dependencies • The Group Business Continuity Plan addresses these possible risks through a systematic identification of critical business processes and adequate recovery actions in the event the processes are affected adversely
Geopolitical Risk	Axiata operates in markets affected by political instability, civil unrest, and other social tensions. Political systems in several countries where Axiata operates remain fragile, resulting in regime uncertainties and, in most cases, the risk of arbitrary actions. Such conditions, beyond Axiata's control, may disrupt the business, undermining market sentiment and investor confidence in the Group.	• Axiata works closely with the Management of the respective OpCos, leveraging their local expertise, knowledge, and ability to continually assess the changing political scenario and have in place various measures to ensure a timely response in such occurrences • Axiata's emphasis is on maintaining a neutral government relations and contributing to the socio-economic development of these countries through various Corporate Social Responsibility (CSR) initiatives, as highlighted in the annual Sustainability & National Contribution Report

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Statement on Risk Management and Internal Control

RISK	DETAILS	MITIGATION
Strategic and Investment Risk	The evolution of the mobile telecommunications landscape has created a marked shift in customer expectations away from simple connectivity to demanding a better experience in Internet connection, network quality and competitive tariff rates. Increasingly, providing compelling digital content and lifestyle applications such as music and mobile money are equally important for mobile users. The entry of new players has also created pricing pressure that is eroding Axiata's margin. Keeping pace with changing consumer expectations and competitive pricing has become a challenge across most of the key markets Axiata operates in.	• Axiata closely monitors the competitive landscape, explores, and makes appropriate investments to upgrade its technology and platform and reviews the relevance of its products and services offerings to stay in the game • Prudent cost management keeps Axiata's budget lean while maintaining strong strategic alliances with network vendors helps us to keep pace with technology shifts • Venturing into new growth areas remains one of Axiata's strategic initiatives to create additional revenue streams such as participating in digital and OTT initiatives and investing in new markets and services that rely on connectivity • The Mergers and Acquisition Committee, chaired by the PGCEO oversees all acquisitions and divestments and, at the same time, maintain a robust due diligence process to evaluate and manage the potential risks involved • Post-acquisition, transition teams are put together to ensure that organisational, cultural and mind-set changes that are required are implemented appropriately
People Risk	People are one of the key pillars of success for Axiata and its OpCos, as it underpins Axiata ability to implement the vision, strategy and deliver superior services to Axiata customers. Hiring the right employee and the loss of key talent remains a challenge, especially in the digital economy.	• Axiata's Talent Management team is constantly identifying suitable candidates, whilst developing people through robust talent development programmes, attractive performance-based rewards and providing a safe and healthy work environment • Axiata advocates staff empowerment to allow for employees to respond to rapidly changing customer demands and work processes • Employee engagement is also critical for Axiata as failure to motivate and keep employees engaged will reduce overall morale, increase attrition, and ultimately affect Axiata business
Technology Risk	Axiata and its OpCos constantly strive to be at the forefront of technology and innovation in all Axiata operating markets. Rapid technological advances may result in premature obsolescence of key technology and equipment before the end of their expected useful life. On the other hand, a lag in the development and deployment of new technologies may also result in the businesses falling behind the competition.	• To remain relevant, Axiata constantly reviews and refreshes its technological capabilities and standing yet maintain financial prudence • Future proofing is therefore identified as a critical criterion in selecting network equipment and is built into the procurement process • Axiata is closely studying the technological advancements in the mobile communications industry, particularly on 5G technology, whilst carefully crafting the future network strategy
Governance Risk	Axiata and its OpCos are driven by Axiata's key values of Uncompromising Integrity and Exceptional Performance ("UI.EP") to ensure high ethical standards and good corporate governance are maintained. Axiata believes that sound corporate governance is a key success factor when conducting business in a global, highly competitive, regulated and rapidly changing market. Axiata's Code of Conduct sets out rules and guidelines on how personnel acting for or on behalf of Axiata are expected to conduct business and themselves.	• Axiata continues to focus on maintaining and further developing the strong ethical platform and corporate governance standard to support and ensure its business integrity and continuing strong performance • On Anti-Bribery and Anti-Corruption (ABAC), Axiata has taken the necessary steps to ensure all adequate procedures are put in place to mitigate any risks associated with ABAC • Revision of policies and procedures, realignment of processes with appropriate control mechanisms, the establishment of automated systems, and roll out of awareness programme to all staff are among the initiatives

INTERNAL CONTROLS

Main Features of Internal Control

Axiata adopts a "three lines of defense" mechanism that integrates internal control policies and procedures as the first line of defense, risk oversight as the second line of defense and audit providing independant assurance as the third line of defense. Each of the three lines of defense play a distinct role within Axiata's governance.

Internal Control Initiatives

Axiata's internal controls, which have been in place throughout the year are divided into three (3) key elements of People, Process and Technology.

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Statement on Risk Management and Internal Control

People Management

Integrity and Ethical Values

- Code of Conduct and Practice
  The Board, PGCEO and the SLT set the tone at the top for corporate behaviour and corporate governance. All employees of Axiata shall adhere to the policies and guidelines as set out in the Axiata Code of Conduct which sets out the principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing within Axiata and with external parties. Axiata's Code of Conduct covers areas such as compliance with respect to local laws and regulations, integrity, conduct in the workplace, business conduct, protection of the assets, confidentiality, conflict of interest and anti-competition practices.

- Guidelines on Misconduct and Discipline
  Guidelines are in place for handling misconduct and disciplinary matters. These guidelines govern the actions to be taken in managing the misconduct of employees who breach the Code of Conduct or do not comply with the expressed and implied terms and conditions of employment. The Code of Conduct has also been extended to contractors, suppliers and employees of the OpCos.

- Whistleblower Policy and Procedures
  Axiata has a Whistleblower Policy that enables employees, vendors and stakeholders to raise matters independently, without fear reprisal or bias. As part of this Whistleblower Policy and Procedures, there is an anonymous ethics and fraud whistleblowing channel managed by an independent third-party service provider under the supervision of the Group Internal Audit (GIA), as a mechanism for internal and external parties to channel their complaints or to provide information in confidence on fraud, corruption, dishonest practices, or other similar matters by employees, vendors, and stakeholders of the Group. The objective of such an arrangement is to encourage the reporting of such matters in good faith, with the confidence that employees or any parties making such reports will be treated fairly, their identity remains anonymous and are protected from reprisal.

Organisation Structure

- Clear Organisation Structure
  Axiata has an organisational structure designed to function optimally and led by functional SLT members who have clear roles of responsibility and lines of reporting. The proper segregation of duties promotes ownership and accountability for risk taking and defines lines of accountability and delegated authority for planning, executing, controlling, and monitoring business operations. Competent and professional individuals have been selected as Axiata's SLT to lead the team and implement strategies to deliver the targeted results. Regular reviews of the organisational structure are held to address the changes in the business environment and keep abreast of current and future trends of new technologies, products and services, and areas requiring focus.

Commitment to Competency

- Competency Framework
  Axiata appoints employees with the necessary skills, competencies and experience to ensure that the personnel driving key operations are sufficiently skilled and exhibit professional integrity in their conduct.

- Performance Management
  Axiata is committed to attract and retain competent, dedicated and loyal employees. Programmes and initiatives have been established to ensure that Axiata's human capital function is equipped with the qualities and skills to become a world class company through an ongoing emphasis on performance management and employee development.

  Axiata has a KPI performance measurement process to link performance and compensation to create a high-performance work culture. This process also seeks to provide clarity, transparency and consistency in planning, reviewing, evaluating and aligning employees' actions and behaviours to Axiata's vision, mission and culture.

- Training and Development Framework
  It is Axiata's policy to train employees at all levels so that they can perform well in their present jobs and develop employees to perform duties with wider responsibilities so that they may be ready to assume them when needed.

- Talent Development and Succession Planning
  A Talent Management Framework is in place to identify and develop a talent pipeline within Axiata and the OpCos as a pipeline for future leadership demands. In this respect, Axiata has met its target of identifying C-suite potentials that provide a cover ratio of 2:1 from within the organisation and has been intensifying its efforts to make these talents ready to succeed the current top management across Axiata and the OpCos. This is done via structured leadership development programmes, mentoring and coaching, regular leadership readiness assessments, as well as cross-functional and cross-country assignments.

  This leadership talent pipeline is regularly reviewed via the Group Talent Council and assessed as potential successors for key positions at Axiata and the OpCos, via internal and external benchmarks.

  Succession plans and the robustness of the talent pipeline, which includes fresh graduates and middle management, are regularly reviewed by the Board Nomination and Remuneration Committee (BNRC) and the Board.

Process Management

Control Activities

Control activities are the policies, procedures and practices that ensure management objectives are achieved and risk mitigation strategies are carried out. Key activities within Axiata are as follows:

- Policies and Procedures
  Key policies and procedures are documented and regularly reviewed. Internal controls are embedded into these documents to ensure consistent application throughout Axiata and the OpCos. This serves as a preventive control mechanism whilst allowing Axiata to promptly identify and respond to any significant control failures.

  Group Policies encompass both the Company and OpCos, and establish the framework for developing the respective procedures covering financials and controls. The documented procedures include management accounting, financial reporting, procurement, information systems security, compliance, risk management and business continuity management.

- Limits of Authority (LoA)
  The Board has approved a clearly defined and documented LoA to govern the business and day-to-day operations. The LoA is reviewed and updated regularly to ensure continuous improvements, reflect changing risks, and resolve operational deficiencies, creating more efficient work processes while maintaining the requisite check and balance. It establishes a sound framework of authority and accountability within Axiata, including segregation of duties and facilitating timely, effective, and quality decision making at the appropriate levels. The approved updated LoA is disseminated on a timely basis to all stakeholders to ensure seamless application and execution.

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Axiata's LoA clearly sets out the matters reserved for the Board's consideration and decision making, the authority delegated to the PGCEO and other SLT members, including the limits to which the PGCEO can execute the authority, and guides the division of responsibilities between the Board and Management.

- Budgeting Process
  A comprehensive annual budgeting process is in place to evaluate the feasibility and viability of Axiata's businesses and to ensure that the OpCos' business plans are in line with Axiata's strategic plans.

  Annual budgets are prepared by the OpCos and deliberated by their respective Boards. They are then presented and discussed during the Axiata Board Retreat at year end for the Group's Board deliberation and guidance, and if required, changes are made. Final approval is sought from the Board, inclusive of any changes post the Axiata Board Retreat.

  Upon approval of the budget, the performance of Axiata and its OpCos is periodically monitored and measured against the approved budget and ongoing business forecast, which is approved by the PGCEO and supported by the SLT. Axiata's performance is also reported to the BAC and the Board. Reporting systems that highlight significant variances against the plan are in place to track and monitor performance. The results are reviewed on a quarterly basis by the Board to enable them to gauge Axiata's overall performance compared to the approved budget and prior periods, and take remedial action where necessary. Similar performance reviews at OpCos Board level take place on a monthly or quarterly basis.

- Insurance and Physical Safeguard
  Axiata maintains an insurance programme to ensure that its assets and businesses are sufficiently covered by the appropriate insurance policies against any damage that will result in material losses. This includes a cyber risk insurance taken up for Axiata. At the same time, Axiata's major assets are physically safeguarded, and we constantly review the adequacy and types of insurance coverage to ensure alignment against Axiata's risk exposure and appetite.

Regulatory and Compliance

- Group Regulatory Affairs (GRA)
  The approach used is to proactively shape the landscape (external environment) at each OpCo market, thus enabling proper and effective management of regulatory issues confronting the respective OpCos.

This approach encompasses:

i. Regulatory Strategy:
- Constant monitoring of regulatory developments and identification of regulatory issues for each OpCo based on issues of highest strategic, financial and/or reputational impact
- Periodic review of national OpCo annual regulatory strategies which addresses these issues. This would translate into an advocacy plan engaging regulators and other authorities through formal and informal submissions and where appropriate, joint advocacy with international partners
- Development of Group-wide positions on key issues such as regulations for the digital economy, digital financial services regulations, spectrum policy, taxation, industry sustainability and regulatory fairness, digital competition and others
- Appointment of Axiata representatives to champion shareholder interests in specific markets

ii. Stakeholder Engagement:
- Engagement plan covering key government and political stakeholders in each OpCo market including key regulators with effective messages based on the regulatory strategy
- Engagement plan covering local, international and regional regulatory bodies, inter-governmental agencies and trade bodies with effective messages based on the regulatory strategy

iii. Regulatory Compliance Framework:
- Forms an essential part of Axiata's corporate governance and states the principles and the tone by which regulatory compliance is to be approached and implemented
- Underpinning the framework is the understanding that Axiata and OpCos shall comply with all applicable laws and regulations, regulatory obligations, and governmental policies in the jurisdictions in which it operates, and that regulatory advice should be obtained in an efficient and cost-effective manner as and when required
- GRA regularly embarks on ensuring a Group-wide baseline of best practice regulatory skills and knowledge, through the development of industry collaterals, position papers and regular capacity building programmes

Information and Communications

Information and communications are key elements that support the other components to work effectively and efficiently to maintain and build a strong and positive image of Axiata across its operating footprint. In Axiata's efforts to transform to become The Next Generation Digital Champion, digital and online communication tools and platforms have become the mainstay of connecting with the public as well as employees in a seamless and purposeful manner. The use of social media to engage and share information with the diverse communities across the footprint and to engage and keep employees informed of activities and corporate development exercises have in a timely manner become more important and relevant.

- Employee Communications
  The Group People Division and Group Strategic Communications & Marketing Department function as employee communications managers, to proactively keep employees within Corporate Centre and across the OpCos informed and engaged on new developments, activities and announcements. This is achieved using face-to-face and online engagements such as quarterly Group-wide Townhall sessions, virtual sharing sessions and facilitation of employee activities. In addition, the teams have introduced various digital platforms such as Intranet portal and internal social media as tools for internal communications, in line with Axiata's digital ambition. This includes Yammer, Sharepoint and electronic direct mail service (via email) while also leveraging on external social media platforms such as Axiata's Facebook, LinkedIn, Twitter and Instagram channels.

- Media and Public Relations
  Engagement with the media fraternity which includes building positive relations with business journalists, senior writers, editors and other content influencers in ensuring timely and accurate messages are shared and positioned, is an important role of the Strategic Communications function, within the Strategic Communications & Marketing Department. Amongst others, the media relations function includes writing and distributing news releases, overseeing all planning work and content development required for staging news conferences and media interviews, responding to media inquiries, preparing the Group's spokespersons to speak and engage with media and generally, ensuring the transparent and quality representation and position of the Group's interests and plans. The role also requires proactively and reactively managing issues and addressing misinformation and misrepresentation that may in any way impact Axiata's reputation.

  Monitoring, tracking and reporting on print, social, online and digital media, including blogs, is an important function to ensure a firm and realistic grasp of what the public, media and social influencers are saying, and devising communication strategies to improve perception and address inaccuracies or public queries. The Board also recognises the need for more dialogue with investors and analysts, and details of investor relations activities are listed within the Statement on Corporate Governance section of this Integrated Annual Report.

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Statement on Risk Management and Internal Control

- Statutory disclosure
  Producing compliant, open and transparent reports and communication materials based on Bursa Malaysia's Listing Requirements, and where possible, to go beyond minimum requirements such as preparing and publishing Axiata's performance and integrated financial and non-financial reports such as the Integrated Annual Report, National Contribution and Sustainability Report, Audited Financial Statements and other various communication materials.

- Sustainability and Governance
  Group Sustainability is responsible for the development, implementation, and management of Environmental, Social and Governance (ESG) related programmes and initiatives, including driving and ensuring alignment across Axiata and its OpCos, for a consistent and effective adaptation. Group Sustainability will ensure adherence to sustainability related frameworks, guidelines, and standards both locally and internationally (including the Bursa Malaysia Sustainability Guide, the United Nations Sustainable Development Goals (UNSDGs), the Global Reporting Initiative (GRI), position and ranking on sustainability indexes (i.e. FTSE4Good ESG index and other sustainability rating frameworks). Group Sustainability will also ensure material issues are updated as and when necessary, including engagement with stakeholders on sustainability related matters for the purposes of informing Group Sustainability Reporting and strategic considerations. In addition to ensure the standardisation and enhancement of data collection process through the implementation of digital data management systems, develop, and promote sustainability related disclosure/communications for internal and external stakeholders, utilising various media platforms. OpCos should align and localise the Group Sustainability objectives to their local context and be responsible for the collation of data and alignment of mechanisms and systems needed to support the Group's sustainability programmes, initiatives and direction. Group Sustainability provides advisory support and capacity building to all OpCos and other stakeholders within the Group on a needs basis to improve their sustainability performance and to promote sustainability-related knowledge development and awareness. OpCos are encouraged to produce their own Sustainability Report in compliance with the most current GRI standard.

- Crisis Communications
  Incidences or events that can seriously threaten a company's reputation such as extensive network failure, threat to cyber security and personal data information, government or regulatory disputes or insider trading, will require the function of Strategic Communications to lead in managing the crisis from a communications perspective, namely advising senior executives on messaging, managing media inquiries, preparing engagement platforms such as interviews and briefings, and ensuring employees are kept duly informed. A crisis may entail Strategic Communications collaborating with the relevant internal content and stakeholder owners to work with regulators, political officials, emergency response personnel and communications teams from other organisations when developing crisis messages and action plans. The Group is guided by the Axiata Group Crisis Communications Manual and Framework developed to address common crisis scenarios that affect the industry and business, with crisis simulation exercises and spokespersons training conducted periodically.

Monitoring

Monitoring covers the oversight of internal control by management or other parties outside the process or the application of independent methodologies, such as customised procedures or standard checklists, by employees within a process. Key monitoring activities within the Group are as follows:

- **Performance Reporting:**

  i. SLT Meetings

  The SLT meets monthly and as and when required, to deliberate on business performance, financial and operating risks and issues which include reviewing, resolving, and approving all key business strategic measures and policies. Progress, exceptions, and variations are also fully discussed and appropriate action is taken.

  Significant matters identified during these meetings are highlighted on a timely basis to the Board, which is responsible for setting the business direction and for overseeing the conduct of Axiata's operations. Through these mechanisms, the Board is informed of business performance and all major control issues pertaining to internal control, regulatory compliance and risk taking. This ensures that business objectives stay on course.

  ii. Major Control Issues

  Quarterly reports on financial and operational control issues are tabled and subsequently reviewed by the BAC.

  iii. Business Control Incident (BCI) Reporting

  Axiata has in place a BCI Reporting Framework aimed at capturing and disseminating the lessons learnt from internal control incidents with the objective of preventing similar incidents from occurring in other OpCos and to enable monitoring of internal control incidents that have caused significant losses.

  iv. Headline Performance KPIs

  Headline Performance KPIs have been set and agreed upon by the Board as part of the broader KPI framework that Axiata has in place. The Headline KPIs represent the main corporate performance measurement targets for the year and are announced publicly as a transparent performance management practice.

- **Ongoing Monitoring**

  Financial and Operational Review
  Quarterly financial statements and the Group's performance are reviewed by the BAC, which subsequently recommends them to the Board for their consideration and approval. Monthly management accounts containing key financial results, operational performance indicators and budget comparisons are also presented to the SLT to enable them to have regular and updated information of the Group's performance.

Governance & Compliance Information
Statement on Risk Management and Internal Control

Technology Management

Security (Application and Information Technology (IT) Network)

- Business Continuity Management (BCM)
  The Board is committed to safeguarding stakeholders' interest by ensuring the ability of business operations to continue during a crisis. The Group BCM framework provides organisational resilience in the face of a crisis. The programme created is regularly tested to cover any changes that may arise due to technological evolution or organisational changes.

  The Axiata BCM Framework is aligned with international standards of ISO 22301 Business Continuity Management which has been formalised and standardised across Axiata and OpCos. The framework allows for customisation to cater for each of its OpCo's unique requirements and operating environment. Business recovery plans have been documented for mission critical processes, tested, and regularly rehearsed to ensure effective coordination, familiarity and awareness among employees.

- Information Technology (IT)
  IT modernisation and digital enablement for superior customer experience is identified as one of Axiata's key strategies. All OpCos have been focusing on various initiatives in line with this strategy including the groundwork for building a cohesive Digital IT Stack, structured Software Development Life Cycle, increased use of secured Application Programme Interfaces (APIs), modernising Business Support Systems (BSS) and Operations Support Systems (OSS) to meet evolving business needs and achieving competitive positioning.

  Cyber security is an essential and underlying part of the Group digital strategy and risk mitigation. The team focuses on strengthening cyber security resilience through various initiatives, for example, periodic Vulnerability Assessments (VAs), independent maturity assessments, and structured periodic system hardening activities. With business continuity being another critical area, continued focus and investments are being devoted to cyber crisis simulation exercises and disaster recovery testing for key IT systems.

CONCLUSION

The Board has obtained assurances from the PGCEO and Group Chief Financial Officer that the risk management and internal control systems of Axiata and the OpCos are operating adequately and effectively, in all material aspects.

Where weaknesses were identified, rectification steps have been put in place. The Board believes that the risk management and internal control systems in place for the year under review and up to the date of approval of this Statement for inclusion into this Integrated Annual Report, are adequate and effective.

JOINT VENTURES AND ASSOCIATES

The disclosures in this Statement do not include the risk management and internal control practices of Axiata's joint ventures and associates. In these entities, Axiata's interests are safeguarded through the appointment of SLT members to the relevant Board of Directors and, in certain cases, the management committees of these entities. Additionally, where necessary, key financial and other appropriate information on the performance of these entities is obtained and reviewed by the Board periodically.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR, Messrs. PwC has reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide (AAPG) 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of Axiata and its OpCos.

This statement is made in accordance with the resolution of the Board dated 23 March 2022.

Governance & Compliance Information
Board Audit Committee Report

Summary of the Board Audit Committee's Key Activities in 2021
During the Financial Year ended 2021 (FY2021), the Board Audit Committee (BAC) discharged its functions and carried out its duties as set out in the Terms of Reference (ToR). Key activities undertaken by the BAC includes the following:

New Initiatives or Focus Areas Undertaken in 2021

- Continued to work with Management in enhancing the Whistleblowing 2.0 channel establishment across all Operating Companies (OpCos) in line with Section 17A of MACC Act 2009 (Revised 2018) Adequate Procedures aimed at transparency and integrity in the business
- Reviewed and approved the enhanced Axiata Group Internal Audit Charter and the Internal Auditing Procedures and Guideline Manual
- Reviewed the Board Audit Committee membership composition across the Group for continuity in leadership and roles and recommended to Management the areas for improvements
- Continued to review the progress of the Group on alignment with the "Securities Commission's Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries" (issued on 30th July 2020) including the corporate governance (CG) disclosure practices across all OpCos
- Reviewed the effectiveness of Internal Audit (IA) function in all OpCos via the OpCos IA Supervision Dashboard mechanism
- Reviewed the governance, risks and internal controls of Business Control Incidents (BCIs) across the Group
- Reviewed and recommended for approval the Policy on Accounting and Tax Records Retention & Retrieval
- Reviewed and recommended for approval the Branding, Advertising, Marketing and Sponsorship Policy
- Reviewed the accounting treatment for the proposed settlement of Axiata Digital Services (ADS) Long Term Incentive Plan (LTIP)
- Encouraged the pilot of Continuous Auditing using analytics amongst the internal audit teams across the Group to modernise the internal audit works with the use of technologies
- Reviewed the Group foreign currency exposure, the impact of currency translation on Axiata Group's financial statements, and debt level including restructuring on financial risks of the Group considering ongoing COVID-19, oil price and currency volatility

Other recurring work includes:

- Reviewed and approved the Internal Audit Plan and Budget 2022
- Reviewed the execution of all 2021 Audit Plan across the Group in terms of audit findings and timely closure of major audit issues. A total of 158 internal audit reviews were completed across the Group
- Supported extensive internal audits assignments Group-wide in the area of Procurement, IT User Access Management, Cyber Security, Data Privacy, and Related Party Transactions which have contributed to improvements in controls across the Group
- Supported relevant competency development of auditors across the Group
- Reviewed and recommended the Statement on Corporate Governance, Statement on Risk Management and Internal Control and BAC Report for inclusion in the Integrated Annual Report Suite to the Board for approval
- Reviewed the quarterly financial results and the financial statements for the year ended 2021, prior to recommending to the Board for approval
- Discussed and resolved all Key Accounting Matters which arose during the year
- Reviewed the accounting impact and accounting entries arising from merger and acquisition deals and revised accounting policies when required for better governance and controls
- Reviewed the potential exposure of major investments made by the Group
- Reviewed compliance by Axiata Group and its Operating Companies with the accounting standards issued by International Financial Reporting Standards (IFRS) and incorporated in Malaysian Financial Reporting Standards (MFRS)
- Reviewed on a quarterly basis the related party transaction entered into by Axiata pursuant to the shareholders mandate on Recurrent Related Party Transactions (RRPT) procured at the 29th AGM of the Company held on 16 June 2021 and the reporting of these transactions in the 2021 Financial Statements
- During the financial year ended 31 December 2021, Axiata has granted a total of 3,123,700 shares under the Performance Based Long Term Incentive Plan (details provided under Notes 14 of the Audited Financial Statements) at the Share Reference Price of RM3.45 for 28 February 2021 and RM 3.79 for 15 August 2021 for Restricted Share Plan (RSP) grant respectively. The BAC has reviewed the allocation of the above shares granted to eligible employees (as defined in the Bye- Laws of the Performance Based Long Term Incentive Plan) and noted its compliance with the conditions for the allocation of share options/shares as approved
- Held two (2) private meetings with the external auditors on 23 February 2021 and 24 November 2021 without the presence of Management. The topics that were discussed were key matters noted from audits, the sufficiency and adequacy of information provided to external auditors to perform the audit and cooperation provided by the Management
- Reviewed and approved appointment of external auditors, taking into consideration their competencies, commitments, objectivity and independence
- Reviewed and recommended to the Board the fees payable to the external auditors
- Reviewed and approved the non-audit services to the external auditors after due consideration that the transparency and independence of the external auditors remain intact
- Reviewed business control incidents including fraud
- Reviewed the Whistleblowing Dashboard, investigations outcome and consequence management
- Reviewed Data Privacy governance, risks management and internal controls implementation
- Continued to assess adequacy and effectiveness of cyber security programmes as cyber security risks continue to evolve and escalate

Composition and Meetings

In 2021, the BAC, met seven (7) times on:

- 26 January 2021
- 23 February 2021
- 24 March 2021
- 21 May 2021
- 24 August 2021
- 15 November 2021
- 24 November 2021.

The composition and the attendance record of BAC members are listed below.

Name of Director	Status of Directorship/ Qualifications	No. of Meetings Attended
Thayaparan S Sangarapillai (Chairman of BAC)	Independent Non-Executive Director	7 out of 7
Dr David Robert Dean	Independent Non-Executive Director	7 out of 7
Syed Ali Syed Salem Alsagoff	Non-Independent Non-Executive Director	7 out of 7

Financial Literacy

The BAC is chaired by Thayaparan Sangarapillai whom is a retired Senior Partner with over 32 years in PricewaterhouseCoopers, Malaysia. A Fellow of the Institute of Chartered Accountants in England & Wales, Member of the Malaysian Institute of Certified Public Accountants and Chartered Accountant with the Malaysian Institute of Accountants. Thaya is a highly respected leader, experienced in corporate governance, risk management practices, internal controls and external financial reporting. Thaya brings significant expertise in understanding of complex and technical areas specifically in conducting due diligence for mergers and acquisitions ("M&As"), securities transactions and business reviews in enabling strategic decision making.

Governance & Compliance Information
Board Audit Committee Report

Thaya was appointed as Independent Non-Executive Director of Petroliam Nasional Berhad, Chairman of Risk Committee and member of Audit Committee in 2021. He is also member of the Board, Chairman of the Audit Committee and Chairman of the Risk Committee of AIG (Malaysia) Berhad as well as Board member, Chairman of the Audit Committee and member of the Risk Committee of Sime Darby Berhad.

Dr David Dean is a former Senior Partner from the Boston Consulting Group, where he served clients in the technology and telecommunication business globally for almost 30 years. Since retiring he works as an independent adviser and non-executive director to technology and telecomunication companies in Europe and Asia.

Syed Ali started his career in audit before joining a local brokerage house to trade equities. He then moved into the marine logistics business, chartering Offshore Service Vessels to major Exploration & Production companies in Malaysia, including Petronas. He was part of Bumi Armada Berhad's (BA) turnaround team between 2006 and 2009. Syed Ali oversaw Oil and Gas related investments during his time in Ekuiti Nasional Berhad. Syed Ali re-joined BA in 2011, as the President Director of the Indonesian joint venture entity, and successfully pivoted the domestic shipping business into a full- fledged Floating Production Storage and Offloading operator through a landmark contract win. During his stint at Baker Hughes Malaysia, Syed Ali was responsible for managing Petronas global accounts, advocating low carbon technologies for energy transition and digital solutions to enhance cost optimisations via operational efficiencies.

Group Internal Audit

The internal audit function is under the purview of Axiata Group Internal Audit (AGIA) and headed by the Group Chief Internal Auditor (GCIA), who is independent and reports directly to the BAC.

The internal audit reporting structure within the Group has been organised whereby the audit departments of the OpCos report directly to the BAC of the respective OpCo with a dotted reporting line to the GCIA. The GCIA also acts as the secretary to the BAC and attends OpCo BAC meetings.

AGIA provides independent, objective assurance on areas of operations reviewed, and makes recommendations to improve and add value to the Group. AGIA identifies, coordinates and conducts global audits that are carried out throughout the Group and also provides standards, policies, guidelines and advice to the OpCos' audit function to standardise the internal audit activities within the Group.

AGIA adopts a systematic and disciplined approach to evaluate the adequacy and effectiveness of risk management, financial, operational, compliance and governance processes. Structured risk-based and strategic based approaches are applied in identifying internal audit activities that are aligned with the Group's strategic plans to ensure that the risks facing the Group are adequately reviewed. In addition, in keeping up with Axiata's Vision of Next Generation Digital Champion and businesses aggressive march into digitalisation, AGIA in 2021 embarked on a continuous upskilling of Group-wide training programme throughout 2021 for all its auditors in the area of analytics. Consequently, internal auditors across OpCos have applied analytics in relevant audits throughout the year for higher quality of audit works in terms of efficiency, effectiveness, completeness, risks focus, accurate and quantifiable audit findings.

Further, international standards and best practices are adopted to further enhance the relevancy and effectiveness of the internal audit activities. The areas of coverage include finance, marketing, information and technology, billing, network, corporate governance, human resources, customer service, digital services and procurement. The audit reports of these assignments provide independent and objective assessment of the following:

- the adequacy, effectiveness and efficiency of the internal control systems to manage operations and safeguard the Group's assets and shareholders' value; and
- the adequacy and effectiveness of the risk management operations, governance and compliance functions to identify, manage and address potential risks facing the Group.

The internal audit reports are issued to management for their comments and action plans with deadlines are subsequently agreed to complete the necessary preventive and corrective actions. The reports are tabled at each OpCo's BAC, and the summary of the key findings are presented to the BAC for due deliberation to ensure that management undertakes to carry out the agreed remedial actions. Members of management are invited to the BAC meetings from time to time, especially when major control weaknesses are highlighted by Internal Audit.

Key audits and reviews completed in 2021 were:

- Global Audit on Cyber Security
- Global Audit on User Access Password Management
- Global Audit on Related Party Transaction
- Global Audit on Procurement Process
- Global Review on Anti Bribery and Corruption Compliance Review Phase 2A (High Risks Contracts)
- Global Review on Contract Management
- Global Review on Data Privacy
- Merger & Acquisitions Governance, Risks and Controls Process
- Axiata Young Talent Programme Audit

The total cost incurred by AGIA in 2021, inclusive of all OpCos, was RM19.62 million. There are a total of 84 internal auditors across the Group whilst AGIA at Corporate Centre has eight headcounts. All the internal auditors have tertiary qualifications and the level of expertise and professionalism within AGIA at the end of 2021 is as follows:

Expertise Category	Percentage of total auditors
Finance	36%
IT/MIS	24%
Network/ Engineering	15%
Marketing	11%
General/Others	14%

Professional Category	Percentage of total auditors
Professional Certification	
• CPA, ACCA, CA, CIMA	30%
• Certified IS Auditor	16%
• Institute of Internal Auditors	11%
• Others	36%
Postgraduate	
MBA and Masters	33%

Governance & Compliance Information

Building Digital Trust Through Data Privacy and Cyber Security

Inspiring digital trust is central to the Axiata 5.0 Vision of becoming The Next Generation Digital Champion. Guided by our values of Uncompromising Integrity, Exceptional Performance (UI. EP), we continued to enhance our data privacy and cyber security capabilities in 2021. We believe this is vital for our business sustainability and continuity, as it enables us to remain agile and resilient whilst maintaining high-performance levels and ensuring business continuity. As a leading regional telecommunications and digital conglomerate, Axiata remains committed to serve the digital and connectivity needs of more than 163.1 million mobile customers and approximately 185,000 Enterprises across ASEAN and South Asia.

OUR PRIVACY COMMITMENT

Axiata commits to protect and respect the privacy of our customers, employees and other stakeholders.

WE ARE GUIDED BY OUR

VISION

Our Vision is to ensure data privacy is at the core of everything we do in our aspiration to be the trusted brand in our respective markets.

MISSION

Our Mission is to foster a culture of trust and confidence in us through a robust data privacy framework.

AND FOUNDED ON PRINCIPLES OF

TRANSPARENT	We are **TRANSPARENT** about what, why and how we collect and protect **YOUR PERSONAL DATA** so that **YOU** can make informed decisions.
RIGHTS	We respect **YOUR RIGHTS** as individuals, so **YOU** are in control of **YOUR PERSONAL DATA**.
USE	We **USE YOUR PERSONAL DATA** for specific and stated purposes, and keep it for only as long as required.
SECURITY	We have established robust **CYBER SECURITY PRACTICES** in line with leading industry standards to protect **YOUR PERSONAL DATA** that **YOU** have shared with us.
TRANSFER	With **YOUR CONSENT** or in accordance with **APPLICABLE LAWS** we may **TRANSFER YOUR PERSONAL DATA** and will take appropriate steps to ensure it is adequately protected.

DATA PRIVACY

As a digital company, we recognise that our customers, employees, and other stakeholders' data privacy is paramount, and we ensure it is handled with the highest level of respect, due care and diligence in line with our robust Group-wide data privacy practices.

In view of the heightened risks of data breach, we continue to strengthen and ensure due care and diligence when dealing with personal data. Data privacy is overseen by the Board Risk and Compliance Committee, and supported by the Risk and Compliance Department. Each of our Operating Companies (OpCos) has also appointed a Data Privacy Officer (DPO) responsible for enhancing their respective data privacy capabilities. Regular cadence of Group-wide meetings and seminars ensures that the privacy maturity programme is maintained and advancements in data privacy technology and data breach techniques and procedures is explored for improvements to the programme.

Data Privacy Strengthened Through Our Privacy Commitment

Our Privacy Commitment is based on the principles of T.R.U.S.T, a commitment that emphasises the Group's standing as a trusted regional digital telecommunications and digital services provider. These principles articulate Axiata's Privacy Commitment to embed strong security and privacy governance in our technology, processes and people.

Our position reaffirms our utmost commitment to developing a more resilient data privacy ecosystem that protects and respects customers, employees and other stakeholders' privacy. In 2020, Axiata published the Group Data Privacy Policy and Privacy Notices for customers on its website to raise their awareness of data privacy issues.

Governance & Compliance Information
Building Digital Trust Through Data Privacy and Cyber Security

In that same year, we also embarked on the Privacy Programme's implementation phase to enhance data protection capabilities across our operations. We have continuously embedded privacy across all the Group's business facets. We built on our capabilities to further improve our privacy posture by strengthening our governance policies and monitoring activities, ensuring efficient oversight and privacy risk management.

This phase of the programme also saw the successful roll out of a mandatory training and awareness programme Group-wide to all employees as well as vendors processing critical assets and personal data. As we maintained our standards and best practices, we achieved a 90% overall completion rate. We successfully upskilled our Privacy Community members through an annual certification training of the Certified Information Privacy Manager (CIPM) Certification, accredited by a leading global privacy body, the International Association of Privacy Professionals.

To ensure regulatory compliance is upheld throughout the Group's business processes, we will continue to demonstrate the strictest vigilance and conduct due diligence exercises over our vendors' data-handling processes and activities. Our employees, vendors, and business partners are expected to comply with data privacy and cyber security compliance standards and adopt our Code of Conduct.

In our continuous path to inspire digital confidence and trust, we have plans that will further enhance our data governance. In markets with Data Protection Laws, the aim is to ensure that the relevant OpCos are in full compliance with prevalent laws and regulations. While in those OpCos where Data Protection Bills are being drafted into laws, the focus is on ensuring adequate compliance readiness is in place. We will further employ automated privacy solutions to support our business operations.

KEY HIGHLIGHTS IN 2021

In 2021, the privacy function undertook several initiatives to improve the maturity and scope of ensuring that the data entrusted to us is adequately managed and protected.

The first Group-wide audit of the privacy programme and governance was conducted to validate its capability and the reported results of the programme indicate no major findings. To improve the level of compliance, training and awareness materials were updated with more engaging and interactive content to ensure that staff were kept aware of security and privacy matters. We have maintained a high completion level of more than 90% of the staff and vendors having completed and passed the training by the end of 2021. In order to keep the senior management updated on the emerging trends and risks of Data Privacy we engaged external thought leaders to present on the topic during our Risk and Compliance forum.

We also conducted a Group-wide review of contracts to identify those which had high-risks based on the data and applications and minimise any potential risk. These were followed up with Data Privacy Impact Assessments (DPIA) reviews on the High-Risk vendors.

As a Group-wide initiative covered by a mandatory Key Performance Indicator (KPI) for each OpCo, we incorporated the concept of Privacy-by-Design for all privacy applications, processes and in the procurement function for new projects with third parties.

OUTLOOK IN 2022 AND BEYOND

With the completion of Phase One, we will continue to execute Phase Two of the Privacy Programme with focus on implementing automated privacy solutions to improve our business operations and maintain the strictest vigilance, enhance our monitoring activities and strengthen oversight of vendors' data-handling activities.

Cyber Security

Axiata's cyber security strategy Digital Trust and Resilience 2023 (DT&R2023) is a coherent, defensible cyber security programme based on a clear vision and strategic goals to build customer trust and Axiata's cyber resilience. The Cyber Security Programme focused on maintaining a strong foundation and implementing common standards and processes in DT&R2023. Evolving from the last three-year strategy, DT&R2023 will build on the programme and focus on resilience and value creation by ensuring that Axiata is right-sized, collaborative, future-fit, cost-conscious and making data- driven decisions on enabling business agility. In the first year of the execution of the strategy, the Cyber Security Programme converged common capabilities and introduced a risk-based approach to protect and apply security controls to the infrastructure and processes.

KEY HIGHLIGHTS IN 2021

Strengthening Cyber Security Programmes and Technologies

While the new normal in the Cyber Security landscape has accelerated the use of digital resources for work and play, the threat landscape has grown significantly to exploit the targets of opportunity presented. Escalating attack numbers, social engineering exploits, supply chain vulnerabilities, and ransomware have raised the corporate risk level. In line with these changes to overall cyber risks, we have also leveraged advanced technology to elevate our cyber capabilities. We have implemented advanced technology tools such as Machine Learning and Artificial Intelligence (AI) tools and refined our use cases to ensure we remain relevant and agile in detecting and responding to malicious events. We have also improved our cyber capabilities and agility by adopting Robotic Process Automation to enhance and expand operational agility to augment vendor resources' shortfall during the pandemic. Furthermore, we have adopted more automation and data driven analytics in our activities to improve our response time, reduce cost, maintain consistency and repeatability of common activities.

As part of our efforts to detect cyber threats, we have also expanded our Group Security Operations Centre (GSOC) capabilities. GSOC has been effective in providing consistent monitoring and timely updates on internal and external threats. Additionally, we have established internal teams of professional white hat hackers and conducted several crisis simulation exercises across the Group to test and improve our incident response. To measure our capability to respond to incidents we have tracked the time taken to respond and contain events across the Group and we have achieved a 73% improvement for the year.

Cyber Security Training and Awareness for Our Employees

We conducted phishing, malware and ransomware related awareness to appraise employees on trends of attackers during the pandemic, including malicious links on topics dealing with COVID-19 recovery, shopping bargains and authentic looking 'internal communications' to determine the use-cases where employees might succumb to phishing attacks. These insights were used to improve the training and awareness programme and implement controls related to email filtering and has resulted in lower phishing click rates across the Group.

Training and awareness initiatives have improved in 2021 with the adoption of a Group-wide training platform with curated material for cyber security based on internal policies and standards with current best practices to build an informed workforce. The coverage and completion of training modules for staff and vendors stood at greater than 90% across the Group for the year.

Governance & Compliance Information
Building Digital Trust Through Data Privacy and Cyber Security

Cyber Security Awareness for Our Digital Telcos Customers

We published awareness information on our Digital Telcos' websites to help raise and build awareness with our customer on cyber threats such as phishing, financial and commercial scams, fake online shopping scams, and social engineering scams on their mobile services.

Application of National Institute of Standards and Technology (NIST) Cyber Security Framework standards

In measuring the progress and effectiveness of our programmes and initiatives, we apply National Institute of Standards and Technology (NIST) Cyber Security Framework standards:

- Internationally recognised cyber security maturity framework
- Identifies key cyber security functions and improves our ability to detect and respond to incidents
- Axiata's 2021 aggregated NIST maturity index is at 3.7 on a 5-point scale and now exceeds the regional averages of companies across Asia Pacific, Europe, Latin America and the World
- Axiata is currently at the 83rd percentile of world leaders in cyber security, most of whom are based in the US and Canada

OUTLOOK IN 2022 AND BEYOND

While maintaining the core capability of established in 2021, the Cyber Security DT&R2023 strategy will shift to the second leg of the plan by enhancing the resilience and scope of the programme in 2022.

We will right-size and right-skill the teams at each OpCo to leverage on synergies and collaboration while improving skills and resource utilisation both within the OpCos and across the Group. This will enable us to address the new opportunities, technologies and threats in the near future.

We will enhance our ability to leverage on and effectively manage key technologies such as Cloud services and telco infrastructure. Another focus area will be building a defensible security programme for containerised architecture and microservices based workloads on the Cloud. For Telco architecture and security, we will prepare for the secure implementation and assurance of 5G technology and services.

Emerging capabilities like Zero Trust will help us build a layered defence architecture by providing separation and protection of access to our crown jewels. Access to crown jewels will be monitored and continuously validated to ensure critical and sensitive information is protected. To provide adequate Data Protection we will expand the deployment of Password-less access control and Data Leakage Prevention technologies across the Group.

A major threat which emerged in 2020 and 2021 was the increased incidents of DDoS, Ransomware and Data Breaches worldwide. While incident response plans were established for these types of critical threats, the scale and sophistication of these events has increased the threat level to a major risk. Consequently, in the areas of Critical Threat Management, we will enhance the response plans across the group with cross-functional and multi-disciplined teams working on threat simulations and cyber drills.

Having set the foundation on value protection and building the right skills and resources, in 2022 we will focus on the scalability of the cyber security programme. Culture and sustainability will also be a high priority as we build our Cyber Academy to maintain growth and talent pool in the cyber programme. This should put us in a good position to focus on value creation on how we use Cyber Security, Data Driven Risk Analysis, Cost of Controls, and the Monetisation of our Cyber Security services.

Governance & Compliance Information
Additional Compliance Information

1. **NON-AUDIT FEES** [Disclosed in accordance with Appendix 9C, Part A item 18, Main LR]

   The amount of non-audit fees incurred for the services rendered to Axiata and the Group by its external auditors, PricewaterhouseCoopers PLT and its affiliated firms for the FY21 are RM3.8 million and RM8.9 million respectively.

   Services rendered by PricewaterhouseCoopers PLT are not prohibited by regulatory and other professional requirements, and are based on globally practised guidelines on auditors independence. PricewaterhouseCoopers PLT was engaged in these services when their expertise and experience of Axiata are important. It is also the Group's policy to use the auditors in cases where their knowledge of the Group means it is neither efficient nor cost effective to employ another firm of accountants.

2. **MATERIAL CONTRACTS INVOLVING DIRECTORS'/MAJOR SHAREHOLDERS' INTEREST** [Disclosed in accordance with Appendix 9C, Part A item 21, Main LR]

   There were no material contracts of Axiata and/or its subsidiaries, involving the interest of the directors, chief executive who is not a director and major shareholders either subsisting as at 31 December 2021 or entered into since the end of FY20 except the material contracts between Axiata and its major shareholder subsisting as at 31 December 2021 as follows:

   - Shareholders Agreement between Axiata, Mount Bintang Ventures Sdn Bhd, a wholly-owned subsidiary of Khazanah Nasional Berhad, Innovation Network Corporation of Japan and edotco Group Sdn Bhd ("edotco") dated 18 January 2017 as amended by the Deed of Accession and Amendment dated 18 April 2017 to govern their relationship as shareholders of edotco.

3. **UTILISATION OF PROCEEDS** [Disclosed in accordance with Appendix 9C, Part A item 13, Main LR]

   The proceeds arising from the disposal of 5% equity interest in PT XL Axiata Tbk by Axiata Investment (Indonesia) Sdn Bhd which was completed on 27 October 2021 for a total cash consideration of IDR1,440,205.2 million (equivalent to approximately RM421.9 million) were utilised for shareholder loan, working capital and corporate purposes.

4. **AXIATA GROUP PERFORMANCE-BASED LONG-TERM INCENTIVE PLAN (AXIATA GROUP PBLTIP)** [Disclosed in accordance with Appendix 9C, Part A item 27, Main LR]

   On 25 May 2016, shareholders of the Company approved Axiata Group PBLTIP and the plan was implemented on 30 September 2016.

   Information on the Axiata Group PBLTIP is as set out in Note 14(a) of the Audited Financial Statements for FY21.

   Axiata PBLTIP shares granted, adjusted, vested, lapsed and outstanding since the implementation of the plan until FY21 are as follows:

   - Total number of Axiata PBLTIP shares granted: 17,346,100
   - Total number of Axiata PBLTIP shares adjusted: 5,028,076
   - Total number of Axiata PBLTIP shares vested: 11,448,400
   - Total number of Axiata PBLTIP shares lapsed: 2,619,417
   - Total number of Axiata PBLTIP shares outstanding: 8,306,359

   The Axiata PBLTIP shares granted shall be vested only upon the fulfilment of certain performance condition by Axiata and individuals as at vesting date with potential multiplier effect on the number of shares to be granted.

   As provided below, with the exception of Dato' Izzaddin Idris, none of the Directors of Axiata have been granted Axiata PBLTIP shares.

	Granted	Adjusted	Vested	Lapsed	Outstanding
Dato' Izzaddin Idris	592,700	-	-	-	592,700[1]

Notes:

[1] The number of Axiata PBLTIP shares that may vest is 592,700 provided that the performance targets for vesting are met. Otherwise, the number of shares that may vest could be a portion of the full amount or nil. However, if the super stretched individual performance targets and the Group's superior company performance targets at the point of vesting are met, up to 1,185,400 ordinary shares of the Company may be vested.

5. **RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE IN NATURE (RRPT)** [Disclosed in accordance with paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12, Main LR]

At the last AGM held on 15 June 2021, Axiata obtained a general mandate from its shareholders for the Group to enter into RRPT with related parties as set out in the Circular to Shareholders dated 17 May 2021 (RRPT Mandate). This RRPT Mandate is valid until the conclusion of Axiata's forthcoming 30th AGM.

Axiata proposes to seek a new RRPT Mandate at its forthcoming 30th AGM (Proposed Shareholders' Mandate). The Proposed Shareholders' Mandate, details of which will be provided in the Circular to Shareholders to be sent together with the Notice of Annual General Meeting, if approved by the shareholders, will be valid until the conclusion of Axiata's 31st AGM.

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the Main LR, details of RRPT entered into during FY21 under the RRPT Mandate are as follows:

Transacting Companies	Transacting Related Parties	Interested Major Shareholder/Director	Nature of Transaction	Value of Transaction RM'000
Axiata Group Berhad and/or its subsidiaries ("Axiata Group")	Telekom Malaysia Berhad and/or its subsidiaries ("TM Group")	- Khazanah - Ong King How	**REVENUE**	
			Telecommunication and related services	
			- Interconnect payment from TM Group	12,618
			- Leased-line payment from TM Group	-
			- Voice Over Internet Protocol related services revenue from TM Group	-
			- Dark fibre and leased line from Celcom Axiata Berhad and/or its subsidiaries ("Celcom Group") to Fibrecomm Network (M) Sdn Bhd	2,177
			- Leased-line from Celcom Group to Fiberail Sdn Bhd	193
			- Transmission revenue on the services by Axiata Group to TM Group	996
			- Infrastructure leasing and related services including managed services receivable from TM Group to Axiata Group	46,046
			- Domestic roaming revenue and Provision of 4G Multi-Operator Core Network ("MOCN") by Celcom Group to TM Group	54,094
			COSTS	
			Telecommunication and related services	
			- Interconnect cost to TM Group	8,576
			- Voice Over Internet Protocol related services by TM Group to Axiata Group	-
			- Leased-line related costs to TM Group	7,950
			- Provision of data and bandwidth related services by TM Group to Axiata Group	65,967
			- Provision of contact centre and business process outsourcing services by VADS Berhad to Axiata Group	10,528
			- Leasing of fibre optic core and provision of bandwidth services from Fiberail Sdn Bhd to Celcom Group	163
			- Purchase of dark fibre, bandwidth, space and facility from Fibrecomm Network (M) Sdn Bhd by Axiata Group	2,991
			Non-telecommunications Services	
			- Site rental payable for telecommunication infrastructure, equipment and related charges by Axiata Group to TM Group	24,566
			TOTAL	**236,865**

Governance & Compliance Information
Additional Compliance Information

Transacting Companies	Transacting Related Parties	Interested Major Shareholder/Director	Nature of Transaction	Value of Transaction RM'000
Axiata Group Berhad and/or its subsidiaries ("Axiata Group")	edotco Group Sdn Bhd and/or its subsidiaries ("edotco Group")	- Axiata Group - Khazanah - Ong King How - edotco Group - Khazanah through its wholly-owned subsidiary, Mount Bintang Sdn Bhd	**Revenue to Axiata Group/Cost to edotco Group[(1)]**	
			- Repair & maintenance & other service charges by Axiata Group to edotco Group	2,333
			- Technical and management services fees and other services charges by Axiata Group to edotco Group	6,848
			Cost to Axiata Group/Revenue to edotco Group[(1)]	
			- Infrastructure leasing and related services including managed services by edotco Group to Axiata Group	628,846
			- Technical and operations support services fees and other services charges by edotco Group to Axiata Group	-
			- Field Line Maintenance services by edotco Group to Axiata Group	73,578
			TOTAL	**711,605**

Note:

[1] The amount will be eliminated as inter-segment revenue for edotco Group. Respective cost will be eliminated at Axiata Group as the transaction is the intercompany transactions within Axiata Group.

6. **STATUS OF LEGALISATION OF OUTDOOR STRUCTURES** [Disclosed in accordance with letter from SC dated 12 February 2014]

Pursuant to the approval from Securities Commission Malaysia (SC) in 2008 in relation to, amongst others, TM Group's demerger and the listing of Axiata, Axiata is required to obtain the relevant approvals for the transmission towers and rooftop sites (Outdoor Structures) of Celcom Group within two years from the date of the SC's approval letter (Timing Conditions).

SC had, in 2010 and 2012, granted an extension of time for Axiata to comply with the Timing Conditions until 29 January 2012 and 29 January 2014 respectively.

Following the application submitted by CIMB Investment Bank Berhad, on behalf of Axiata, for further extension of time for the legalisation of the remaining 28 Outdoor Structures, SC had, via their letter dated 12 February 2014, granted an exemption to Axiata from complying with the Timing Conditions, subject to, amongst others, Axiata disclosing the status of the legalisation in its Annual Report until such time the necessary approvals are obtained.

As at 31 March 2022, 13 Outdoor Structures remained to be legalised. Applications for legalisation of 7 Outdoor Structures were submitted and currently, pending approval by local authorities. Applications for legalisation of 6 Outdoor Structures are currently being prepared for submission and/or re-submission to local authorities. The remaining 4 Outdoor Structures which are unlikely to be legalised are in the midst of being relocated to new sites.

AUDITED FINANCIAL STATEMENTS

Audited Financial Statements
Directors' Responsibility Statement

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2021 and of their financial performance and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- Selected and applied the appropriate and relevant accounting policies on a consistent basis;
- Made judgments and accounting estimates that are reasonable in the circumstances; and
- Prepared the annual audited financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company.

The Directors also have the overall responsibilities to take such steps to safeguard the assets of the Group and for the establishment, designation, implementation and maintenance of appropriate accounting and internal control systems for the prevention and detection of fraud and other irregularities relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Audited Financial Statements
Directors' Report

The Directors hereby submit their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the provision of mobile communication services, telecommunication infrastructure and related services as well as digital services.

The principal activities of the Company are investment holding and provision of technical and management services on an international scale.

The principal activities of the subsidiaries are set out in Note 44 to the financial statements. There has been no significant change in the nature of the activities of the Group and the Company during the financial year.

FINANCIAL RESULTS

The results of the operations of the Group and the Company for the financial year were as follows:

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
- owners of the Company	818,900	464,515
- non-controlling interests	457,981	-
	1,276,881	464,515

In the opinion of the Directors, the results of the operations of the Group and the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements.

SHARE CAPITAL

During the financial year, the paid-up capital of the Company increased from 9,169.5 million ordinary shares to 9,175.0 million ordinary shares. The increase in paid-up capital of the Company was in line with the vesting of shares granted under the Axiata Group Performance Based Long Term Incentive Plan ("Axiata PBLTIP") by the employees of the Company and its subsidiaries as disclosed in Note 14(a) to the financial statements.

The above mentioned ordinary shares rank pari-passu in all respects with the existing ordinary shares of the Company.

DIVIDENDS

The dividends paid or declared or proposed since the end of the previous financial year were as follows:

		Tax exempt dividend under single tier system	
		Per ordinary share Sen	Total RM'000
In respect of financial year ended 31 December:			
- 2020	Final	5.0	458,631
- 2021	Interim	4.0	366,908
		9.0	825,539

The Board of Directors had, on 21 February 2022, declared a tax-exempt dividend under single tier system of 5.5 sen per ordinary share of the Company in respect of the financial year ended 31 December 2021.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

AXIATA GROUP PERFORMANCE BASED LONG TERM INCENTIVE PLAN

On 25 May 2016, shareholders of the Company approved the Axiata PBLTIP and the plan was implemented on 30 September 2016.

Details of the Axiata PBLTIP are disclosed in Note 14(a) to the financial statements.

Audited Financial Statements
Directors' Report

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Tan Sri Shahril Ridza Ridzuan	Appointed on 29 November 2021
Dato' Mohd Izzaddin Idris	
Dato Dr Nik Ramlah Nik Mahmood	
Dr David Robert Dean	
Khoo Gaik Bee	
Thayaparan S Sangarapillai	
Ong King How	
Tan Sri Dr Halim Shafie	
Syed Ali Syed Salem Alsagoff	
Nurhisham Hussein	Appointed on 25 January 2022
Tan Sri Ghazzali Sheikh Abdul Khalid	Resigned on 31 December 2021

The names of Directors of subsidiaries are set out in the respective subsidiaries' statutory accounts and the said information is deemed incorporated herein by such reference and made part thereof.

In accordance with Clause 104 of the Constitution of the Company ("Constitution"), Dato' Mohd Izzaddin Idris, Dato Dr Nik Ramlah Nik Mahmood and Dr David Robert Dean retire from the Board of Directors at the Thirtieth ("30th") AGM and being eligible, offer themselves for re-election.

In accordance with Clause 110(ii) of the Constitution, Tan Sri Shahril Ridza Ridzuan and Nurhisham Hussein retire from the Board of Directors at the 30th AGM and being eligible, offer themselves for election.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares of the Company			
	As at 1.1.2021	Addition	Transferred	As at 31.12.2021
Indirect interest				
Tan Sri Dr Halim Shafie	10,000	-	-	10,000[1]

[1] Shares held through his spouse

	Number of shares granted under Axiata PBLTIP			
	As at 1.1.2021	Granted	Forfeited	As at 31.12.2021
Axiata PBLTIP				
Dato' Mohd Izzaddin Idris	149,900	442,800	-	592,700[2]

[2] The number of Axiata PBLTIP shares that may vest is 592,700 provided that the performance targets for vesting are met. Otherwise, the number of shares that may vest could be a portion of the full amount or nil. However, if the super stretched individual performance targets and the Group's superior company performance targets at the point of vesting are met, up to 1,185,400 ordinary shares of the Company may be vested.

Other than as disclosed above, in accordance with the Register of Directors' Shareholdings, none of the Directors in office at the end of the financial year have any direct or indirect interest in any shares and options over ordinary shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (except for the Directors' remuneration as disclosed in Note 7(e) to the financial statements) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company or any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate other than the Axiata PBLTIP of the Company, details as disclosed in Note 14(a) to the financial statements.

DIRECTORS' REMUNERATION

The Directors' remuneration of the Company for the financial year ended 31 December 2021 is disclosed in Note 7(e) to the financial statements.

Audited Financial Statements
Directors' Report

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and the Company were prepared, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent or other liability of the Group and the Company has become enforceable or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and the Company to meet its obligations when they fall due.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and the Company which has arisen since the end of the year which secures the liability of any other person; or

(b) any contingent liability of the Group and the Company which has arisen since the end of the year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and the Company, which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements; and

(b) except as disclosed in Note 50 to the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

The details of auditors' remuneration are set out in Note 7(c) to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains a group corporate liability insurance for the Directors and officers of the Group throughout the financial year. The Group's liability insurance provides appropriate insurance cover for the Directors and officers of the Group. The insurance premium paid by the Company in respect of the group corporate liability insurance for the financial year amounted to RM281,456 (2020: RM230,000).

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 23 March 2022. Signed on behalf of the Board of Directors:

TAN SRI SHAHRIL RIDZA RIDZUAN
DIRECTOR

DATO' MOHD IZZADDIN IDRIS
DIRECTOR

Kuala Lumpur

Audited Financial Statements

Statements of Comprehensive Income For the financial year ended 31 December 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Revenue	6	**25,900,661**	24,203,171	**1,706,172**	1,691,092
Operating costs:					
- depreciation, impairment and amortisation	7(a)	**(8,094,868)**	(8,484,994)	**(759,274)**	(1,444,762)
- foreign exchange gains/(losses)		**58,239**	(196,083)	**17,641**	93,312
- domestic interconnect, international outpayment and other direct costs		**(2,199,930)**	(1,822,171)	**-**	-
- marketing, advertising and promotion		**(2,192,658)**	(1,892,272)	**(12,825)**	(11,618)
- other operating costs	7(b)	**(7,963,233)**	(7,305,590)	**(136,311)**	(99,892)
- staff costs	7(d)	**(2,071,006)**	(2,227,532)	**(145,004)**	(143,367)
- net impairment on receivables and amounts due from subsidiaries		**(69,817)**	(298,731)	**(65,914)**	(12,283)
Other gains - net	8	**52,034**	2,693	**-**	-
Other income - net	9	**398,655**	516,393	**6,156**	5,558
Profit before finance costs		**3,818,077**	2,494,884	**610,641**	78,040
Finance income	10	**150,982**	177,183	**95,588**	31,016
Finance costs	10	**(1,565,069)**	(1,693,067)	**(220,857)**	(51,568)
Foreign exchange (losses)/gains on financing activities		**(234,355)**	173,395	**(20,857)**	82,015
		(1,799,424)	(1,519,672)	**(241,714)**	30,447
Associates					
- share of results (net of tax)		**11,689**	17,862	**-**	-
Joint ventures					
- share of results (net of tax)		**(7,706)**	860	**-**	-
Profit before taxation		**2,173,618**	1,171,117	**464,515**	139,503
Taxation and zakat	11	**(896,737)**	(547,072)	**-**	-
Profit for the financial year		**1,276,881**	624,045	**464,515**	139,503

Audited Financial Statements

Statements of Comprehensive Income For the financial year ended 31 December 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Other comprehensive income/(expense) (net of tax):					
Items that will not be reclassified to profit or loss:					
- actuarial gains/(losses) on defined benefit plans (net of tax)		**16,095**	(34,909)	**-**	-
- fair value through other comprehensive income		**(7,632)**	(117,815)	**-**	-
Items that may be reclassified subsequently to profit or loss:					
- currency translation differences		**303,572**	(573,023)	**-**	-
- net cash flow hedge		**7,717**	28,640	**-**	-
- net cost of hedging		**(84,949)**	7,025	**-**	-
Other comprehensive income/(expense) for the financial year (net of tax)		**234,803**	(690,082)	**-**	-
Total comprehensive income/(expense) for the financial year		**1,511,684**	(66,037)	**464,515**	139,503
Profit for the financial year attributable to:					
- owners of the Company		**818,900**	365,155	**464,515**	139,503
- non-controlling interests		**457,981**	258,890	**-**	-
		1,276,881	624,045	**464,515**	139,503
Total comprehensive income/(expense) for the financial year attributable to:					
- owners of the Company		**945,820**	(184,693)	**464,515**	139,503
- non-controlling interests		**565,864**	118,656	**-**	-
		1,511,684	(66,037)	**464,515**	139,503
Earnings per share (sen)					
- basic	12(a)	**8.9**	4.0	**-**	-
- diluted	12(b)	**8.9**	4.0	**-**	-

The above Statements of Comprehensive Income are to be read in conjunction with the notes to the financial statements on pages 54 to 180.

Audited Financial Statements

Statements of Financial Position As at 31 December 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	13	**13,905,207**	13,883,028	**13,905,207**	13,883,028
Reserves	15	**4,100,117**	3,758,114	**589,103**	951,228
Total equity attributable to owners of the Company		**18,005,324**	17,641,142	**14,494,310**	14,834,256
Non-controlling interests		**7,060,505**	6,238,288	**-**	-
Total equity		**25,065,829**	23,879,430	**14,494,310**	14,834,256
NON-CURRENT LIABILITIES					
Borrowings	16	**14,819,079**	14,773,895	**1,107,597**	829,850
Derivative financial instruments	18	**91,162**	121,784	**-**	-
Deferred income	19	**260,360**	445,237	**11,736**	17,265
Deferred gain on sale and leaseback assets	20	**307,754**	422,817	**-**	-
Trade and other payables	21	**1,116,080**	1,303,042	**-**	-
Provision for asset retirement	22	**747,795**	640,507	**829**	804
Amounts due to subsidiaries	34	**-**	-	**6,843,330**	-
Deferred tax liabilities	23	**1,377,516**	1,086,780	**-**	-
Lease liabilities	24	**8,412,149**	7,894,276	**6,600**	10,730
Total non-current liabilities		**27,131,895**	26,688,338	**7,970,092**	858,649
		52,197,724	50,567,768	**22,464,402**	15,692,905
NON-CURRENT ASSETS					
Intangible assets	25	**21,722,687**	20,634,399	**-**	-
Contract cost assets	26	**232,519**	179,801	**-**	-
Property, plant and equipment	27	**26,975,288**	24,495,647	**17,406**	18,062
Right-of-use assets	28	**8,983,213**	8,518,895	**10,260**	14,366
Subsidiaries	29	**-**	-	**19,362,654**	20,112,079
Associates	30	**257,898**	274,635	**-**	-
Joint ventures	31	**25,569**	33,737	**-**	-
Financial assets at fair value through other comprehensive income	32	**220,744**	220,978	**-**	-
Financial assets at fair value through profit or loss		**5,678**	4,467	**-**	-
Derivative financial instruments	18	**76,817**	8,343	**-**	-
Trade and other receivables	35	**1,280,866**	1,315,895	**-**	2,000
Amounts due from subsidiaries	34	**-**	-	**2,569,539**	2,717,756
Deferred tax assets	23	**358,530**	310,324	**-**	-
Total non-current assets		**60,139,809**	55,997,121	**21,959,859**	22,864,263

Audited Financial Statements
Statements of Financial Position As at 31 December 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
CURRENT ASSETS					
Inventories	33	**222,747**	141,663	**-**	-
Amounts due from subsidiaries	34	**-**	-	**1,089,814**	443,233
Trade and other receivables	35	**5,060,933**	4,362,395	**15,087**	4,583
Derivative financial instruments	18	**121**	-	**-**	-
Financial assets at fair value through profit or loss	36	**65**	138,113	**-**	-
Tax recoverable		**109,514**	97,610	**-**	-
Deposits, cash and bank balances	37	**6,969,352**	7,194,254	**886,387**	1,231,872
		12,362,732	11,934,035	**1,991,288**	1,679,688
Assets classified as held-for-sale	39	**47,889**	30,593	**-**	-
Total current assets		**12,410,621**	11,964,628	**1,991,288**	1,679,688
LESS: CURRENT LIABILITIES					
Trade and other payables	21	**13,555,061**	12,001,948	**101,620**	102,930
Deferred income	19	**3,609**	3,820	**-**	-
Deferred gain on sale and leaseback assets	20	**123,902**	121,365	**-**	-
Borrowings	16	**4,231,416**	2,971,544	**179,736**	431,750
Lease liabilities	24	**1,758,846**	1,734,320	**4,144**	3,841
Derivative financial instruments	18	**20,497**	10,881	**-**	-
Amounts due to subsidiaries	34	**-**	-	**1,201,245**	8,312,525
Current tax liabilities		**653,031**	532,947	**-**	-
		20,346,362	17,376,825	**1,486,745**	8,851,046
Liabilities classified as held-for-sale	39	**6,344**	17,156	**-**	-
Total current liabilities		**20,352,706**	17,393,981	**1,486,745**	8,851,046
Net current (liabilities)/assets		**(7,942,085)**	(5,429,353)	**504,543**	(7,171,358)
		52,197,724	50,567,768	**22,464,402**	15,692,905

The above Statements of Financial Position are to be read in conjunction with the notes to the financial statements on pages 54 to 180.

Audited Financial Statements

Consolidated Statement of Changes in Equity For the financial year ended 31 December 2021

	Note	Share capital RM'000	Currency translation differences RM'000	Reserves RM'000	Retained earnings RM'000	Total RM'000	NCI RM'000	Total equity RM'000
At 1 January 2021		13,883,028	(1,002,020)	(1,822,687)	6,582,821	17,641,142	6,238,288	23,879,430
Profit for the financial year		-	-	-	818,900	818,900	457,981	1,276,881
Other comprehensive income/(expense):								
- Currency translation differences of subsidiaries		-	200,934	-	-	200,934	102,638	303,572
- Net cash flow hedge		-	-	6,291	-	6,291	1,426	7,717
- Net cost of hedging		-	-	(83,419)	-	(83,419)	(1,530)	(84,949)
- Actuarial gains (net of tax)		-	-	10,674	-	10,674	5,421	16,095
- Revaluation of financial assets at FVTOCI		-	-	(7,560)	-	(7,560)	(72)	(7,632)
Total comprehensive income/(expense) for the financial year		-	200,934	(74,014)	818,900	945,820	565,864	1,511,684
Transactions with owners:								
- Dilutions of equity interests in subsidiaries		-	3,489	(10,080)	94,030	87,439	158,871	246,310
- New/Additional investments in subsidiaries		-	-	-	(3,707)	(3,707)	27,424	23,717
- Partial disposal of a subsidiary		-	55,892	(1,253)	81,456	136,095	285,838	421,933
- Accretion of equity interest in a subsidiary		-	-	-	808	808	(808)	-
- Dividends declared to:								
- Shareholders of the Company	48	-	-	-	(825,539)	(825,539)	-	(825,539)
- NCI		-	-	-	-	-	(214,603)	(214,603)
- Share-based compensation expense		-	-	23,266	-	23,266	(369)	22,897
- Transferred from share-based payment reserve upon vesting/forfeiture		22,179	-	(28,360)	6,181	-	-	-
Total transactions with owners		22,179	59,381	(16,427)	(646,771)	(581,638)	256,353	(325,285)
At 31 December 2021		13,905,207	(741,705)	(1,913,128)	6,754,950	18,005,324	7,060,505	25,065,829

Other comprehensive income ("OCI"), Non-controlling interests ("NCI"), Fair value through other comprehensive income ("FVTOCI")

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Consolidated Statement of Changes in Equity For the financial year ended 31 December 2021

	Note	Share capital RM'000	Currency translation differences RM'000	Reserves RM'000	Retained earnings RM'000	Total RM'000	NCI RM'000	Total equity RM'000
At 1 January 2020		13,857,268	(561,180)	(3,762,267)	6,646,972	16,180,793	6,039,230	22,220,023
Profit for the financial year		-	-	-	365,155	365,155	258,890	624,045
Other comprehensive (expense)/income:								
- Currency translation differences of subsidiaries		-	(443,878)	-	-	(443,878)	(129,145)	(573,023)
- Net cash flow hedge	18(c)	-	-	28,640	-	28,640	-	28,640
- Net cost of hedging	18(c)	-	-	7,025	-	7,025	-	7,025
- Actuarial losses (net of tax)		-	-	(24,275)	-	(24,275)	(10,634)	(34,909)
- Revaluation of financial assets at FVTOCI		-	-	(117,360)	-	(117,360)	(455)	(117,815)
Total comprehensive (expense)/income for the financial year		-	(443,878)	(105,970)	365,155	(184,693)	118,656	(66,037)
Transactions with owners:								
- Dilutions of equity interests in subsidiaries		-	3,638	(64)	217,182	220,756	98,806	319,562
- Additional investments in subsidiaries		-	-	-	-	-	7,584	7,584
- Right issue by a subsidiary		-	-	-	-	-	9,596	9,596
- Revaluation of put option		-	-	(222,982)	-	(222,982)	-	(222,982)
- Derecognition of put option		-	-	2,250,479	-	2,250,479	-	2,250,479
- Share buyback by a subsidiary	5(b)(iii)	-	(3,287)	109	(2,554)	(5,732)	(34,737)	(40,469)
- IPO of a subsidiary		-	2,687	946	(47,941)	(44,308)	292,995	248,687
- Dividends declared to:								
- shareholders of the Company	48	-	-	-	(595,993)	(595,993)	-	(595,993)
- NCI		-	-	-	-	-	(300,530)	(300,530)
- Share-based compensation expense		-	-	42,822	-	42,822	6,688	49,510
- Transferred from share-based payment reserve upon vesting		25,760	-	(25,760)	-	-	-	-
Total transactions with owners		25,760	3,038	2,045,550	(429,306)	1,645,042	80,402	1,725,444
At 31 December 2020		13,883,028	(1,002,020)	(1,822,687)	6,582,821	17,641,142	6,238,288	23,879,430

Initial Public Offerings ("IPO")

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements on pages 54 to 180.

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Company Statement of Changes in Equity For the financial year ended 31 December 2021

	Note	Share capital RM'000	Capital contribution reserve RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2021		**13,883,028**	**16,598**	**27,626**	**907,004**	**14,834,256**
Profit/Total comprehensive income for the financial year		**-**	**-**	**-**	**464,515**	**464,515**
Transactions with owners:						
- Dividends declared to shareholders	48	**-**	**-**	**-**	**(825,539)**	**(825,539)**
- Share-based compensation expense		**-**	**-**	**21,078**	**-**	**21,078**
- Transferred from share-based payment reserve upon vesting/ forfeiture		**22,179**	**-**	**(28,360)**	**6,181**	**-**
Total transactions with owners		**22,179**	**-**	**(7,282)**	**(819,358)**	**(804,461)**
At 31 December 2021		**13,905,207**	**16,598**	**20,344**	**552,161**	**14,494,310**
At 1 January 2020		13,857,268	16,598	27,351	1,363,494	15,264,711
Profit/Total comprehensive income for the financial year		-	-	-	139,503	139,503
Transactions with owners:						
- Dividends declared to shareholders	48	-	-	-	(595,993)	(595,993)
- Share-based compensation expense		-	-	26,035	-	26,035
- Transferred from share-based payment reserve upon vesting		25,760	-	(25,760)	-	-
Total transactions with owners		25,760	-	275	(595,993)	(569,958)
At 31 December 2020		13,883,028	16,598	27,626	907,004	14,834,256

The above Company Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements on pages 54 to 180.

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Statements of Cash Flows For the financial year ended 31 December 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash flows from/(used in) operating activities	38	**8,837,014**	7,136,701	**(293,125)**	(237,445)
Cash flows (used in)/from investing activities	38	**(8,116,898)**	(3,638,591)	**583,290**	(2,353,473)
Cash flows (used in)/from financing activities	38	**(1,216,542)**	229,300	**(656,415)**	3,665,403
Net (decrease)/increase in cash and cash equivalents		**(496,426)**	3,727,410	**(366,250)**	1,074,485
Effect of exchange gains/(losses) on cash and cash equivalents		**116,784**	(66,881)	**20,765**	(41,853)
Net (increase)/decrease in restricted cash and cash equivalents		**(30,190)**	46,528	**-**	-
Cash and cash equivalents at the beginning of the financial year		**6,722,162**	3,015,105	**1,231,872**	199,240
Cash and cash equivalents at the end of the financial year		**6,312,330**	6,722,162	**886,387**	1,231,872

Cash and cash equivalents at the end of the financial year consist of the following:

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash and cash equivalents in banks	37	**6,525,962**	6,700,654	**886,387**	1,231,872
Financial asset at fair value through profit or loss	36	**-**	138,063	**-**	-
Bank overdraft		**(213,632)**	(116,555)	**-**	-
Cash and cash equivalents at the end of the financial year		**6,312,330**	6,722,162	**886,387**	1,231,872

The above Statements of Cash Flows are to be read in conjunction with the notes to the financial statements on pages 54 to 180.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

1. GENERAL INFORMATION

The principal activities of the Group are the provision of mobile communication services, telecommunication infrastructure and related services as well as digital services.

The principal activities of the Company are investment holding and provision of technical and management services on an international scale.

The principal activities of the subsidiaries are set out in Note 44 to the financial statements. There has been no significant change in the nature of the activities of the Group and the Company during the financial year.

The address of the registered office of the Company is Level 5, Corporate Headquarters, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

The address of the principal place of business of the Company is Corporate Headquarters, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

The financial statements have been approved for issuance in accordance with a resolution of the Board of Directors on 23 March 2022.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and the Company have been prepared under the historical cost convention except as disclosed in Note 3 to the financial statements.

The financial statements of the Group and the Company are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The preparation of financial statements of the Group and the Company in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenues and expenses during the reported period. It also requires Board of Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Board of Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's and the Company's financial statements are disclosed in Note 4 to the financial statements.

(a) Amendments to published standards that are applicable to the Group and the Company that are effective

The following amendments to published standards have been adopted by the Group and the Company for the first time for the financial year beginning on 1 January 2021:

- Amendments to MFRS 16 - Leases ("MFRS 16") - COVID-19-Related Rent Concessions
- Amendments to MFRS 9 - Financial Instruments ("MFRS 9"), MFRS 139 - Financial Instruments: Recognition and Measurement, MFRS 7 - Financial Instruments: Disclosures ("MFRS 7"), MFRS 4 - Insurance Contracts and MFRS 16 on 'Interest Rate Benchmark Reform - Phase 2'

Other than the impact of amendments to MFRS 7 as disclosed in Note 43(a)(iii) to the financial statements, the adoption of the above has no significant impact to the Group and the Company during the financial year.

(b) Amendments to published standards that are applicable to the Group and the Company but not yet effective

The Group and the Company will apply the following amendments to standards in the financial year beginning on/after 1 January 2022:

- Annual Improvements to MFRS 9 - Fees in the 10% test for derecognition of financial liabilities clarifies that only fees paid or received between the borrower and the lender, including the fees paid or received on each other's behalf, are included in the cash flow of the new loan when performing the 10% test.

  An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

  The Annual Improvements to MFRS 9 are not expected to have material impact to the Group and the Company.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

The Group and the Company will apply the following amendments to standards in the financial year beginning on/after 1 January 2022: (continued)

- Amendments to MFRS 3 - Business Combinations ("MFRS 3") - Reference to Conceptual Framework replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework. The amendments did not change the current accounting for business combinations on acquisition date.

  The amendments provide an exception for the recognition of liabilities and contingent liabilities should be in accordance with the principles of MFRS 137 - Provisions, Contingent Liabilities and Contingent Assets ("MFRS 137") and IC Interpretation 21 - Levies when falls within their scope. It also clarifies that contingent assets should not be recognised at the acquisition date.

  The amendments shall be applied prospectively.

  The amendments to MFRS 3 are not expected to have material impact to the Group and the Company.

- Amendments to MFRS 116 - Property, Plant and Equipment ("MFRS 116") - Proceeds before intended use prohibit an entity from deducting from the cost of a property, plant and equipment the proceeds received from selling items produced by the property, plant and equipment before it is ready for its intended use. The sales proceeds should instead be recognised in profit or loss.

  The amendments also clarify that testing whether an asset is functioning properly refers to assessing the technical and physical performance of the property, plant and equipment.

  The amendments shall be applied retrospectively.

  The amendments to MFRS 116 are not expected to have material impact to the Group and the Company.

- Amendments to MFRS 137 - Onerous contracts - cost of fulfilling a contract clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, impairment loss that has occurred on assets used in fulfilling the contract should be recognised.

  The amendments shall be applied retrospectively.

  The amendments to MFRS 137 are not expected to have material impact to the Group and the Company.

The Group and the Company will apply the following amendments to standards in the financial year beginning on/after 1 January 2023:

- Amendments to MFRS 101 - Presentation of Financial Statements ("MFRS 101") - Classification of liabilities as current or non-current clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least twelve (12) months after the reporting period.

  If the right to defer settlement of a liability is subject to the entity complying with specified conditions (for example, debt covenants), the right exists at the end of the reporting period only if the entity complies with those conditions at that date. The amendments further clarify that the entity must comply with the conditions at the end of the reporting period even if the lender does not test compliance until a later date.

  The assessment of whether an entity has the right to defer settlement of a liability at the reporting date is not affected by expectations of the entity or events after the reporting date.

  In addition, the amendments clarify that when a liability could be settled by the transfer of an entity's own equity instruments (e.g. a conversion option in a convertible bond), conversion option that is not an equity instrument as defined in MFRS 132 - Financial Instruments: Presentation is considered in the current or non-current classification of the convertible instrument.

  The amendments shall be applied retrospectively.

  The amendments to MFRS 101 are being assessed by the Group and the Company.

- Amendments to MFRS 112 - Income Taxes ("MFRS 112") - Deferred Tax related to Assets and Liabilities arising from a Single Transaction clarify that the initial exemption rule does not apply to transactions where both an asset and a liability are recognised at the same time such as leases and decommissioning obligations. Accordingly, entities are required to recognise both deferred tax assets and liabilities for all deductible and taxable temporary differences arising from such transactions.

  The amendments shall be applied prospectively.

  The amendments to MFRS 112 are being assessed by the Group and the Company.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

The Group and the Company will apply the following amendments to standards in the financial year beginning on/after 1 January 2023: (continued)

- Amendments on disclosure of accounting policies - Amendments to MFRS 101 and MFRS Practice Statement 2

  The amendments to MFRS 101 require companies to disclose material accounting policies rather than significant accounting policies. Entities are expected to make disclosure of accounting policies specific to the entity and not generic disclosures on MFRS applications.

  The amendment explains an accounting policy is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

  Also, accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Accordingly, immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information.

  MFRS Practice Statement 2 was amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

  The amendments to MFRS 101 and MFRS Practice Statement 2 are being assessed by the Group and the Company.

- Amendments on definition of accounting estimates - Amendments to MFRS 108 - Accounting Policies, Changes in Accounting Estimates and Errors ("MFRS 108")

  The amendments to MFRS 108, redefined accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". To distinguish from changes in accounting policies, the amendments clarify that effects of a change in an input or measurement technique used to develop an accounting estimate is a change in accounting estimate, if they do not arise from prior period errors.

  Examples of accounting estimates include expected credit losses; net realisable value of inventory; fair value of an asset or liability; depreciation for property, plant and equipment; and provision for warranty obligations.

  The amendments to MFRS 108 are being assessed by the Group and the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies in the preparation of these financial statements are set out below:

(a) Economic entities in the Group

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered only if the rights are substantive when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meet the definition of a business. The Group determines that it has acquired a business when the acquired set of activities and assets include and input and substantive process that together significantly contribute to the ability to create outputs. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any NCI in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the NCI's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Economic entities in the Group (continued)

(i) Subsidiaries (continued)

If the business combination is achieved in stages, the carrying amount of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

The excess of the consideration transferred by the Group, the amount of any NCI in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, NCI recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss. The accounting policy of goodwill is stated in Note 3(b)(i) to the financial statements. Goodwill is carried at cost less accumulated impairment losses, if any.

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised.

The acquired entity's results, assets and liabilities are consolidated as if both the acquirer and acquiree had always been combined. Consequently, the consolidated financial statements reflect both entities' full year's results. The comparative information is restated to reflect the combined results of both entities.

Inter-company transactions, balances and unrealised gains and losses on transactions between the Group's companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

NCI in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of financial position and statement of changes in equity respectively.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with NCIs that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling interests and NCI to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to NCI and any consideration paid or received is recognised in equity attributable to owners of the Group.

The potential cash payments related to put options issued by the Group over the equity of subsidiaries are accounted for as financial liabilities. The amount of financial liabilities is recognised initially at the present value of the estimated redemption amount with a corresponding charge directly to equity where the risks and rewards of ownership of the equity interests remained with the non-controlling interest. The charge to equity is recognised separately as written put options over NCI.

Such options are subsequently measured at amortised cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which is first becomes exercisable. Gains or losses arising from subsequent measurement are recognised directly in equity. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

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Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Economic entities in the Group (continued)

(iii) Disposal of subsidiaries

When the Group ceases to consolidate because of a loss in control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, a joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in consolidated OCI are reclassified to profit or loss.

Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(iv) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

The Group's interests in joint ventures are accounted for in the consolidated financial statements using the equity method. Where necessary, in applying the equity method, adjustments are made to the financial statements of joint venture to ensure consistency of the accounting policies with those of the Group.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at costs in the consolidated statements of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint venture in profit or loss and the Group's share of movements in OCI of the joint venture in OCI. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equal or exceed its interest in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment loss is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in OCI in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to profit or loss where appropriate.

(v) Associates

Associates are entities which the Group has significant influence, but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not power to exercise control or joint control over those policies.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment in an associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in profit or loss, and the Group's share of movements in OCI of the associate in OCI. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an associate equal or exceed its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group's investments in associates includes goodwill identified on acquisition.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Economic entities in the Group (continued)

(v) Associates (continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in OCI in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

The cost of an associate acquired in stages is measured as the sum of the fair value of the interest previously held plus the fair value of any additional consideration transferred as of the date when the investment became an associate. Any gain or loss on remeasurement of the previously held stake is taken to profit or loss and any OCI recognised in prior periods in relation to the previously held stake in the acquired associate is also recognised in profit or loss or OCI if election has been made under MFRS 9. Goodwill is determined on acquisition date, based on the different between the cost of investment (which comprise of both fair value of consideration transferred for additional interest and fair value of interest previously held) and the Group's share of fair value of the associate's net assets.

The cost of acquiring an additional stake in an associate is added to the carrying amount of associate and equity accounted. Goodwill arising on the purchase of additional stake is computed using fair value information at the date the additional interest is purchased. The previously held interest is not remeasured.

Any acquisition-related costs are expensed in the periods in which the costs are incurred.

(b) Intangible assets

(i) Goodwill

The Group recognised goodwill based on partial goodwill method. Goodwill represents the excess of the cost of acquisition of subsidiaries over the Group's share of the fair value of the identifiable net assets including contingent liabilities of subsidiaries at the date of acquisition and fair value of any pre-existing equity interest in the subsidiaries. Any shortfall is recognised in profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Intangible assets (continued)

(ii) Licences

The Group's licences mainly consist of acquired telecommunication licences with allocated spectrum rights and tower operating licences. Acquired licences are shown at cost. Licences acquired in a business combination are recognised at fair value at the acquisition date. Licences have finite useful lives and are carried at cost less accumulated amortisation. Amortisation is calculated using straight-line method, from the effective date of commercialisation of services, subject to impairment, to the end of the assignment period. Licences are not revalued. The estimated useful lives of the acquired telecommunication licences with allocated spectrum rights and tower operating licence of the Group are as follows:

Malaysia	15 - 16 years
Indonesia	4 - 10 years
Sri Lanka	5 - 10 years
Bangladesh	10 - 18 years
Cambodia	25 - 30 years
Nepal	5 - 10 years

(iii) Customer contracts and the related relationship

Customer contracts and the related customer relationship arose from the acquisition of subsidiaries. The customer contracts and the related relationships are shown at fair value on acquisition of a subsidiary and subsequently subject to amortisation over the useful life. The customer contracts and the related customer relationships are tested for impairment whenever indication of impairment exists. The estimated useful lives of the customer contracts and related relationship are as follows:

Mobile segment:	
- Nepal	10 years
Infrastructure segment	20 years

(iv) Brands

Separately acquired brands are shown at historical cost. Brands acquired in a business combination are recognised at fair value at the acquisition date. Brands have a finite useful life and are carried at cost less accumulated amortisation and accumulated losses, if any. Amortisation is calculated using the straight-line method to allocate the cost of brands over their estimated useful lives as follows:

Mobile segment:	
- Cambodia	25 years
- Nepal	10 years

(v) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in subsequent period.

Software under development is capitalised only after technical and commercial feasibility of the asset has been completed and able to generate future economic benefits.

Computer software development costs recognised as assets are amortised from the point at which the asset is ready for use over their estimated useful lives, which does not exceed five (5) years.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment ("PPE")

PPE are stated at cost less accumulated depreciation and impairment losses. Cost includes its purchase price and any costs that are directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

(i) Cost

The cost of telecommunication network includes cost of equipment, site surveys, contractors' charges, materials and related overhead. The cost of other PPE comprises their purchase cost and any incidental cost of acquisition. These costs include the costs of dismantling, removal and restoration, the obligation which was incurred as a consequence of installing the asset.

PPE also include telecommunication equipment and maintenance spares acquired for the purpose of replacing damaged or faulty plant or spares and supplies to be used in constructing and maintaining the network. PPE acquired in a business combination are recognised at fair value at the acquisition date.

Borrowing costs directly incurred to finance the construction of PPE that takes more than twelve (12) months are capitalised as part of the cost of the assets during the period of time that is required to complete and prepare the qualified asset for its intended use.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefit associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying value of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the period in which they are incurred.

(ii) Depreciation and residual value

Freehold land is not depreciated as it has an infinite life. Other PPE are depreciated on the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives in years, summarised as follows:

Buildings	8 - 50 years
Telecommunication network equipment	2 - 20 years
Movable plant and equipment	3 - 10 years
Computer support systems	2 - 10 years

Depreciation on assets under construction or capital work-in-progress commence when the assets are ready for their intended use. Depreciation on PPE ceases at the earlier of derecognition or classification as held-for-sale.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

(iii) Impairment

At the end of the reporting period, the Group and the Company assess whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying value of the asset is fully recoverable. A write down is made if the carrying value exceeds the recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 3(e) to the financial statements.

(iv) Gains or losses on disposals

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount of the related asset and are included in "Other income – net" in profit or loss.

(v) Asset exchange transaction

PPE may be acquired in exchange for a non-monetary asset or for a combination of monetary and non-monetary assets and is measured at fair value unless;

- the exchange transaction lacks commercial substance; or
- the fair value of neither the assets received nor the assets given up can be measured reliably.

The acquired item is measured in this way even if the Group and the Company cannot immediately derecognise the assets given up. If the acquired item cannot be reliably measured at fair value, its cost is measured at the carrying amount of the asset given up.

(vi) Repairs and maintenance

Repairs and maintenance are charged to the profit or loss during the period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the Company. This cost is depreciated over the remaining useful life of the related asset.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Investments in subsidiaries, associates and joint ventures in separate financial statements

In the Company's separate financial statements, investments in subsidiaries, associates and joint ventures are stated at cost less accumulated impairment losses.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 3(e) to the financial statements.

On disposal of investments in subsidiaries, associates and joint ventures, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss. Disposal-related costs are expensed as incurred.

The amounts due from subsidiaries of which the Company does not expect repayment are considered as quasi-investments as part of the Company's investments in the subsidiaries.

(e) Impairment of non-financial assets (excluding goodwill)

Assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually, and as and when events or circumstances occur indicating that an impairment may exist.

Assets with definite useful life are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell ("FVLCS") and value-in-use ("VIU"). For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Assets that suffered an impairment are reviewed for possible reversal at the end of reporting period.

For investment in associate, when assessing FVLCS, the unit of account is the investment in associate as a whole. The Group uses the adjusted quoted price (applicable to quoted associates) which reflects the management's estimate of block discounts on similar purchases of NCI.

The impairment loss is charged to profit or loss. Any subsequent increase in recoverable amount is recognised in the profit or loss.

(f) Financial assets

(i) Classification

The Group and the Company classify the financial assets in the following measurement categories:

- those to be measured subsequently at fair value either through OCI or through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group and the Company have made an irrevocable election at the time of initial recognition account for the equity investment at FVTOCI.

The Group and the Company reclassify debt investments when business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Company commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership of the assets.

(iii) Measurement

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed off in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial assets (continued)

(iii) Measurement (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify the debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line in statements of comprehensive income.

- FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised within "Other gains/(losses) - net". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented net within "Other gains/(losses) - net" and impairment expenses are presented within "Depreciation, impairment and amortisation" in the profit or loss.

- FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss and presented net within "Other gains/(losses) - net" in the period in which it arises.

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss within "Other income - net" when the Group's and the Company's right to receive payments are established.

Changes in the fair value of financial assets at FVTPL are recognised in the profit or loss within "Other gains/(losses) - net" as applicable whereas changes in the fair value of financial assets at FVTOCI are recognised in OCI. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group and the Company assess on a forward-looking basis the expected credit losses ("ECL") associated with its financial instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group has five types of financial instruments that are subject to the ECL model:

- Trade receivables
- Finance lease receivables
- Accrued lease receivables
- Contract assets
- Other receivables (including deposits and Universal Service Provider ("USP") receivables)

The Company has three types of financial instruments that are subject to the ECL model:

- Other receivables (including deposits)
- Amount due from subsidiaries
- Financial guarantee contracts

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to the contracts and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instruments.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial assets (continued)

(iv) Impairment (continued)

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Simplified approach - accrued lease receivables, finance lease receivables, trade receivables and contract assets within the scope of MFRS 15 - Revenue from Contracts with Customers ("MFRS 15")

The Group applies the MFRS 9 simplified approach to measure ECL, which uses a lifetime ECL for accrued lease receivables, finance lease receivables, trade receivables and contract assets within the scope of MFRS 15. The measurement details of ECL are disclosed in Note 35(h) to the financial statements.

General 3-stage approach for all other financial instruments

At each reporting date, the Group and the Company measure loss allowance at an amount equal to twelve (12) month ECL if credit risks of the financial assets have not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required. The measurement details of ECL are disclosed in Note 35(h) to the financial statements.

Significant increase in credit risk

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider available reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the Group and changes in the operating results of the debtor.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than thirty (30) to one hundred and twenty (120) days past due in making a contractual payment.

Definition of default and credit-impaired financial assets

The Group and the Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria: When the counterparty fails to make contractual payments within ninety (90) days to three hundred and sixty-five (365) days after they fall due.

Qualitative criteria: The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- the debtor is in breach of financial covenants;
- concessions have been made by the lender relating to the debtor's financial difficulty;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the debtor is insolvent.

Financial instruments that are credit-impaired are assessed on individual basis.

Groupings of instruments of ECL measured on collective basis

- Collective assessment

  To measure ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and of customer's behaviour and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial assets (continued)

(iv) Impairment (continued)

Groupings of instruments of ECL measured on collective basis (continued)

- Individual assessment

  Trade receivables, contract assets, accrued lease receivables, finance lease receivables and other receivables which are in default or credit-impaired or have individually significant balances, are assessed separately for ECL measurement.

  Amounts due from subsidiaries in the Company's separate financial statements are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on individual balances.

(v) Write-off

- Trade receivables, finance lease receivables, accrued lease receivables and contract assets

  Trade receivables, finance lease receivables, accrued lease receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

  Impairment losses on trade receivables, finance lease receivables and contract assets are presented as part of impairment of receivables, net. Subsequent recoveries of amounts previously written off are credited against the same line item in the profit or loss.

- Other receivables

  The Group and the Company write-off financial assets, in whole or in part, when the Group and the Company have exhausted all practical recovery efforts and have concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Company may write-off financial assets that are subject to enforcement activity. Subsequent recoveries of the amounts previously written off will result in writeback and will be credited against the same line item in the profit or loss.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

(h) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

(i) Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
(ii) Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
(iii) Hedges of a net investment in a foreign operation (net investment hedge).

At inception of the hedge relationship, the Group and the Company document the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group and the Company document its risk management objective and strategy for undertaking its hedge transactions.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 18 to the financial statements. Movements on the hedging reserve in OCI are shown in the statement of changes in equity of the financial statements. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than twelve (12) months and as a current asset or liability when the remaining maturity of the hedged item is less than twelve (12) months. Trading derivatives are classified as a current asset or liability.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Derivatives and hedging activities (continued)

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of cross currency interest rate swaps ("CCIRS") hedging fixed rate borrowings is recognised in the profit or loss within "Finance costs". The gain or loss relating to the ineffective portion is recognised in the profit or loss within "Other gains/(losses) - net". Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in the profit or loss within "Finance costs".

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used and is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in OCI and accumulated in reserves within equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within "Other gains/(losses) - net". Where the Group excludes the foreign currency basis spread from the designation of derivatives used as hedging instruments, the change in the foreign currency basis spread of the hedging instrument is recognised in OCI and accumulated in costs of hedging reserve within equity. The Group designates the cost of hedging application in relation to foreign currency basis spread on a hedge by hedge basis.

Amounts accumulated in equity (including the cost of hedging reserve) are reclassified to profit or loss in the periods when the hedged cash flows affect the profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the profit or loss within "Finance costs". The gain or loss relating to the ineffective portion is recognised in the profit or loss within "Other gains/(losses) - net".

When a hedging instrument expires or is sold, or when a hedge no longer meets the effectiveness criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the hedged cash flows affect profit or loss.

(iii) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in OCI and accumulated in reserves within equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within "Other gains/(losses) - net".

Gains and losses accumulated in equity are included in the profit or loss when the foreign operation is partially disposed or disposed.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in "Other gains/(losses) - net".

(i) Financial liabilities

Classification, recognition and measurement

The Group and the Company classify their financial liabilities in the following categories: derivative financial instruments and other financial liabilities. Management determines the classification of financial liabilities at initial recognition.

The Group and the Company do not hold any financial liabilities carried at fair value through profit or loss (except for derivative financial instruments). The accounting policy on derivatives and hedging activities is disclosed in Note 3(h) to the financial statements.

Other financial liabilities are non-derivative financial liabilities. Other financial liabilities are initially recognised at fair value net of transaction costs and subsequently carried at amortised cost using effective interest method. They are included in current liabilities, except for maturities greater than twelve (12) months after the end of the reporting date in which case they are classified as non-current liabilities.

The Group and the Company's other financial liabilities include borrowings, trade and other payables (excluding statutory liabilities) and amounts due to subsidiaries. For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised.

Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from, the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Inventories

Inventories are stated at lower of cost and net realisable value.

Certain items such as spare parts, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE under MFRS 116. Otherwise, the items are classified as inventory.

Cost is determined on a weighted average basis and comprises all cost of purchase and other direct costs incurred in bringing the inventories to their present location.

Net realisable value represents the estimated selling price in the ordinary course of business, less all estimated costs to completion and applicable variable selling expenses. In arriving at the net realisable value, due allowance is made for all obsolete and slow-moving items.

(k) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and the Company. If collection is expected in one (1) year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. Otherwise, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Transaction costs include transfer taxes and duties.

Other receivables are recognised initially at fair value plus transaction.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The accounting policy on impairment of financial assets is disclosed in Note 3(f) to the financial statements.

Deposits paid to avoid possible penalties in relation to litigation and arbitration cases where provisions have not been recognised are accounted for as assets on the basis that there is a right to obtain future economic benefits, either by receiving a cash refund or by using the payment to settle future liabilities. At initial recognition, the Group and the Company measures the deposits at fair value. Subsequent to initial recognition, the Group and the Company measures the deposits at FVTPL at each reporting period taking into account the probability of any outflow of future economic benefits for the disputed amount.

(l) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the statements of cash flows. Bank overdrafts are included within "Borrowings" in current liabilities in the statements of financial position.

(m) Trade payables

Trade payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. Trade payables are classified as current liabilities unless payment is not due within twelve (12) months after the reporting period. Otherwise, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extend there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Borrowings (continued)

Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least twelve (12) months after the end of the reporting period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

When the basis to determine the future contractual cash flows of the borrowings are modified entirely as a result of interbank lending rate ("IBOR") reform, the Group and the Company apply the practical expedient provided by the Phase 2 amendments related to IBOR reform to adjust the effective interest rate of the borrowings, with no immediate gain or loss is recognised.

The practical expedient is only applicable to changes to the basis for determining the contractual cash flows that are required by IBOR reform when both of these conditions are met:

(a) the change is necessary as a direct consequence of IBOR reform; and

(b) the new basis for determining the contractual cash flows is economically equivalent to the previous basis (that is, the basis immediately preceding the change).

In situations where some or all of a change in the basis for determining the contractual cash flows of the borrowings does not meet the criteria of the Phase 2 amendments, the Group and the Company first apply the practical expedient to the changes required by IBOR reform, including updating the effective interest rate of the borrowings. Any additional changes are accounted for as modification of borrowings in accordance with the requirement in MFRS 9 (that is, assessed for modification or derecognition, with the resulting modification gain/loss recognised immediately in profit or loss where the borrowings are not derecognised).

(o) Current and deferred tax

Tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case the tax is also recognised in OCI or directly in equity, respectively.

The current income tax charge is calculated based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries, associates and joint ventures operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax asset is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, associates or joint ventures, except where the timing of the reversal of the temporary difference is controlled by the investor or joint venturer and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the investor or joint venturer is unable to control the reversal of the temporary difference for associates or joint ventures. Only where there is an agreement in place that gives the investor or joint venturer the ability to control the reversal of the temporary difference, a deferred tax liability is not recognised.

Deferred and income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the deductible temporary difference can be utilised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Current and deferred tax (continued)

Tax benefit from investment tax incentive is recognised when the tax credit is utilised and no deferred tax asset is recognised when the tax credit is claimed.

(p) Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Where the Group and the Company expect a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in a settlement, is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

Provision for asset retirement refers to provisions for dismantling, removal or restoration of identified sites recorded as PPE or right-of-use ("ROU") assets. Provisions are reviewed at the end of the reporting period and adjusted to PPE or ROU assets or profit or loss to reflect the current best estimation. Where the time value of money is material, the amount of a provision is the present value of the future period expenditure expected to be required to settle the obligation.

(q) Contingent liabilities and contingent assets

The Group and the Company do not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by one or more uncertain future events beyond the control of the Group and the Company. The Group and the Company do not recognise a contingent asset but disclose its existence where inflow of economic benefit is probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any NCI.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where their fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisition.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provisions of MFRS 137 and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with MFRS 15.

(r) Share capital

(i) Classification

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the contractual arrangement of the particular instrument.

(ii) Share issue expenses

Incremental costs directly attributable to the issuance of new shares are deducted against equity.

(iii) Dividends to shareholders of the Company

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument is recognised directly in equity.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Leases

Accounting by lessee

Leases are recognised as ROU asset and a corresponding liability at the date on which the leased asset is available for use by the Group and the Company (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group and the Company allocate the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

(i) ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company are reasonably certain to exercise a purchase option, the ROU assets are depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

(ii) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- the exercise price of a purchase and extension options if the Group and the Company are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and the Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principals and finance costs. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group and the Company present the lease liabilities as a separate line item in the statements of financial position. Interest expenses on lease liabilities are presented within "Finance costs" in profit or loss.

Lease liabilities shall be remeasured when:

- there is a change in future lease payments arising from changes in an index or rate.

  The Group and the Company are also exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

- there is a change in the Group's and the Company's assessment of whether it will exercise an extension option.

  In determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

- there are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Leases (continued)

Accounting by lessee (continued)

(ii) Lease liabilities (continued)

Short-term leases are leases with a lease term of twelve (12) months or less. Low-value assets comprise information technology ("IT") equipment and small items of office furniture. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Accounting by lessor

The accounting policies applicable to Group as a lessor in the comparative period were the same under MFRS 16 except when the Group is an immediate lessor.

In classifying a sublease, the Group as an immediate lessor classifies the sublease as a finance or an operating lease with reference to the ROU asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the ROU assets relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables" in the statements of financial position. Any differences between the ROU assets recognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statements of financial position, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income - net". The ROU asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

(t) Revenue

(i) Revenue from contracts with customers

The Group principally generates revenue from mobile services such as call time, messaging, data services, activation fee and sales of prepaid starter packs, interconnect services, sale of devices and others such as pay television transmission, broadband and infrastructure management services.

Mobile and interconnect services and sale of devices

The Group recognises revenue when a contractual performance obligation is fulfiled by transferring control over the promised services or products to a customer provided that collectability of the consideration is probable. Revenue is measured based on the transaction price i.e. the consideration agreed in the contract with the customer excluding amounts collected on behalf of third parties such as sales taxes. In determining the transaction price, the Group considers variable and non-cash consideration such as rebates or discounts and consideration payable to a customer such as refunds to the extent that it is highly probable that a significant reversal will not occur.

The Group recognises mobile and interconnect services revenue when services are rendered.

Customer activation fees that are not considered as a separate performance obligation are recognised as contract liabilities and are recognised as revenue over the contracted period or period where services are transferred to customers.

Sales of prepaid starter packs with a sim card and preloaded credits are accounted for as one performance obligation as the sim card cannot be used on its own. Consideration received for prepaid credits is initially recognised as contract liability and recognised as revenue upon usage by the customer. Any credits not used are recognised in full upon expiry or customer churn, whichever is earlier.

Revenue from sales of device is recognised at the point of time upon delivery and acceptance of the device by the customers where the control is being transferred to the customers.

Mobile services are offered separately and/or as a bundle along with other services and/or devices. The length of bundled contracts is usually between twelve (12) to twenty-four (24) months. For bundled contracts, the Group accounts for individual products and services separately if they are distinct i.e. if a product or service is separately identifiable from other items in the bundled contract and if customers can benefit from it. Revenue is recognised on fulfilment of the individual obligations to the customer.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Revenue (continued)

(i) Revenue from contracts with customers (continued)

Mobile and interconnect services and sale of devices (continued)

The total transaction price of bundled contracts is allocated among the individual performance obligations based on their relative stand-alone selling prices. The stand-alone selling prices are determined based on the observable price at which the Group sells the products and services on a stand-alone basis. For products and services that are not sold separately, the Group estimates stand-alone selling prices using other methods such as adjusted market assessment approach, cost plus margin approach or residual approach. As a result, revenue to be recognised for products (often delivered in advance) such as mobile devices that are sold at a subsidised price in a bundled contract with services is higher than the amount billed for the device, resulting in the recognition of contract assets. Contract assets are reversed and reduced over the remaining contract period.

For devices sold in bundled contracts, the consideration for the device can either be paid upfront or by instalments over the contract period. If the consideration is to be paid by instalment, the contract contains a significant financing component. The consideration will be adjusted for the effects of the financing component as finance income. For contracts with a length of less than twelve (12) months, the Group applies the practical expedient to not adjust the promised amount of consideration for the effects of significant financing component.

Digital business

Mobile advertising

The Group offers mobile advertising through SMS, MMS and display channel. The Group sells the mobile advertising slots to the customers. Revenue is recognised as a single performance obligation at a point in time when the advertising slots are transferred to the customer.

Web channel network income

Web channel network income consists of media buying and campaign management. The Group and the Company purchase advertising slots or space from media companies (i.e. media buying) and provide consultation services to manage customers' advertising mix based on the insights from the different digital platforms (i.e. campaign management). Revenue is recognised at a point in time when the advertising slots are transferred to the customer and revenue is recognised over time for the campaign management as the customer simultaneously consumes the benefits of the data analysis and insights provided by the Group and the Company.

Some contracts include multiple deliverables, such as content creation, content strategy and campaign. In most cases, the customer can benefit from the content deliverable on its own and could be performed by another party on its own, therefore it is accounted for as a separate performance obligation. The transaction price will be allocated to each performance obligation based on the stand-alone selling prices and recognised accordingly when the performance obligations are satisfied.

Technical and management services fees

Technical and management services fees comprise fees for provision of support services to certain subsidiaries, which are recognised over the period the service is rendered.

Others

Television transmission and broadband services

Each subscription to a contract for television transmission or broadband includes the provision of services, connection and devices such as set-top boxes and routers. The provision of set-top boxes, routers and connection fees are for the exclusive use of the Group's services and do not represent distinct services or goods. Therefore, the services and devices are accounted for as a single performance obligation satisfied over time. Revenue is recognised over the period the service is rendered or contract period whichever is earlier.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(t) Revenue (continued)

(i) Revenue from contracts with customers (continued)

Others (continued)

Infrastructure services

The Group generally enters into master services agreements with its customers for infrastructure leasing and related services which comprise multiple elements that are distinct and delivered separately. The total transaction price is allocated to the tower leasing, maintenance and energy services based on the relative stand-alone selling prices. For provision of services including maintenance and energy services, other services and technical and operations support services, the Group recognises as revenue as and when services are rendered. These performance obligations are generally met over time as customer simultaneously receives and consumes benefits of services as and when the services are performed by the Group.

(ii) Lease of passive infrastructure

Revenue comprises the fair value of the consideration received or receivable for the sale of products and rendering of services net of returns, duties, sales discounts and sales taxes paid, after eliminating sales within the Group.

Lease revenue is generated from the leasing of space on the Group's telecommunication towers, where the customers install and maintain their individual communication network equipment. Lease revenue from operating lease is recognised on a straight-line basis over the fixed and non-cancellable term of the lease agreement, irrespective of when payments are due.

(iii) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets after deduction of the loss allowance, if any.

(iv) Dividend income

Dividend income from investments in subsidiaries, joint ventures, associates and other investments is recognised in the profit or loss in separate financial statements when a right to receive payment is established. This applies even if they are paid out of pre-acquisition profits.

Dividend income from financial assets at FVTPL is recognised in the profit or loss within "Other gains/(losses) - net". Dividend income from financial assets at FVTOCI is recognised in the profit or loss within "Other income - net".

(u) Employee benefits

(i) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within "Trade and other payables" in the statements of financial position.

(ii) Contribution to Employees Provident Fund ("EPF")

The Group's and the Company's contributions to EPF are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve (12) months after the end of the reporting period are discounted to their present value.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Employee benefits (continued)

(iv) Share-based compensation

The Group and the Company operate a number of equity-settled and cash-settled share-based compensation plans. For equity-settled share-based compensation plans, the entity receives services from employees as consideration for equity instruments of the Group and certain subsidiaries. The fair value of the shares granted in exchange for the services of the employees are recognised as equity-settled share-based compensation expense within "Staff costs" in profit or loss with a corresponding increase to share-based payment reserve within equity. The total amount to be expensed is determined by reference to the fair value of the shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

Non-market vesting conditions and service conditions are included in assumptions about the number of shares that are expected to vest.

The fair value of shares granted to employees under the equity-settled share-based compensation plans of the Group and the Company is recognised as an expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the reporting period, the Group and the Company revise its estimates of the number of shares that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to share-based payment reserve within equity. On vesting date, the Group and the Company revise the estimate to equal the number of shares that ultimately vested based on the non-market vesting conditions and service conditions.

Having recognised the services received, the Group and the Company make no subsequent adjustment to total equity after vesting date. If the shares are later forfeited by an employee or lapse in accordance with the terms of the share-based compensation plans, the Group and the Company recognise a transfer from the share-based payment reserve to retained earnings within equity.

For cash settled share-based compensation plans, the Group measures the employee services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Group remeasures the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

In the separate financial statements of the Company, the grant by the Company of its shares to the employees of subsidiaries in the Group is treated as services provided to the subsidiaries. The fair value of shares granted to employees of the subsidiaries in exchange for the services of the employees to the subsidiaries are recognised as payables from subsidiaries, with a corresponding credit to the share-based payment reserve in equity.

(v) Post-employment benefit obligations

The Group operates various defined benefit plans in accordance with local conditions and practices in the countries in which it operates. The plans are generally funded through payments to insurance companies or trustee-administrated funds, determined by periodic actuarial calculations. A defined benefit plan is a pension plan that is not a defined contribution plan. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statements of financial position in respect of defined benefit pension plans is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains or losses and unrecognised past-service costs.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximately to the terms of related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, are charged or credited in OCI in the period in which they arise and will not be reclassified to profit or loss.

Past-service costs are recognised immediately in profit or loss within "Staff costs".

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligation resulting from employee service in the current year. It is recognised in profit or loss in employee benefit expense, except where included in the cost of an asset.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in profit or loss within "Finance costs".

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Employee benefits (continued)

(vi) Cash-Based Long-Term Incentive ("LTI") compensation

The Group and the Company recognise a liability and an expense for LTI and over the vesting period, based on a formula that takes into consideration the number of employees, a performance multiplier and discount rate. Provision is recognised when the Group and the Company have a present legal or constructive obligation as a result of past events.

(v) Deferred revenue

Deferred revenue on lease of towers comprises the value of advance billings made to customers in respect of the rental of infrastructure towers. Such amounts are recognised as revenue systematically over the period covered by the advance billings.

(w) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RM, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities (inclusive of advances to subsidiaries treated as quasi-investments) denominated in foreign currencies are recognised in profit or loss. However, exchange differences are deferred in OCI when they arose from qualifying cash flow or qualifying net investment hedges or are attributable to items that form part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the profit or loss within "Finance costs". All other foreign exchange gains and losses are presented in profit or loss on a net basis within "Foreign exchange gains/(losses)".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at FVTPL are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as FVTOCI are recognised in OCI.

(iii) Group companies (Consolidated financial statements)

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of OCI.

Goodwill and fair value adjustments arising on the acquisitions of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising thereof are recognised in OCI.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in OCI. When a foreign operation is sold or any borrowing forming part of the net investment is repaid, the associated exchange difference is reclassified to profit or loss, as part of the gain or loss on disposal.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences relating to that foreign operation previously recognised in consolidated OCI and accumulated in the separate component of equity are reclassified to consolidated profit or loss as part of the gain or loss on disposal. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to NCIs and is not recognised in consolidated profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interests in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the Group and the Company.

(y) Government grants

As a USP, the Group is entitled to claim certain qualified expenses from the relevant authorities in relation to USP projects. The claim qualifies as a government grant and is recognised at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all qualifying conditions.

Government grants relating to costs are recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of assets are included in non-current liabilities as deferred income and are credited to the profit or loss on the straight-line basis over the expected life of the related assets.

(z) Non-current assets (or disposal groups) classified as held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held-for-sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held-for-sale continue to be recognised.

Non-current assets classified as held-for-sale and the assets of a disposal group classified as held-for-sale are presented separately from the other assets in the statements of financial position. The liabilities of a disposal group classified as held-for-sale are presented separately from other liabilities in the statements of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held-for-sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

(aa) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customers. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets is presented within "Trade and other receivables" in the statements of financial position.

(ab) Contract liabilities

A contract liability is the obligation to transfer the goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities is recognised as revenue when the Group performs the services under the contract. Contract liabilities is presented within "Trade and other payables" in the statements of financial position.

(ac) Contract cost assets

Contract cost assets comprise the incremental costs of obtaining a contract (mainly sales commission paid to dealers) and the costs to fulfil a contract. These costs are capitalised if it can be assumed that the costs will be compensated by future revenue from the contract. Incremental costs of obtaining a contract are additional costs that would have not been incurred had the contract not been concluded. Costs to fulfil a contract are costs relating directly to a contract that are incurred after contract inception and serve the purpose of fulfiling the contract but are incurred prior to fulfilment and cannot be capitalised under any other standard. The Group has elected the practical expedient to recognise contract costs incurred related to contracts with an amortisation period of less than one year as an expense when incurred.

The capitalised contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy could materially affect the reported results and financial position of the Group and the Company. The following accounting policies require subjective judgements, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

(i) Intangible assets – acquired telecommunication licences with allocated spectrum rights

The Group had applied judgement in determining the treatment of the annual fees payable over ten (10) years in respect of a 3G spectrum licence granted to an overseas subsidiary. The annual fee was charged to the profit or loss when incurred based on management's judgement that future annual fees would no longer be payable upon the decision by the subsidiary to return the licence. The Group considered the annual payment to be usage fees based on interpretation of the licence conditions, written confirmation from the Directorate General of Post and Telecommunication, Indonesia. The annual fees were therefore not considered part of the acquisition cost of the licence.

Should the regulations and conditions with regards to the payment of the annual fees be amended in the future with the consequence that payment of the remaining outstanding annual fees could not be avoided upon the subsidiary surrendering the licence, the Group would recognise an intangible asset and a corresponding liability at the present value of the remaining annual fees at that point in time.

(ii) Intangible assets – estimated useful life of telecommunication licences with allocated spectrum rights

The telecommunication licences with allocated spectrum rights acquired by a subsidiary via business combination are not subject to amortisation and are tested annually for impairment as the Group is of the opinion that the licences can be renewed in perpetuity at negligible cost and the associated spectrum rights, similar to land, have an indefinite economic useful life. The estimated indefinite economic useful life reflects the Group's expectation of the period over which the Group will continuously recover the benefits from the licences.

(iii) Legal, regulatory and taxation claims and disputes across the Group

There are a number of ongoing legal, regulatory and taxation claims and disputes across the Group. The accounting treatment of these matters are based on the Group's view of the expected outcome of these contingencies. These outcomes are assessed in consultation with legal counsel for litigation cases and internal and external experts of the Group for matters in the ordinary course of business. Provisions are recorded if it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably.

The outcome of ongoing legal, regulatory and taxation claims and disputes are dependent on future events and the Group makes estimates and assumptions concerning these future events. The Group may be required to increase or decrease provisions for such matters due to unanticipated events and circumstances that occur during the financial year.

The ongoing legal, regulatory and taxation claims and disputes of the Group as at reporting date are disclosed in Note 40(d) and Note 40(e) to the financial statements.

(iv) Identification of performance obligation

Certain contracts with customers are bundled packages that may include sale of devices and mobile services that comprise voice, data and other services. Individual products and services are accounted for as separate performance obligations if they are distinct promised goods and services.

Judgement is involved in identifying if products and services in a bundled package are distinct as a separate promised product or service. The respective services and devices are accounted for as separate performance obligations when they are distinct i.e. if a service or device is separately identifiable from other items in the bundled contract and if a customer can benefit from it separately. The Group exercise judgement when identifying whether products and services within the bundled contract are distinct as separate performance obligations. The identification of separate performance obligations within a bundled contract affects the allocation of transaction price specified in the contract and the revenue recognised for each performance obligation.

(b) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The Group, and to a large extent its activities, are governed by the legal, regulatory and business environment in the countries which the Group operates in and which the Group has investments in. The business of the Group is subject to a number of risks, many of which are beyond the Group's control.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting estimates and assumptions (continued)

The main risks relating to the Group's business in the countries or regions the Group operates in are as follows:

- Increasing competition in the countries
- Challenges in expanding business in certain emerging markets
- Political, regulatory and social developments in the region
- Significant expansion of capital investments required
- Increasing substitution of traditional voice by data

To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. These estimates are based on the Group's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances, including where applicable, the macroeconomic impact of the COVID-19 pandemic. Actual results may be different from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are mentioned below:

(i) Impairment assessment of goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy or more frequently if events or change in circumstances indicate that this is necessary within the financial year. Recoverable amount is measured at the higher of the FVLCS for that asset and its VIU.

These calculations require the use of estimates. The calculations are inherently judgemental and susceptible to change from period to period because they require the Group to make assumptions about revenue growth, an appropriate discount rate and terminal growth rate.

The assumptions used, results and sensitivity analysis of the impairment assessment of goodwill are disclosed in Note 25 to the financial statements.

(ii) Impairment assessment on non-financial assets (excluding goodwill)

The Group and the Company assess impairment of the assets or CGUs whenever the events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount. Recoverable amount is measured at the higher of the FVLCS for that asset or CGU and its VIU.

Projected future cash flows used in impairment testing of the assets or CGUs are based on Group's and Company's estimates calculated using historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

The recoverable amounts of the asset or CGUs are determined based on VIU or FVLCS calculations. These calculations require the use of estimates. The calculations are inherently judgemental and susceptible to change from period to period because they require the Group and the Company to make assumptions about revenue growth rate, an appropriate discount rate and terminal growth rate.

(iii) Estimated useful lives of PPE

The Group reviews the estimated useful lives of PPE, particularly on its telecommunication network equipment, based on approved network and IT modernisation plans. The network and IT modernisation involve estimating when the telecommunication network equipment will be replaced. Useful lives of assets are revised accordingly. Future operational results could be materially affected by changes in useful lives.

A reduction in the estimated useful lives of PPE would increase the recorded depreciation charge and decrease the PPE balance.

(iv) Taxation

Income taxes

The Group and the Company are subject to income tax in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for tax matters based on estimates of whether additional taxes will be due. If the final outcome of these tax matters results in a difference in the amounts initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting estimates and assumptions (continued)

(iv) Taxation (continued)

Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. This involves judgement regarding future financial performance of a particular entity in which the deferred tax asset has been recognised.

(v) Fair value of deposits paid in relation to ongoing legal, regulatory and taxation claims and disputes of the Group

The Group estimates the fair value of deposits paid in relation to ongoing legal, regulatory and taxation claims and disputes across the Group using the expected present value technique. The Group applies judgement in arriving at key assumptions to the probability-weighted average of possible future cash flows. These judgements are based on available information at each financial reporting period.

The fair value assessments are inherently judgemental and susceptible to changes depending on the circumstances surrounding the ongoing legal, regulatory and taxation claims and disputes. The Group, in consultation with legal counsel, is required to make assumptions on timing, amounts and probability of expected future cash flows and discount rate that are based on conditions existing at the end of each financial reporting period.

The ongoing legal, regulatory and taxation claims and disputes of the Group as at reporting date are disclosed in Note 35, Note 40(d) and Note 40(e) to the financial statements.

(vi) Provision for asset retirement

Fair value estimates of provision for asset retirement for dismantling, removal or restoration generally involve discounted future cash flows, and periodic accretion of such liabilities due to the passage of time are recorded as finance costs. The significant assumptions used in estimating the provision are timing of assets removals, costs of restorations, expected inflation rates and the discount rates. There can be no assurances that actual costs and the probability of incurring obligations will not differ from these estimates.

(vii) Determination of stand-alone selling price ("SSP")

The Group estimates SSP based on external inputs; methods for estimating SSP include determining the stand-alone price of similar goods and services sold by the Group, observing the stand-alone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach (which is sometimes the case for handsets and other equipment). Where it is not possible to reliably estimate stand-alone prices due to lack of observable stand-alone sales or highly variable pricing, which is sometimes the case for services, the stand-alone price of an obligation may be determined as the transaction price less the stand-alone prices of other obligations in the contract. The stand-alone price determined for obligations materially impacts the allocation of revenue between obligations.

(viii) Determination of lease term

In determining the lease term, the Group and the Company consider all the facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is exercised (or not exercised) or the Group and the Company become obligated to exercise (not to exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurred, which affect this assessment, and that is within the lessee.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting estimates and assumptions (continued)

(ix) Leases - sale and leaseback of telecommunication towers

The Group applies certain estimates and judgements in the accounting for sale and leaseback transactions of a subsidiary as follows:

- Determination of whether the transfer of assets qualifies as a sale based on the requirements for determining when a performance obligation is satisfied in MFRS 15;
- Determination of specific tower space as unit of accounts; and
- The estimation of fair value of towers sold and measurement of ROU assets retained by the Group, which includes discount rate and expected future cash flow.

(x) Fair value of derivatives and other financial instruments

Certain financial instruments such as investments and derivative financial instruments are carried on the statements of financial position at fair value, with changes in fair value reflected in the profit or loss.

Fair values are estimated by reference in part to published price quotations and in part by using valuation techniques. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are based on market conditions existing at the end of each financial reporting period.

5. SIGNIFICANT CHANGES IN COMPOSITION OF THE GROUP

(a) Significant changes in composition of the Group during the financial year

(i) Disposal of equity interest in PT XL Axiata TBK ("XL")

Axiata Investments (Indonesia) Sdn Bhd ("AII"), a wholly owned subsidiary of Axiata Investments (Labuan) Limited, had on 27 October 2021 completed the disposal of 533,409,349 ordinary shares in XL, representing approximately 5% equity interest in XL for a consideration of IDR1,440,205.2 million (RM421.9 million), to Ferrymount Investments Limited. Accordingly, the Group's equity interest in XL decreased from 66.48% to 61.48%.

The Group recognised a decrease of RM1.3 million in the consolidated actuarial reserve and increase of RM55.9 million, RM81.5 million and RM285.8 million in the consolidated currency translation differences, consolidated retained earnings and non-controlling interest respectively.

(ii) Acquisition of equity interest in Touch Mindscape Sdn Bhd and its subsidiaries ("Touch Mindscape Group")

On 30 November 2021, edotco Malaysia Sdn Bhd ("edotco Malaysia"), a wholly owned subsidiary of edotco Group Sdn Bhd ("edotco"), entered into a Share Sale Agreement ("SSA") with Touch Group Holdings Sdn Bhd ("Vendor") for the acquisition of the 14,100,000 ordinary shares and 10,900,000 preference shares representing 100.00% equity interest in Touch Mindscape Sdn Bhd, together with its subsidiaries, for a net purchase consideration of RM1,586.4 million after adjustments provided under the terms and conditions of SSA. The acquisition was completed on 20 December 2021 ("Completion Date"). Accordingly, the Group's equity interest in Touch Mindscape Sdn Bhd is 63.00%.

The following summarises the net purchase consideration, the fair value of the identifiable assets acquired, liabilities assumed and NCI at the acquisition date on a consolidated basis.

		RM'000
Total purchase consideration before adjustments	(I)	1,700,000
Completion adjustments and others	(II)	(113,551)
Net purchase consideration		1,586,449

(I) Includes contingent consideration of RM200.0 million payable to the Vendor upon fulfilment of certain conditions within twelve (12) months from the Completion Date, or such other extended period as may be mutually agreed by both parties.

(II) Includes estimated completion adjustments of RM107.1 million to be finalised within four (4) months from the Completion Date.

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5. SIGNIFICANT CHANGES IN COMPOSITION OF THE GROUP (CONTINUED)

(a) Significant changes in composition of the Group during the financial year (continued)

(ii) Acquisition of equity interest in Touch Mindscape Sdn Bhd and its subsidiaries ("Touch Mindscape Group") (continued)

The following summarises the net purchase consideration, the fair value of the identifiable assets acquired, liabilities assumed and NCI at the acquisition date on a consolidated basis. (continued)

	RM' 000
PPE	246,807
Intangible assets	428,894
ROU assets	44,306
Trade and other receivables	26,189
Cash and bank balances	64,816
Trade and other payables	(45,681)
Borrowings	(104,847)
Lease liabilities	(46,089)
Provision for asset retirement	(10,580)
Current tax liabilities	(10,959)
Deferred tax liabilities	(128,803)
NCI	(23,930)
Fair value of net identifiable assets acquired	440,123
Goodwill on acquisition	1,146,326
Net purchase consideration	1,586,449
Less:	
Contingent consideration	(200,000)
Cash and bank balances acquired	(64,816)
Receivables from estimated closing adjustments and others	34,399
Net purchase consideration paid in cash	1,356,032

The Group has assessed the fair value of the identified assets acquired and liabilities assumed on the date of acquisition via a purchase price allocation ("PPA") exercise. However, MFRS 3 allows retrospective adjustments to PPA up to twelve (12) months period from the date of acquisition.

The acquisition of Touch Mindscape Group and its high-quality attractive tower and tenancy portfolio cements edotco's home market leadership and is complementary to its existing presence in the states of Pahang, Negeri Sembilan and Melaka in Malaysia. It also enabled edotco to achieve inorganic growth via acquisition of tower portfolios in Malaysia and secure a strategic fibre network to be able to create operational synergies.

Goodwill arising from the acquisition is attributable to the expansion of market share of tower business and fibre footprint in Malaysia.

Acquisition-related costs of RM4.2 million have been recognised in profit or loss within "Other operating costs" during the financial year.

Had the acquisition date been as at the beginning of the financial year, the impact to the Group's revenue would have been RM115.1 million and the Group's profit for the financial year would have been loss after tax of RM56.7 million.

(iii) Acquisitions of equity interests in other subsidiaries

- Dialog Broadband Networks (Private) Limited, a subsidiary of Dialog Axiata PLC ("Dialog"), had on 23 December 2020, entered into a share sale and purchase agreement with Hirdaramani Investment Holdings Private Limited and W K A S A Fernando for the acquisition of 1,111,111 ordinary shares representing 100.00% of the issued share capital of H One (Private) Limited ("H One") for a consideration of SLR481.7 million (RM10.0 million). The acquisition of H One was completed on 7 January 2021. Accordingly, the Group's equity interest in H One is 82.74%.

  During the financial year, the Group recognised goodwill of RM4.5 million arising from the acquisition above.

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5. SIGNIFICANT CHANGES IN COMPOSITION OF THE GROUP (CONTINUED)

(a) Significant changes in composition of the Group during the financial year (continued)

(iii) Acquisitions of equity interests in other subsidiaries (continued)

- Digital Health (Private) Limited ("DH"), an indirect subsidiary of Dialog, had on 20 February 2021, acquired 100.00% of the issued share capital of My Health Solutions from Dialog Axiata Digital Innovation Fund (Private) Limited ("DADIF") and Aartiz Technologies (Private) Limited ("Aartiz") via the issuance of DH's ordinary shares to DADIF and Aartiz.

  During the financial year, the Group recognised goodwill of RM1.9 million arising from the acquisition above.

- Boost Holdings Sdn Bhd ("Boost Holdings"), a subsidiary of Axiata Digital Services Sdn Bhd ("ADS") completed its acquisition of PT Creative Mobile Adventure ("PTCMA"):

  (i) via the purchase of Series A secondary shares of 2,250 Series A shares in PTCMA for a consideration of USD2.3 million (RM9.3 million) from existing shareholders. The said purchase of secondary shares was completed on 19 April 2021; and

  (ii) via the subscription of Series B primary shares of 2,700 newly issued Series B shares in PTCMA for a consideration of USD3.0 million (RM12.3 million). The said subscription of the primary shares was completed on 21 April 2021.

  Accordingly, the Group's equity interest in PTCMA is 51.81%.

  During the financial year, the Group recognised goodwill of RM5.5 million arising from the acquisition above.

- ADA Digital Singapore Pte Ltd, an indirect subsidiary of ADS held via Axiata Digital & Analytics Sdn Bhd (formerly known as Axiata Digital Advertising Sdn Bhd) ("ADA"), had on 31 May 2021, completed its acquisition of 20,000,000 ordinary shares representing 100.00% interest in AAD Holdings Pte Ltd ("AADH"), together with its subsidiaries held by TheScaleGroup Pte. Ltd. for a consideration of USD19.6 million (RM81.9 million). Accordingly, the Group's equity interest in AADH is 61.23%.

  During the financial year, the Group recognised goodwill of RM71.5 million arising from the acquisition above.

Other than as stated, the acquisitions of equity interests in other subsidiaries did not have a material impact to the Group during the financial year.

(iv) Dilution of equity interest in a joint venture

On 22 November 2021, the Group's equity interest in Merchantrade Asia Sdn Bhd ("Merchantrade") decreased from 20.00% to 19.00% following the issuance of new ordinary shares by Merchantrade.

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

(v) Dilutions of equity interests in subsidiaries

- On 9 March 2021, the Group's equity interest in XL decreased from 66.60% to 66.48% following the issuance of new ordinary shares by XL to its eligible employees under XL's Long Term Incentive Program as disclosed in Note 14(b) to the financial statements.

- On 19 April 2021, the Group's equity interest in Dialog decreased from 83.01% to 82.74% following to the issuance of new ordinary shares by Dialog under its Performance Based Restrictive Share Plan as disclosed in Note 14(d) to the financial statements.

- On 17 May 2021, SoftBank Corp. ("SoftBank") invested in ADA, a subsidiary of ADS via the subscription of 6,622,517 ordinary shares for a consideration of USD60.0 million (RM246.4 million) representing 23.07% of the total issued and paid-up share capital of ADA. Subsequent to the said investment, the shareholdings of ADA held by ADS, SoftBank and Sumitomo Corporation are 63.47%, 23.07% and 13.46% respectively. Accordingly, the Group's equity interest in ADA decreased from 78.81% to 61.23%.

  The Group recognised an increase of RM98.8 million and RM147.6 million in the consolidated retained earnings and non-controlling interest respectively.

Other than as stated, the dilutions of equity interests in subsidiaries did not have a material impact to the Group during the financial year.

(vi) Accretion of equity interest in a subsidiary

- ADS had on 30 April 2021, entered into an agreement with Merchantrade for the acquisition of the remaining 49 ordinary shares representing 49.00% of the issued share capital of ADS Digital Ventures Sdn Bhd (formerly known as Merchantrade Digital Services Sdn Bhd) ("ADSDV") for a total consideration of RM490. Accordingly, the Group's equity interest in ADSDV increased from 59.00% to 96.47%.

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

5. SIGNIFICANT CHANGES IN COMPOSITION OF THE GROUP (CONTINUED)

(b) Significant changes in composition of the Group in the previous financial year

(i) Disposal of SmartLuy PLC ("SmartLuy")

On 18 October 2019, Smart Axiata Co., Ltd ("Smart") entered into a share subscription agreement with the owners of Pi Pay International Co. Limited ("Pi Pay HK") to acquire 26.42% equity interest in Pi Pay HK for a consideration of USD6.0 million (RM24.2 million), satisfied via:

- disposal of SmartLuy, a subsidiary of Smart to merge with Pi Pay PLC, a subsidiary of Pi Pay HK at USD3.0 million (RM12.1 million); and
- additional cash consideration of USD3.0 million (RM12.1 million).

The above transaction completed on 14 July 2020. Effectively, Pi Pay HK became an associate of the Group in the previous financial year.

(ii) Dilutions of equity interests in subsidiaries

- On 31 March 2020, the Group's equity interest in XL decreased from 66.36% to 66.25% following the issuance of new ordinary shares by XL to its eligible employees under XL's Long Term Incentive Program as disclosed in Note 14(b) to the financial statements.
- On 18 September 2020, the Group's equity interest in Dialog decreased from 83.32% to 83.01% following the issuance of new ordinary shares by Dialog to its eligible employees under its Performance Based Restrictive Share Plan as disclosed in Note 14(d) to the financial statements.
- On 4 December 2020, ADS completed the transfer of its entire shareholding in Axiata Digital Capital Sdn Bhd, Axiata Digital eCode Sdn Bhd, Apigate Sdn Bhd and PT Axiata Digital Services Indonesia to Boost Holdings. On 15 December 2020, Great Eastern Digital Private Limited completed a capital injection in Boost Holdings of RM294.0 million representing 21.88% of share capital of Boost Holdings. As a result, the Group's effective equity interest in Boost Holdings diluted from 96.47% to 75.37%. Accordingly, the Group recognised an increase of RM214.0 million and RM80.0 million in the consolidated retained earnings and non-controlling interest respectively in the previous financial year.
- On 24 December 2020, the Group's equity interest in Robi Axiata Limited ("Robi") decreased from 68.69% to 61.82% following to the listing of Robi on Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited in Bangladesh.

  The Group recognised a decrease of RM47.9 million in the consolidated retained earnings and increase of RM2.7 million, RM0.9 million and RM293.0 million in the consolidated currency translation differences, consolidated actuarial reserve and non-controlling interest respectively in the previous financial year.

Other than as stated, the dilutions of equity interests in subsidiaries did not have a material impact to the Group in the previous financial year.

(iii) Share buyback by XL

On 7 February 2020, XL repurchased 56,487,800 shares equivalent to 0.53% of its issued and fully paid shares for a total consideration of IDR134.4 billion (RM40.5 million). Accordingly, the Group's equity interest in XL increased from 66.25% to 66.60%.

The Group recognised an increase of RM0.1 million in the consolidated actuarial reserve and decrease of RM3.3 million, RM2.6 million and RM34.7 million the consolidated currency translation differences, consolidated retained earnings and non-controlling interest respectively in the previous financial year.

6. REVENUE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers:				
Mobile services	**20,268,041**	19,561,066	**-**	-
Interconnect services	**1,337,560**	1,277,755	**-**	-
Sale of devices	**755,113**	647,996	**-**	-
Digital business[1]	**1,250,332**	674,132	**-**	-
Others[2]	**1,571,324**	1,370,467	**-**	-
Technical and management services fees ("TMSA")	**-**	-	**71,120**	61,146
	25,182,370	23,531,416	**71,120**	61,146
Revenue under other MFRSs:				
Dividend income	**-**	-	**1,635,052**	1,629,946
Lease of passive infrastructure	**695,173**	661,704	**-**	-
Interest income from financial services	**23,118**	10,051	**-**	-
Total	**25,900,661**	24,203,171	**1,706,172**	1,691,092

[1] The Group is determined to be a principal in its mobile advertising contracts signed and revised during the financial year as the Group is the primary obligor in its arrangement with its customers. In the previous financial year, the Group was not the primary obligor in certain mobile advertising contracts.

[2] Others include revenue from pay television transmission and broadband services, infrastructure services and fibre optic transmission.

Disaggregation of revenue of the Group and the Company accounted for under MFRS 15 by timing of revenue recognition are as follows:

	By categories			
			Group	Company
	At a point in time RM'000	Over time RM'000	Total RM'000	Over time RM'000
2021				
Mobile services	**-**	**20,268,041**	**20,268,041**	**-**
Interconnect services	**221,408**	**1,116,152**	**1,337,560**	**-**
Sale of devices	**755,113**	**-**	**755,113**	**-**
Digital business	**834,584**	**415,748**	**1,250,332**	**-**
Others	**12,718**	**1,558,606**	**1,571,324**	**-**
TMSA	**-**	**-**	**-**	**71,120**
Total	**1,823,823**	**23,358,547**	**25,182,370**	**71,120**
2020				
Mobile services	-	19,561,066	19,561,066	-
Interconnect services	85,902	1,191,853	1,277,755	-
Sale of devices	647,996	-	647,996	-
Digital business	358,725	315,407	674,132	-
Others	1,435	1,369,032	1,370,467	-
TMSA	-	-	-	61,146
Total	1,094,058	22,437,358	23,531,416	61,146

6. REVENUE (CONTINUED)

Disaggregation of revenue of the Group and the Company accounted for under MFRS 15 by timing of revenue recognition are as follows: (continued)

				By segments
			Group	Company
	At a point in time RM'000	Over time RM'000	Total RM'000	Over time RM'000
2021				
Mobile:				
- Malaysia	**675,714**	**5,864,415**	**6,540,129**	**-**
- Indonesia	**20,258**	**7,717,916**	**7,738,174**	**-**
- Bangladesh	**43,233**	**3,795,266**	**3,838,499**	**-**
- Sri Lanka	**71,032**	**2,841,386**	**2,912,418**	**-**
- Nepal	**-**	**1,437,759**	**1,437,759**	**-**
- Cambodia	**13,174**	**1,403,866**	**1,417,040**	**-**
Infrastructure	**-**	**201,007**	**201,007**	**-**
Others	**1,000,412**	**96,932**	**1,097,344**	**71,120**
Total	**1,823,823**	**23,358,547**	**25,182,370**	**71,120**
2020				
Mobile:				
- Malaysia	571,615	5,602,432	6,174,047	-
- Indonesia	4,262	7,450,939	7,455,201	-
- Bangladesh	38,826	3,648,837	3,687,663	-
- Sri Lanka	26,549	2,666,487	2,693,036	-
- Nepal	-	1,476,526	1,476,526	-
- Cambodia	16,566	1,342,160	1,358,726	-
Infrastructure	-	163,953	163,953	-
Others	436,240	86,024	522,264	61,146
Total	1,094,058	22,437,358	23,531,416	61,146

The transaction price allocated to the performance obligations that are unsatisfied as at reporting date are as follows:

	Group	
	2021 RM'000	2020 RM'000
Mobile services	**2,410,368**	2,676,589
Digital business	**14,539**	56,028
Others	**930,055**	323,300

The Group expects the transaction price allocated to the performance obligations that are unsatisfied as at reporting date to be recognised as revenue within the following periods:

	Group	
	2021	2020
Mobile services	**1 - 3 years**	1 - 3 years
Digital business	**1 - 7 years**	1 - 6 years
Others	**1 - 20 years**	1 - 13 years

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7(a). DEPRECIATION, IMPAIRMENT AND AMORTISATION

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Amortisation of:					
- contract cost assets	26	**133,058**	146,144	**-**	-
- intangible assets	25	**861,262**	809,953	**-**	-
Depreciation of:					
- PPE	27	**5,035,084**	5,704,718	**5,743**	6,623
- ROU assets	28	**1,679,660**	1,589,072	**4,106**	4,105
Impairment of:					
- financial asset at fair value through OCI		**50**	-	**-**	-
- intangible assets	25	**344,436**	37,741	**-**	-
- PPE	27	**22,734**	34,514	**-**	-
- subsidiaries		**-**	-	**749,425**	1,576,333
- associates	30	**27,982**	-	**-**	-
Reversal of impairment of:					
- PPE	27	**(10,977)**	-	**-**	-
- subsidiaries	29	**-**	-	**-**	(148,284)
Write-off/(writeback) of:					
- intangible assets	25	**1,670**	6,088	**-**	-
- PPE	27	**(91)**	156,764	**-**	5,985
Total		**8,094,868**	8,484,994	**759,274**	1,444,762

7(b). OTHER OPERATING COSTS

	Group		Company	
	2021 RM'000	2020 RM'000 Restated[1]	2021 RM'000	2020 RM'000
Repair and maintenance	**2,225,731**	1,800,899	**13,814**	14,302
Regulatory related outpayments and contributions	**1,108,842**	1,005,204	**-**	-
Business licence and spectrum fees	**1,638,754**	1,460,885	**-**	-
Cost of devices and accessories including charges and commissions	**1,124,798**	1,005,756	**-**	-
Leased circuit charges	**512,050**	546,954	**-**	-
Professional fees	**221,646**	206,754	**85,604**	57,857
Rental:				
- network infrastructure and equipment	**360,815**	460,638	**282**	336
- land and buildings	**61,420**	137,844	**847**	903
- others	**17,102**	15,441	**17**	29
Others[2]	**692,075**	665,215	**30,218**	23,730
Write-off of amount due from a subsidiary	**-**	-	**5,529**	2,735
Total	**7,963,233**	7,305,590	**136,311**	99,892

[1] Restated to conform with current year presentation.

[2] Others include outsourcing costs, fees paid to foreign channels, USP costs, transportation, satellite expenses, utilities, travelling and business licence fees.

7(c). AUDITORS' REMUNERATION

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Audit fees:				
- PricewaterhouseCoopers Malaysia ("PwCM"):				
- current year	**6,521**	5,622	**2,361**	2,263
- under provision in prior year	**109**	207	**15**	165
- Member firms of PricewaterhouseCoopers International Limited ("PwCI")[1]	**6,360**	6,176	**-**	-
- Others	**239**	150	**-**	-
Audit related fees[2] :				
- PwCM and PwCI	**2,884**	3,572	**2,104**	2,583
	16,113	15,727	**4,480**	5,011
Other fees paid to PwCM and PwCI:				
- Tax and tax related services[3]	**1,524**	1,222	**918**	459
- Other non-audit services[4]	**4,496**	6,760	**740**	246
Total	**22,133**	23,709	**6,138**	5,716

[1] Separate and independent legal entity from PwCM.
[2] Fees incurred in connection with performance of quarterly reviews, agreed-upon procedures and regulatory compliance.
[3] Fees incurred for assisting the Group in connection with tax compliance and advisory services.
[4] Fees incurred primarily in connection to financial due diligences on potential merger and acquisitions, project management and other advisory services incurred.

In order to maintain the independence of the external auditors, the Board Audit Committee has determined policies as to what non-audit services can be provided by external auditors of the Group and the approval processes related to them. Under these policies and guidelines, non-audit services can be offered by external auditors of the Group if there are clear efficiencies and value-added benefits to the Group.

7(d). STAFF COSTS

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Salaries, allowances, overtime and bonus:					
- current financial year		**1,748,457**	1,598,509	**107,647**	80,954
- prior financial year		**(2,785)**	(21,162)	**-**	(286)
Termination benefits/restructuring cost		**38,959**	101,200	**-**	-
Contribution to EPF:					
- current year		**121,958**	122,084	**11,738**	12,043
- prior financial year		**(786)**	(2,227)	**-**	-
Other staff benefits		**128,510**	340,744	**8,353**	13,643
Equity-settled share-based compensation expense:					
- scheme of the Company	14(a)	**20,527**	19,818	**12,558**	17,800
- schemes of subsidiaries	14(b),(d)	**1,819**	25,379	**-**	-
Cash-settled share-based compensation expense:					
- schemes of subsidiaries	14(c),(e)	**9,639**	23,974	**-**	-
Remuneration of Executive Directors of the Company	7(e)	**4,708**	19,213	**4,708**	19,213
Total		**2,071,006**	2,227,532	**145,004**	143,367

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7(e). DIRECTORS' REMUNERATION

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Remuneration of Executive Directors of the Company:					
- salaries, allowances and bonus:					
- current financial year		**3,926**	9,311	**3,926**	9,311
- prior financial year		**(310)**	1,725	**(310)**	1,725
- contribution to EPF		**541**	1,960	**541**	1,960
- share-based payment expense	14(a)	**551**	6,217	**551**	6,217
		4,708	19,213	**4,708**	19,213
Remuneration of Non-Executive Directors of the Company:					
- fees and allowances		**4,065**	3,447	**2,949**	2,362
Total		**8,773**	22,660	**7,657**	21,575

Estimated monetary value of benefits of Directors amounting to RM613,612 (2020: RM384,370) for the Group and the Company.

8. OTHER GAINS - NET

	Group	
	2021 RM'000	2020 RM'000
Financial assets at FVTPL	**561**	2,693
Deposits at FVTPL	**16,474**	-
Derivative at FVTPL	**34,999**	-
Total	**52,034**	2,693

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Notes to the Financial Statements For the financial year ended 31 December 2021

9. OTHER INCOME - NET

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Gain/(Loss) on disposal of PPE		**68,924**	8,403	**(913)**	(10)
Gain on tower sale and leaseback[1]		**-**	444,240	**-**	-
Gain on disposal of a subsidiary		**-**	8,627	**-**	-
Other taxes[2]		**(118,205)**	(165,189)	**-**	-
Deferred gain on sale and leaseback assets	20	**122,634**	122,211	**-**	-
Amortised deferred income[3]		**213,774**	87,249	**5,529**	2,735
Others[4]		**111,528**	10,852	**1,540**	2,833
Total		**398,655**	516,393	**6,156**	5,558

[1] In the previous financial year, XL entered into an Asset Purchase Agreement ("APA") with PT Profesional Telekomunikasi Indonesia Tbk. and PT Centratama Menara Indonesia for the sale of 2,782 telecommunication towers with a total transaction value of IDR4,050.3 billion (RM1,194.8 million) and leaseback of 2,763 specific tower spaces for a period of ten (10) years.

XL completed the sale of 2,688 telecommunication towers for a consideration of IDR3,806.8 billion (RM1,100.2 million). Sale of the remaining 94 towers were cancelled as a result of the completion of tower audit required by the APA. As a result of the transaction, XL recorded a gain on outright sale of IDR1,331.6 billion (RM384.8 million) and a gain on sale and leaseback of IDR205.5 billion (RM59.4 million), totalling to IDR1,537.0 billion (RM444.2 million).

[2] Other taxes consist of withholding tax on dividend and minimum tax on gross receipts and interest income of certain subsidiaries which are out of scope of MFRS 112.

[3] During the financial year, the Group amortised additional deferred income of RM91.9 million following the accelerated depreciation on the telecommunication network equipment related to government grants of USP projects as disclosed in Note 27(b)(ii) to the financial statements.

[4] Others substantially relates to a settlement sum received during the financial year in relation to a legal case. Certain subsidiaries of the Group had entered into a settlement agreement with DeTeAsia Holding GmbH dated 15 November 2021 in relation to two suits disclosed in Note 40(d)(2) to the financial statements.

10. FINANCE INCOME/(COSTS)

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Finance income					
Islamic financial instruments		**34,550**	22,118	**3,056**	1,944
Deposits, cash and bank balances		**89,113**	130,799	**2,519**	3,605
Finance lease receivables	35(a)	**6,194**	8,045	**-**	-
Trade receivables		**19,041**	13,060	**-**	-
Others		**2,084**	3,161	**-**	172
Amounts due from subsidiaries		**-**	-	**90,013**	25,295
Total		**150,982**	177,183	**95,588**	31,016
Finance costs					
Borrowings		**(427,300)**	(465,701)	**(29,478)**	(28,985)
Profit on Sukuks		**(292,960)**	(427,747)	**-**	-
Cash flow hedge		**(56,125)**	(50,673)	**-**	-
Provision for asset retirement	22	**(18,777)**	(24,753)	**(25)**	(25)
Lease liabilities	24	**(675,390)**	(669,847)	**(618)**	(792)
Others		**(94,517)**	(54,346)	**-**	-
Amounts due to subsidiaries	34	**-**	-	**(190,736)**	(21,766)
Total		**(1,565,069)**	(1,693,067)	**(220,857)**	(51,568)

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Notes to the Financial Statements For the financial year ended 31 December 2021

11. TAXATION AND ZAKAT

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Income taxation		**761,867**	605,071	**-**	-
Deferred taxation		**133,553**	(59,768)	**-**	-
Taxation		**895,420**	545,303	**-**	-
Zakat		**1,317**	1,769	**-**	-
Total		**896,737**	547,072	**-**	-
Income taxation:					
- Current financial year		**615,753**	590,797	**-**	-
- Prior financial years*		**146,114**	14,274	**-**	-
		761,867	605,071	**-**	-
Deferred taxation:					
- Net origination of temporary differences	23	**93,442**	(58,391)	**-**	-
- Others		**40,111**	(1,377)	**-**	-
		133,553	(59,768)	**-**	-
Taxation		**895,420**	545,303	**-**	-
Zakat		**1,317**	1,769	**-**	-
Total		**896,737**	547,072	**-**	-

* Mainly relates to the reassessment of a foreign subsidiary's uncertain income tax position as disclosed in Note 40(d)(5) to the financial statements, offset with tax credits from the Income Tax (Accelerated Capital Allowance) (Machinery and Equipment including Information and Communication Technology Equipment) Rules 2021, which was gazetted on 15 June 2021 for a subsidiary in Malaysia.

Numerical reconciliation between taxation and the product of accounting profit multiplied by the Malaysian tax rate:

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Profit before taxation	**2,173,618**	1,171,117	**464,515**	139,503
Taxation calculated at the applicable Malaysian tax rate of 24%	**521,668**	281,068	**111,484**	33,481
Tax effects of:				
- income not subject to tax	**(139,645)**	(238,694)	**(397,973)**	(433,682)
- share of results of associates	**(2,805)**	(4,287)	**-**	-
- share of results of joint ventures	**1,849**	(206)	**-**	-
- change in statutory tax rate	**27,150**	(39,171)	**-**	-
- approved tax credit of a subsidiary	**(60,166)**	(29,532)	**-**	-
- different tax rates in other countries	**9,469**	44,909	**-**	-
- utilisation of previously unrecognised deferred tax assets	**(35,145)**	(27,137)	**-**	(12,191)
- unrecognised deferred tax assets	**108,370**	162,844	**20,904**	29,271
- expenses not deductible for tax purposes	**276,745**	381,235	**265,585**	383,121
- prior financial years income tax	**187,930**	14,274	**-**	-
- zakat	**1,317**	1,769	**-**	-
Total	**896,737**	547,072	**-**	-

12. EARNINGS PER SHARE

(a) Basic earnings per share ("EPS")

Basic EPS of the Group is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares of the Company in issue during the financial year.

	Group	
	2021	**2020**
Profit attributable to owners of the Company (RM'000)	**818,900**	365,155
Weighted average number of ordinary shares in issue ('000)	**9,172,317**	9,167,584
Basic EPS (sen)	**8.9**	4.0

(b) Diluted earnings per share

For the diluted EPS calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has granted shares to employees under Axiata Group Performance-Based Long Term Incentive Plan ("Axiata PBLTIP") as disclosed in Note 14(a) to the financial statements which are dilutive potential ordinary shares and is assumed to have been converted into ordinary shares.

	Group	
	2021	**2020**
Profit attributable to owners of the Company (RM'000)	**818,900**	365,155
Weighted average number of ordinary shares in issue ('000)	**9,172,317**	9,167,584
Adjusted for diluted effect of Axiata PBLTIP shares ('000)	**8,005**	8,136
Adjusted weighted average number of ordinary shares ('000)	**9,180,322**	9,175,720
Diluted EPS (sen)	**8.9**	4.0

13. SHARE CAPITAL

		Group and Company			
		2021		2020	
	Note	No. of shares '000	Value RM'000	No. of shares '000	Value RM'000
Ordinary shares paid-up capital:					
At 1 January		**9,169,541**	**13,883,028**	9,163,573	13,857,268
Additions	(a)	**5,445**	**22,179**	5,968	25,760
At 31 December		**9,174,986**	**13,905,207**	9,169,541	13,883,028

(a) The increase in paid-up capital of the Company was in line with the vesting of shares granted under Axiata PBLTIP by the employees of the Company and its subsidiaries as disclosed in Note 14(a) to the financial statements. The above ordinary shares rank pari passu in all respects with existing ordinary shares of the Company.

14. SHARE-BASED COMPENSATION PLANS

(a) Axiata Group Performance Based Long Term Incentive Plan

On 25 May 2016, shareholders of the Company had approved the Axiata PBLTIP and it was implemented on 30 September 2016. Effectively, the Group and the Company started to offer Axiata PBLTIP shares to eligible employees.

The reference dates and prices, vesting dates, percentage ("%") of shares to be vested and number of Axiata PBLTIP shares granted are as follows:

	Entitlement over the Company's shares				
	Reference date	Vesting date	% of shares to be vested[1]	Number of shares granted[3]	Reference price[4] RM
Grant 1(a), 2017	28 Feb 2017	28 Feb 2020[6]	100	4,680,100	4.43
Grant 1(b), 2017[2]	15 Aug 2017	15 Aug 2020[6]	100	496,600	4.83
Grant 2, 2018	28 Feb 2018	28 Feb 2021[6]	100	1,992,100	5.56
Grant 3(a), 2019	21 Feb 2019	21 Feb 2020[6]	100	607,600	4.12
Grant 3(b), 2019	21 Feb 2019	21 Feb 2022	100	2,295,400	4.12
Grant 4(a), 2020	28 Feb 2020	28 Feb 2023	100	1,796,000	4.17
Grant 4(b), 2020[2]	15 Aug 2020	15 Aug 2023	100	78,800	3.15
Grant 5(a), 2021	28 Feb 2021	28 Feb 2024	100	2,680,900	3.45
Grant 5(b), 2021[2]	15 Aug 2021	15 Aug 2024	100	442,800	3.79
Grant 5(c), 2021[5]	28 Feb 2021	10 Nov 2021	100	2,275,800	3.50

1 The shares granted under Axiata PBLTIP shall become vested only upon the fulfilment of certain performance conditions.

2 The grant was made to newly hired employees who did not receive the main cycle grant.

3 Eligible employees can only vest the Axiata PBLTIP shares at the end of the third (3rd) year except for Grant 5(c), 2021. Number of shares initially granted excludes additional shares that may vest due to multiplier effect from achieving performance targets.

4 Refers to the five-day average share price preceding reference date for the purpose of granting the number of shares to the employees except for Grant 5(c), 2021.

5 Vesting of a subsidiary's long term incentive plan via the allotment and issuance of the Company's shares in accordance with the Bye-Laws governing the Axiata PBLTIP and approved by the Board of Directors.

6 The unvested Axiata PBLTIP shares are subject to retesting as disclosed in Note 14(a)(v) to the financial statements.

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14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Axiata Group Performance Based Long Term Incentive Plan (continued)

The salient terms and conditions of the Axiata PBLTIP are as follows:

(i) Maximum number of new ordinary shares of the Company available under the Axiata PBLTIP

The maximum number of shares which may be allotted upon the vesting of Axiata PBLTIP shares, shall not be more than 7% of the issued and paid–up ordinary share capital of the Company at any point of time during the duration of this Axiata PBLTIP.

If the Company undertakes a share buy-back exercise or any other corporate proposal resulting in the total number of the Company's shares issued and/or to be issued under the Axiata PBLTIP exceeding 7% of the Company's issued and fully paid-up ordinary share capital, all shares under the Axiata PBLTIP offered and/or granted prior to the said variation of the issued and paid-up ordinary share capital of the Company shall remain valid in accordance with the provisions of this Axiata PBLTIP as if that reduction had not occurred.

(ii) Basis of allocation and maximum allowable allotment

The total number of new ordinary shares of the Company that can be offered and allotted to any one of the eligible employees (as defined in the Bye-Laws in relation to the Axiata PBLTIP shall be at the absolute discretion of the Board Nomination and Remuneration Committee ("BNRC") that has been established to administer the Axiata PBLTIP from time to time) after taking into consideration such criteria as may be determined by the BNRC at their absolute discretion.

Not more than 10% of the Company's new ordinary shares available under the Axiata PBLTIP will be allocated to any individual eligible employee who, either singly or collectively through persons connected with the eligible employees, holds 20% or more of the Company's paid-up share capital.

(iii) Eligibility

Any employee of the Group (other than subsidiaries which are dormant) shall be eligible to participate in the Axiata PBLTIP if the employee, as at the dates of the respective offers of shares:

(a) has attained the age of eighteen (18) years;

(b) has entered into a full-term contract of employment with, and is on the payroll of, a corporation within the Group and whose service has been confirmed;

(c) is not a Non-Executive or Independent Director of the Company; and

(d) fulfils any other criteria as may be set by the BNRC in its absolute discretion.

Eligibility under the Axiata PBLTIP does not confer on any eligible employee any claim, right to participate in, or any other right whatsoever under the Axiata PBLTIP and an eligible employee does not acquire or have any right over, or in connection with, any Axiata PBLTIP shares under this Axiata PBLTIP unless an offer has been made by the BNRC to that eligible employee and that eligible employee has accepted the offer in accordance with the terms of the offer and the Bye-Laws governing the Axiata PBLTIP.

(iv) Duration of the Axiata PBLTIP

The Axiata PBLTIP shall be in force for a period of ten (10) years from the effective date of implementation, being a date of full compliance with the relevant requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). All Axiata PBLTIP shares, whether or not vested, shall forthwith lapse upon the expiry of the Axiata PBLTIP. All unvested shares under the Axiata PBLTIP which are not vested shall forthwith lapse upon the expiry of the Axiata PBLTIP on 30 September 2026.

(v) Retesting of unvested Axiata PBLTIP shares

The Axiata PBLTIP shares that remain unvested after the vesting date will be subject to retesting on a yearly basis until certain unmet performance conditions are met or expiry of the Axiata PBLTIP, whichever is earlier. The retest for unvested Axiata PBLTIP shares will also be subject to the Board of Director's approval.

14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Axiata Group Performance Based Long Term Incentive Plan (continued)

The movements in the number of Axiata PBLTIP shares, in which the employees of the Group and the Company are entitled to, are as follows:

	At 1 January	Granted	Adjusted[1]	Vested	Forfeited	At 31 December	Weighted average fair value at grant date RM
Group							
2021							
Grant 1(a), 2017	**1,458,960**	**-**	**-**	**-**	**(238,700)**	**1,220,260**	**4.31**
Grant 1(b), 2017	**282,900**	**-**	**-**	**-**	**(18,550)**	**264,350**	**4.56**
Grant 2, 2018	**1,840,200**	**-**	**1,208,966**	**(2,013,000)**	**(302,917)**	**733,249**	**4.67**
Grant 3(b), 2019	**2,215,500**	**-**	**548,700**	**(895,100)**	**(370,700)**	**1,498,400**	**4.36**
Grant 4(a), 2020	**1,712,800**	**-**	**77,500**	**(261,400)**	**(64,000)**	**1,464,900**	**3.44**
Grant 4(b), 2020	**78,800**	**-**	**-**	**-**	**-**	**78,800**	**2.75**
Grant 5(a), 2021	**-**	**2,680,900**	**-**	**-**	**(77,300)**	**2,603,600**	**3.54**
Grant 5(b), 2021	**-**	**442,800**	**-**	**-**	**-**	**442,800**	**3.68**
Grant 5(c), 2021[2]	**-**	**2,275,800**	**-**	**(2,275,800)**	**-**	**-**	**3.50**
Total	**7,589,160**	**5,399,500**	**1,835,166**	**(5,445,300)**	**(1,072,167)**	**8,306,359**	
2020							
Grant 1(a), 2017	4,145,400	-	2,963,810	(4,941,100)	(709,150)	1,458,960	4.31
Grant 1(b), 2017	496,600	-	179,500	(320,300)	(72,900)	282,900	4.56
Grant 2, 2018	1,992,100	-	-	-	(151,900)	1,840,200	4.67
Grant 3 (a), 2019	607,600	-	-	(607,600)	-	-	4.11
Grant 3 (b), 2019	2,295,400	-	49,600	(99,200)	(30,300)	2,215,500	4.36
Grant 4(a), 2020	-	1,796,000	-	-	(83,200)	1,712,800	3.44
Grant 4(b), 2020	-	78,800	-	-	-	78,800	2.75
Total	9,537,100	1,874,800	3,192,910	(5,968,200)	(1,047,450)	7,589,160	

[1] Being additional number of shares vested due to multiplier effect from achieving performance targets.
[2] Vesting of a subsidiary's long term incentive plan via the allotment and issuance of the Company's shares in accordance with the Bye-Laws governing the Axiata PBLTIP and approved by the Board of Directors.

14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Axiata Group Performance Based Long Term Incentive Plan (continued)

The movements in the number of Axiata PBLTIP shares, in which the employees of the Group and the Company are entitled to, are as follows: (continued)

	At 1 January	Granted	Adjusted[1]	Vested	Forfeited	At 31 December	Weighted average fair value at grant date RM
Company							
2021							
Grant 1(a), 2017	**1,060,360**	**-**	**-**	**-**	**(60,550)**	**999,810**	**4.31**
Grant 1(b), 2017	**282,900**	**-**	**-**	**-**	**(18,550)**	**264,350**	**4.56**
Grant 2, 2018	**1,840,200**	**-**	**1,208,966**	**(2,013,000)**	**(302,917)**	**733,249**	**4.67**
Grant 3(b), 2019	**2,215,500**	**-**	**548,700**	**(895,100)**	**(370,700)**	**1,498,400**	**4.36**
Grant 4(a), 2020	**1,712,800**	**-**	**77,500**	**(261,400)**	**(64,000)**	**1,464,900**	**3.44**
Grant 4(b), 2020	**78,800**	**-**	**-**	**-**	**-**	**78,800**	**2.75**
Grant 5(a), 2021[2]	**-**	**2,680,900**	**-**	**-**	**(77,300)**	**2,603,600**	**3.54**
Grant 5(b), 2021	**-**	**442,800**	**-**	**-**	**-**	**442,800**	**3.68**
Total	**7,190,560**	**3,123,700**	**1,835,166**	**(3,169,500)**	**(894,017)**	**8,085,909**	
2020							
Grant 1(a), 2017	3,560,000	-	2,763,010	(4,553,500)	(709,150)	1,060,360	4.31
Grant 1(b), 2017	496,600	-	179,500	(320,300)	(72,900)	282,900	4.56
Grant 2, 2018	1,992,100	-	-	-	(151,900)	1,840,200	4.67
Grant 3(a), 2019	607,600	-	-	(607,600)	-	-	4.11
Grant 3(b), 2019	2,295,400	-	49,600	(99,200)	(30,300)	2,215,500	4.36
Grant 4(a), 2020	-	1,796,000	-	-	(83,200)	1,712,800	3.44
Grant 4(b), 2020	-	78,800	-	-	-	78,800	2.75
Total	8,951,700	1,874,800	2,992,110	(5,580,600)	(1,047,450)	7,190,560	

[1] Being additional number of shares vested due to multiplier effect from achieving performance targets.

[2] Vesting of a subsidiary's long term incentive plan via the allotment and issuance of the Company's shares in accordance with the Bye-Laws governing the Axiata PBLTIP and approved by the Board of Directors.

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Notes to the Financial Statements For the financial year ended 31 December 2021

14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Axiata Group Performance Based Long Term Incentive Plan (continued)

The fair value of the Axiata PBLTIP shares granted were determined using the Monte Carlo valuation model. The significant inputs in the model are as follows:

Grant	Reference price	Grant date at valuation[1]	Vesting date	Closing share price at grant date[1]	Expected dividend yield[2]	Risk free interest rates	Expected volatility[3]
Grant 1(a), 2017	4.43	14 Apr 2017	28 Feb 2020	RM5.06	2.02%	3.48%	20.56%
Grant 1(b), 2017	4.83	13 Oct 2017	15 Aug 2020	RM5.27	2.02%	3.46%	22.06%
Grant 2, 2018	5.56	27 Apr 2018	28 Feb 2021	RM5.30	3.42%	3.73%	22.84%
Grant 3(a), 2019	4.12	20 May 2019	21 Feb 2020	RM4.44	2.79%	3.18%	43.10%
Grant 3(b), 2019	4.12	17 May 2019	21 Feb 2022	RM4.44	2.79%	3.42%	31.10%
Grant 4(a), 2020	4.17	27 Apr 2020	28 Feb 2023	RM3.70	2.64%	2.46%	33.38%
Grant 4(b), 2020	3.15	12 Oct 2020	15 Aug 2023	RM2.96	2.64%	1.89%	33.56%
Grant 5(a), 2021	3.45	27 April 2021	28 Feb 2024	RM3.87	3.06%	2.32%	37.15%
Grant 5(b), 2021	3.79	14 Oct 2021	15 Aug 2024	RM4.01	3.06%	2.63%	35.12%

1 Grant date refers to the date where majority of employees accepted the offer.
2 Yield of Malaysian Government Securities.
3 The expected volatility is measured based on historical volatility over a three (3) year period on a daily basis.

The amounts recognised in the profit or loss as disclosed in Note 7(d) and 7(e) to the financial statements for all employees (including Directors) arising from the Axiata PBLTIP are summarised as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Share-based compensation expense[1]	**21,078**	26,035	**13,109**	24,017

1 Includes adjustments relating to additional number of shares vested due to multiplier effect from achieving performance targets.

(b) Share-based compensation plan of XL

On 10 December 2015, the Board of Commissioners of XL approved the Long Term Incentive Program 2016-2020 ("Program") under which XL's shares, without pre-emptive rights or cash consideration, are to be awarded to retain and motivate employees to enhance performance. The Program was approved by the Extraordinary General Meeting ("EGM") of shareholders of XL on 10 March 2016.

Under the Program, eligible employees will be granted certain number of shares which will vest only if prescribed company performance targets are met and the individual employees attaining certain performance ratings. XL's performance is measured based on return on capital employed. The employee's performance is measured based on average employee's performance ratings over the relevant vesting period. In addition, the employees are required to be in XL's employment up to the end of the relevant vesting period to receive the shares granted under this Program. The shares will be issued at the end of the relevant vesting period and are locked up for one (1) year in accordance with prevailing regulation in Indonesia Stock Exchange ("IDX").

The total reversal of share-based compensation expense recognised in the profit or loss as disclosed in Note 7(d) to the financial statements was RM4.1 million (2020: expense of RM12.7 million).

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Notes to the Financial Statements For the financial year ended 31 December 2021

14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(c) Long-term Incentive Plan ("LTIP") of edotco

edotco has developed and implemented a performance based LTIP for senior management of edotco and its subsidiaries. Under the plan, eligible senior management are entitled to ordinary shares of edotco for no cash consideration upon the occurrence of certain events during the vesting period, otherwise, the award will be settled in cash, based on an independent valuation.

The number of shares granted together with their respective grant dates and vesting dates are summarised as follows:

LTIP for senior management	Grant date	Number of shares granted[1]	Vesting date
Grant 3(a), 2018	31 Mar 2018	2,324,600	31 Mar 2021
Grant 3(b), 2018	15 Aug 2018	202,600	31 Aug 2021
Grant 4(a), 2019	31 Mar 2019	2,539,800	31 Mar 2022
Grant 4(b), 2019	15 Aug 2019	147,300	31 Aug 2022
Grant 2020	31 Mar 2020	721,100	31 Dec 2022
Grant 2021	31 Mar 2021	656,200	31 Dec 2023

[1] Number of equity instruments initially granted excludes multiplier effects which will be offered to eligible employees based on consolidated performance of edotco and individual performance for the award period.

The movements in the number of ordinary shares granted, in which the employees of edotco and its subsidiaries are entitled to is as follows:

	At 1 January	Granted	Forfeited	Paid	At 31 December
2021					
Grant 3(a), 2018	**1,585,663**	**-**	**-**	**(1,585,663)**	**-**
Grant 3(b), 2018	**106,700**	**-**	**-**	**(106,700)**	**-**
Grant 4(a), 2019	**1,926,130**	**-**	**(446,150)**	**-**	**1,479,980**
Grant 4(b), 2019	**147,300**	**-**	**(43,300)**	**-**	**104,000**
Grant 2020	**595,700**	**-**	**(153,900)**	**-**	**441,800**
Grant 2021	**-**	**656,200**	**(136,800)**	**-**	**519,400**
Total	**4,361,493**	**656,200**	**(780,150)**	**(1,692,363)**	**2,545,180**
2020					
Grant 1(c), 2017	1,075,000	-	-	(1,075,000)	-
Grant 2(a), 2017	192,900	-	-	(192,900)	-
Grant 3(a), 2018	1,970,563	-	(384,900)	-	1,585,663
Grant 3(b), 2018	143,600	-	(36,900)	-	106,700
Grant 4(a), 2019	2,316,500	-	(390,370)	-	1,926,130
Grant 4(b), 2019	147,300	-	-	-	147,300
Grant 2020	-	721,100	(125,400)	-	595,700
Total	5,845,863	721,100	(937,570)	(1,267,900)	4,361,493

The share-based compensation expense recognised in the profit or loss as disclosed in Note 7(d) to the financial statements was RM7.6 million (2020: RM15.1 million).

The share-based payment liabilities recognised within "Trade and other payables" in the statements of financial position of the Group for the financial year ended 31 December 2021 was RM19.4 million (2020: RM28.3 million).

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Notes to the Financial Statements For the financial year ended 31 December 2021

14. SHARE-BASED COMPENSATION PLANS (CONTINUED)

(d) Performance Based Restrictive Share Plan of Dialog

The Board of Directors of Dialog had approved the implementation of a Performance Based Restrictive Share Plan of Dialog as part of Dialog's Long-Term Incentive Plan and it was approved by Dialog shareholders in May 2017.

Eligibility is determined upon an employee satisfying the following:

- has attained the age of eighteen years;
- is an executive director of Dialog or has entered into a full-time or fixed-term contract of employment with, and is on the payroll of Dialog and its subsidiaries; and whose service has been confirmed; and
- has fulfilled any other eligibility criteria which has been determined by the Board of Directors of Dialog at its absolute discretion, as the case may be.

The movements in the number of ordinary shares granted, in which the employees of Dialog are entitled to is as follows:

	At 1 January	Granted	Vested	At 31 December
2021	**74,385,300**	**18,860,114**	**(26,798,400)**	**66,447,014**
2020	66,599,050	37,816,950	(30,030,700)	74,385,300

The grant dates, vesting dates and number of oustanding shares granted as at 31 December are summarised as follows:

Grant date	Vesting date	Volume weighted average share price in SLR per ordinary share	Number of ordinary shares 2021	Number of ordinary shares 2020
1 May 2018	30 Apr 2021	14.50	**-**	27,015,500
1 Oct 2019	30 Sep 2022	10.50	**47,766,644**	47,369,800
1 Oct 2021	30 April 2023	10.77	**18,680,370**	-
Total			**66,447,014**	74,385,300

The share-based compensation expense recognised in the profit or loss as disclosed in Note 7(d) to the financial statements was RM5.9 million (2020: RM12.7 million).

(e) Cash-settled share-based compensation plans which are individually immaterial

During the financial year, the Group recognised the expenses and liabilities of cash-settled share-based compensation plans of certain subsidiaries which are individually immaterial as follows:

- total share-based compensation expenses recognised in the profit or loss as disclosed in Note 7(d) to the financial statements amounting to RM2.0 million (2020: RM8.9 million); and

- total share-based payment liabilities recognised within "Trade and other payables" in the statements of financial position of the Group amounting to RM10.2 million (2020: RM12.7 million).

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Notes to the Financial Statements For the financial year ended 31 December 2021

15. RESERVES

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Retained earnings		**6,754,950**	6,582,821	**552,161**	907,004
Currency translation differences arising from translation of subsidiaries		**(741,705)**	(1,002,020)	**-**	-
Reserves:					
- Capital contribution	(a)	**16,598**	16,598	**16,598**	16,598
- Merger	(b)	**346,774**	346,774	**-**	-
- Hedging	(c)	**25,226**	18,935	**-**	-
- Cost of hedging	(d)	**(82,256)**	1,163	**-**	-
- Actuarial	(e)	**14,626**	5,232	**-**	-
- Share-based payment	(f)	**29,265**	44,413	**20,344**	27,626
- FVTOCI	(g)	**(2,263,361)**	(2,255,802)	**-**	-
		(1,913,128)	(1,822,687)	**36,942**	44,224
Total		**4,100,117**	3,758,114	**589,103**	951,228

(a) The Group's and the Company's capital contribution reserve relates to the Employee Share Option Scheme of Telekom Malaysia Berhad, a former holding company, which was made available to the employees of the Group and the Company.

(b) The Group's merger reserve relates to the credit difference arising from the business combination accounted under the predecessor method of accounting upon completion of a Group's restructuring exercise on 25 April 2008.

(c) The Group's hedging reserve mainly consists of cash flow hedge arising from effective hedges as disclosed in Note 18(c) to the financial statements.

(d) The Group's cost of hedging reserve represents the change in the foreign currency basis spread of the CCIRS as disclosed in Note 18(c) to the financial statements.

(e) The Group's actuarial reserve relates to actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions from post-employment benefit obligations.

(f) The Group's and the Company's share-based payment reserve relates to share-based compensation plans of the Group and the Company, which were made available to the employees as disclosed in Note 14 to the financial statements.

(g) The Group's FVTOCI reserve is the cumulative fair value change of financial assets as FVTOCI since the inception of the assets being designated as FVTOCI.

15. RESERVES (CONTINUED)

The movements of Reserves of the Group attributable to the owners of the Company are as follows:

	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	Total RM'000
Group								
At 1 January 2021	16,598	346,774	18,935	1,163	5,232	44,413	(2,255,802)	(1,822,687)
Other comprehensive income/(expense):								
- Net cash flow hedge	-	-	6,291	-	-	-	-	6,291
- Net cost of hedging	-	-	-	(83,419)	-	-	-	(83,419)
- Actuarial gains (net of tax)	-	-	-	-	10,674	-	-	10,674
- Revaluation of financial assets at FVTOCI	-	-	-	-	-	-	(7,560)	(7,560)
Total other comprehensive income/(expense) for the financial year	-	-	6,291	(83,419)	10,674	-	(7,560)	(74,014)
Transactions with owners:								
- Dilutions of equity interest in subsidiaries	-	-	-	-	(30)	(10,051)	1	(10,080)
- Partial disposal of a subsidiary	-	-	-	-	(1,250)	(3)	-	(1,253)
- Share-based compensation expense	-	-	-	-	-	23,266	-	23,266
- Transferred from share-based payment reserve upon vesting/ forfeiture	-	-	-	-	-	(28,360)	-	(28,360)
Total transaction with owners	-	-	-	-	(1,280)	(15,148)	1	(16,427)
At 31 December 2021	16,598	346,774	25,226	(82,256)	14,626	29,265	(2,263,361)	(1,913,128)

15. RESERVES (CONTINUED)

The movements of Reserves of the Group attributable to the owners of the Company are as follows: (continued)

	Note	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	Other RM'000	Total RM'000
Group										
At 1 January 2020		16,598	346,774	(9,705)	(5,862)	28,512	27,351	(2,138,438)	(2,027,497)	(3,762,267)
Other comprehensive income/(expense):										
- Net cash flow hedge	18(c)	-	-	28,640	-	-	-	-	-	28,640
- Net cost of hedging	18(c)	-	-	-	7,025	-	-	-	-	7,025
- Actuarial losses (net of tax)		-	-	-	-	(24,275)	-	-	-	(24,275)
- Revaluation of financial assets at FVTOCI		-	-	-	-	-	-	(117,360)	-	(117,360)
Total other comprehensive income/(expense) for the financial year		-	-	28,640	7,025	(24,275)	-	(117,360)	-	(105,970)
Transactions with owners:										
- Dilutions of equity interest in subsidiaries		-	-	-	-	(60)	-	(4)	-	(64)
- Revaluation of put option		-	-	-	-	-	-	-	(222,982)	(222,982)
- Derecognition of put option		-	-	-	-	-	-	-	2,250,479	2,250,479
- Share buyback by a subsidiary	5(b)(iii)	-	-	-	-	109	-	-	-	109
- IPO of a subsidiary		-	-	-	-	946	-	-	-	946
- Share-based compensation expense		-	-	-	-	-	42,822	-	-	42,822
- Transferred from share-based payment reserve upon vesting		-	-	-	-	-	(25,760)	-	-	(25,760)
Total transactions with owners		-	-	-	-	995	17,062	(4)	2,027,497	2,045,550
At 31 December 2020		16,598	346,774	18,935	1,163	5,232	44,413	(2,255,802)	-	(1,822,687)

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Notes to the Financial Statements For the financial year ended 31 December 2021

16. BORROWINGS

		2021				2020			
	Note	W.A.R.F %	Non-current RM'000	Current RM'000	Total RM'000	W.A.R.F %	Non-current RM'000	Current RM'000	Total RM'000
Group									
Overseas									
Secured:									
- Borrowings from financial institutions	(a)	**8.16**	**637,242**	**168,305**	**805,547**	8.42	717,532	213,965	931,497
- Bank overdrafts		**8.62**	**-**	**67,881**	**67,881**	10.77	-	59,460	59,460
Unsecured:									
- Borrowings from financial institutions		**4.26**	**2,703,683**	**1,240,459**	**3,944,142**	4.05	2,475,084	1,240,034	3,715,118
- Sukuk Ijarah	(b)(iii)	**9.71**	**297,844**	**205,502**	**503,346**	9.60	485,652	123,641	609,293
- Bonds	(c)	**9.42**	**103,742**	**58,584**	**162,326**	9.28	156,279	134,008	290,287
- Bank overdrafts		**9.50**	**-**	**145,751**	**145,751**	9.50	-	57,095	57,095
Total overseas		**5.40**	**3,742,511**	**1,886,482**	**5,628,993**	5.66	3,834,547	1,828,203	5,662,750
Malaysia									
Secured:									
- Borrowings from financial institutions		**2.83**	**387,675**	**43,937**	**431,612**	2.01	314,373	4,966	319,339
Unsecured:									
- Note	(d)	**3.04**	**4,163,505**	**46,676**	**4,210,181**	3.04	4,022,175	45,104	4,067,279
- Borrowings from financial institutions		**2.56**	**1,206,932**	**1,589,836**	**2,796,768**	1.82	829,849	471,847	1,301,696
- Sukuk	(b)(i),(ii)	**3.71**	**5,318,456**	**664,485**	**5,982,941**	3.77	5,772,951	621,424	6,394,375
Total Malaysia		**3.23**	**11,076,568**	**2,344,934**	**13,421,502**	3.27	10,939,348	1,143,341	12,082,689
Total		**3.87**	**14,819,079**	**4,231,416**	**19,050,495**	4.03	14,773,895	2,971,544	17,745,439
Company									
Unsecured:									
- Borrowings from financial institutions		**1.84**	**1,107,597**	**179,736**	**1,287,333**	1.80	829,850	431,750	1,261,600

W.A.R.F. - Weighted Average Rate of Finance as at reporting date

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Notes to the Financial Statements For the financial year ended 31 December 2021

16. BORROWINGS (CONTINUED)

(a) Secured by way of fixed charge on certain intangible assets, PPE and deposits with financial institutions of certain subsidiaries, as disclosed in Note 25, Note 27(a) and Note 37 to the financial statements respectively.

(b) Sukuk of the Group consist of a Multi-Currency Sukuk Programme ("Multi-currency Sukuk"), a Sukuk Murabahah Programme ("Sukuk Murabahah") and a Sukuk Ijarah Programme ("Sukuk Ijarah") as follows:

(i) Multi-currency Sukuk

The Group established a Multi-Currency Sukuk Programme involving the issuance of up to USD1.5 billion (or its equivalent in other currencies based on Islamic Principles).

On 24 March 2016, the Group issued USD0.5 billion Sukuk ("Sukuk 2026") pursuant to the Sukuk Programme. Sukuk 2026, which was issued at par, carries a coupon rate of 4.357% p.a. (payable semi-annually in arrears) and has a tenure of ten (10) years from the date of issuance, maturing on 24 March 2026. Subsequently, on 24 March 2016, Sukuk 2026 was listed and quoted on Bursa Securities (under the Exempt Regime) and on the Singapore Exchange Securities Trading Limited ("SGX-ST").

On 19 August 2020, the Group issued USD0.5 billion Sukuk ("Sukuk 2030") pursuant to the Sukuk Programme. Sukuk 2030, which was issued at par, carries a coupon rate of 2.163% p.a. (payable semi-annually in arrears) and has tenure of ten (10) years from the date of issuance, maturing on 19 August 2030. Subsequently, on 21 August 2020, Sukuk 2030 was listed but not quoted for trading, on Bursa Securities (under the Exempt Regime) and listed and quoted on the SGX-ST.

The details of the Multi-currency Sukuk as at 31 December are as follows:

	Contractual profit rate[1] %	Maturity date	Nominal value 2021 RM'million	Nominal value 2020 RM'million
Sukuk 2026	4.357	24 Mar 2026	**2,088.8**	2,018.0
Sukuk 2030	2.163	19 Aug 2030	**2,088.8**	2,018.0
			4,177.6	4,036.0

[1] Payable semi-annually

(ii) Sukuk Murabahah

In August 2012, Celcom Axiata Berhad ("Celcom") via its wholly owned subsidiary, Celcom Networks Sdn Bhd ("Celcom Networks") undertook a fund raising exercise through the issuance of RM5.0 billion nominal value Sukuk under a Sukuk Programme. The tenure of the Sukuk ranges from three (3) to ten (10) years from the date of the first issuance under the Sukuk Programme. The Sukuk Programme was issued under the Islamic financing principle of Murabahah, a Shariah principle and concept approved by the Shariah Advisory Council of Securities Commission Malaysia.

The details of the Sukuk Murabahah as at 31 December are as follows:

	Contractual profit rate[1] %	Maturity date	Nominal value 2021 RM'million	Nominal value 2020 RM'million
Series 5[2]	4.05	27 Aug 2021	**-**	400.0
Series 6	4.20	29 Aug 2022	**400.0**	400.0
Series 7[2]	4.85	28 Oct 2021	**-**	150.0
Series 8	5.27	28 Oct 2026	**350.0**	350.0
Series 9	4.85	29 Aug 2022	**200.0**	200.0
Series 10	5.05	29 Aug 2024	**350.0**	350.0
Series 11	5.20	29 Aug 2027	**450.0**	450.0
			1,750.0	2,300.0

[1] Payable semi-annually
[2] These borrowings were settled using internally generated funds during the financial year.

16. BORROWINGS (CONTINUED)

(b) Sukuk of the Group consist of a Multi-Currency Sukuk Programme ("Multi-currency Sukuk"), a Sukuk Murabahah Programme ("Sukuk Murabahah") and a Sukuk Ijarah Programme ("Sukuk Ijarah") issued as follows: (continued)

(iii) Sukuk Ijarah

On 28 October 2015, XL established a Sukuk Ijarah Programme involving the issuance of up to IDR5.0 trillion in nominal value. The Sukuk Ijarah was established under a two (2) year shelf registration programme. The issuance of Shelf Sukuk Ijarah I XL Axiata Tranche I Year 2015 ("Sukuk Ijarah I, Tranche I") amounting up to IDR1.5 trillion (RM466.5 million) was based on the Shariah principle of Ijarah with the payment of Ujrah to be made quarterly in arrears. On 3 December 2015, the Sukuk Ijarah I, Tranche I was listed and quoted on IDX.

The details of Sukuk Ijarah I, Tranche I are as follows:

	Annual fixed Sukuk Ijarah return		Maturity date	Nominal value	
	IDR'million	RM'million		2021 RM'million	2020 RM'million
Series D	46,750	13.7	2 Dec 2022	**124.5**	122.0

Revenue sharing of Sukuk Ijarah I, Tranche I is paid on a quarterly basis where the first payment was due on 2 March 2016 and the last payment will be paid simultaneously with payment of principal of each series of the Sukuk Ijarah.

On 28 April 2017, XL issued the Shelf Sukuk Ijarah I XL Axiata Tranche II Year 2017 ("Sukuk Ijarah I, Tranche II") amounting to IDR2.8 trillion (RM712.9 million) with maturity period between three hundred seventy six (376) days and ten (10) years. Sukuk Ijarah I, Tranche II was listed and quoted on IDX on 2 May 2017.

The details of Sukuk Ijarah I, Tranche II are as follows:

	Annual fixed Sukuk Ijarah return		Maturity date	Nominal value	
	IDR'million	RM'million		2021 RM'million	2020 RM'million
Series C	12,425	3.6	28 Apr 2022	**41.6**	40.8
Series D	23,660	6.9	28 Apr 2024	**76.2**	74.6
Series E	31,584	9.3	28 Apr 2027	**98.4**	96.4
				216.2	211.8

Revenue sharing of Sukuk Ijarah I, Tranche II is paid on a quarterly basis where the first payment was due on 28 July 2017 and the last payment will be paid simultaneously with payment of principal of each series of the Sukuk Ijarah.

On 8 October 2018, XL issued the Shelf Sukuk Ijarah II XL Axiata Tranche I Year 2018 ("Sukuk Ijarah II, Tranche I") amounting to IDR1.0 trillion (RM273.0 million) with maturity period between three hundred seventy (370) days and ten (10) years. Sukuk Ijarah II, Tranche I was listed and quoted on IDX on 17 October 2018.

The details of Sukuk Ijarah II, Tranche I are as follows:

	Annual fixed Sukuk Ijarah return		Maturity date	Nominal value	
	IDR'million	RM'million		2021 RM'million	2020 RM'million
Series B	36,309	10.6	16 Oct 2021	**-**	114.5
Series C	14,304	4.2	16 Oct 2023	**43.7**	42.8
Series D	3,434	1.0	16 Oct 2025	**10.0**	9.8
Series E	6,180	1.8	16 Oct 2028	**17.6**	17.2
				71.3	184.3

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16. BORROWINGS (CONTINUED)

(b) Sukuk of the Group consist of a Multi-Currency Sukuk Programme ("Multi-currency Sukuk"), a Sukuk Murabahah Programme ("Sukuk Murabahah") and a Sukuk Ijarah Programme ("Sukuk Ijarah") issued as follows: (continued)

(iii) Sukuk Ijarah (continued)

Revenue sharing of Sukuk Ijarah II, Tranche I is paid on a quarterly basis where the first payment is due on 16 January 2019 and the last payment is paid simultaneously with payment of principal of each series of the Sukuk Ijarah.

On 8 February 2019, XL issued the Shelf Sukuk Ijarah II XL Axiata Tranche II Year 2019 ("Sukuk Ijarah II, Tranche II") amounting to IDR640.0 billion (RM186.2 million) with maturity period between three hundred seventy (370) days and ten (10) years. Sukuk Ijarah II, Tranche II was listed and quoted on IDX on 11 February 2019.

The details of Sukuk Ijarah II, Tranche II are as follows:

	Annual fixed Sukuk Ijarah return		Maturity date	Nominal value	
				2021	2020
	IDR'million	RM'million		RM'million	RM'million
Series B	9,515	2.8	8 Feb 2022	**32.2**	31.6
Series C	12,765	3.7	8 Feb 2024	**40.4**	39.6
Series D	1,455	0.4	8 Feb 2026	**4.4**	4.3
Series E	2,600	0.8	8 Feb 2029	**7.6**	7.5
				84.6	83.0

Revenue sharing of Sukuk Ijarah II, Tranche II is paid on a quarterly basis where the first payment is due on 8 May 2019 and the last payment is paid simultaneously with payment of principal of each series of the Sukuk Ijarah.

(c) Bonds

On 8 October 2018, XL issued a series of bonds namely Shelf Public Offering Shelf Bond I Tranche I Year 2018 XL Axiata ("Bond I, Tranche I") amounting to IDR1.0 trillion (RM286.0 million) with maturity period between three hundred seventy (370) days and ten (10) years. Bond I, Tranche I was listed and quoted on IDX on 17 October 2018.

The details of Bond I, Tranche I are as follows:

	Annual fixed interest rate	Maturity date	Nominal value	
			2021	2020
	%		RM'million	RM'million
Series B	9.10	16 Oct 2021	**-**	129.2
Series C	9.60	16 Oct 2023	**38.4**	37.6
Series D	10.10	16 Oct 2025	**5.6**	5.5
Series E	10.30	16 Oct 2028	**21.1**	20.7
			65.1	193.0

Interest payment of Bond I Tranche I is paid on quarterly basis with the first payment on 16 January 2019 and the last payment will do simultaneously with payment of principal of each series of the Bond.

On 8 February 2019, XL issued a series of bonds namely Shelf Bond I Tranche II Year 2019 XL Axiata ("Bond I, Tranche II") amounting to IDR634.0 billion (RM184.5 million) with maturity period between three hundred seventy (370) days and ten (10) years. Bond I, Tranche II was listed and quoted on IDX on 11 February 2019.

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16. BORROWINGS (CONTINUED)

(c) Bonds (continued)

The details of Bond I, Tranche II are as follows:

	Annual fixed interest rate	Maturity date	Nominal value	
			2021	2020
	%		RM'million	RM'million
Series B	8.65	8 Feb 2022	**56.0**	54.8
Series C	9.25	8 Feb 2024	**11.7**	11.5
Series D	10.00	8 Feb 2029	**27.2**	26.7
			94.9	93.0

Interest payment of Bond I Tranche II is paid on quarterly basis with the first payment on 8 May 2019 and the last payment will do simultaneously with payment of principal of each series of the Bond.

(d) Note

The Group established a Euro Medium Term Note Programme ("EMTN Programme") involving issuance of up to USD1,500.0 million or its equivalent in other currencies.

On 19 August 2020, the Company issued USD1,000.0 million Euro Medium Term Note ("EMTN") pursuant to an EMTN Programme. EMTN, which was issued at par, carries a coupon rate of 3.064% p.a. (payable semi-annually in arrears) and has a tenure of thirty (30) years from the date of issuance, maturing on 19 August 2050.

On 21 August 2020, the EMTN was listed and quoted on the SGX-ST.

(e) Borrowings of the Group are subject to certain covenants. These covenants require that certain ratios (Debts over Assets, Earnings Before Interest, Taxes, Depreciation, and Amortisation ("EBITDA") to Borrowing/Finance Costs, Debts to EBITDA and Debts to Equity) to be met, limitation to certain asset sales or transferred and maintaining majority ownership in certain subsidiaries held by the Group. The Group is in compliance with these covenants at each reporting date.

(f) Total floating interest rate borrowings of the Group and the Company are RM7,149.4 million (2020: RM5,619.1 million) and RM1,287.3 million (2020: RM1,261.6 million) respectively as at the reporting date.

(g) The Group's and the Company's net movements in borrowings are analysed as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At 1 January	**17,745,439**	16,826,243	**1,261,600**	206,284
Proceeds from borrowings and Sukuk	**4,557,752**	13,386,878	**-**	3,456,784
Acquisition of a subsidiary	**104,847**	-	**-**	-
Repayments of borrowings and Sukuk	**(3,889,511)**	(11,969,204)	**-**	(2,326,700)
Bank overdrafts	**97,077**	(17,887)	**-**	-
Foreign exchange losses/(gains)	**372,605**	(259,865)	**20,857**	(82,015)
Finance costs on borrowings and Sukuk	**720,260**	893,448	**29,478**	28,985
Payment of finance costs	**(690,379)**	(847,602)	**(24,602)**	(21,738)
Currency translation differences	**32,405**	(266,572)	**-**	-
At 31 December	**19,050,495**	17,745,439	**1,287,333**	1,261,600

16. BORROWINGS (CONTINUED)

The currencies profile of borrowings of the Group and the Company are as follows:

	2021							2020						
	Functional currency							Functional currency						
	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	Others RM'000	Total RM'000	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	Others RM'000	Total RM'000
Group														
RM	**4,056,734**	**-**	**-**	**-**	**-**	**-**	**4,056,734**	3,037,085	-	-	-	-	-	3,037,085
USD	**9,364,768**	**-**	**371,687**	**474,214**	**-**	**19,622**	**10,230,291**	9,045,604	-	675,545	538,175	-	22,033	10,281,357
IDR	**-**	**3,030,562**	**-**	**-**	**-**	**-**	**3,030,562**	-	2,707,443	-	-	-	-	2,707,443
SLR	**-**	**-**	**485,941**	**-**	**-**	**-**	**485,941**	-	-	202,965	-	-	-	202,965
BDT	**-**	**-**	**-**	**393,160**	**-**	**-**	**393,160**	-	-	-	617,301	-	-	617,301
NPR	**-**	**-**	**-**	**-**	**716,297**	**-**	**716,297**	-	-	-	-	690,862	-	690,862
PKR	**-**	**-**	**-**	**-**	**-**	**137,510**	**137,510**	-	-	-	-	-	207,952	207,952
THB	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-	474	474
Total	**13,421,502**	**3,030,562**	**857,628**	**867,374**	**716,297**	**157,132**	**19,050,495**	12,082,689	2,707,443	878,510	1,155,476	690,862	230,459	17,745,439
Company														
RM	**667,485**	**-**	**-**	**-**	**-**	**-**	**667,485**	666,646	-	-	-	-	-	666,646
USD	**619,848**	**-**	**-**	**-**	**-**	**-**	**619,848**	594,954	-	-	-	-	-	594,954
Total	**1,287,333**	**-**	**-**	**-**	**-**	**-**	**1,287,333**	1,261,600	-	-	-	-	-	1,261,600

USD: United States Dollar
IDR: Indonesian Rupiah
SLR: Sri Lankan Rupee
BDT: Bangladeshi Taka
NPR: Nepalese Rupee
PKR: Pakistani Rupee
THB: Thai Baht

16. BORROWINGS (CONTINUED)

The carrying amounts of borrowings of the Group and the Company at the reporting date approximated their fair values except as set out below:

	2021		2020	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group				
- Sukuk Ijarah[1]	**503,346**	**529,583**	609,293	662,444
- Bonds[1]	**162,326**	**171,324**	290,287	310,365
- Note[1]	**4,210,181**	**4,050,253**	4,067,279	4,092,020
- Multi-currency Sukuk[1]	**4,207,971**	**4,354,939**	4,064,031	4,354,763
- Sukuk Murabahah[2]	**1,774,970**	**1,821,835**	2,330,344	2,447,570

[1] Fair value is based on quoted prices in an active market and is within level 1 of the fair value hierarchy.
[2] Fair value is based on quoted prices in a market that is not active and is within level 2 of the fair value hierarchy.

17. FINANCIAL INSTRUMENTS BY CATEGORIES

		2021				2020			
	Note	Financial assets classified as amortised cost RM'000	Assets at FVTPL RM'000	Assets at FVTOCI RM'000	Total RM'000	Financial assets classified as amortised cost RM'000	Assets at FVTPL RM'000	Assets at FVTOCI RM'000	Total RM'000
Group									
Financial assets									
Derivative financial instruments	18	**-**	**76,938**	**-**	**76,938**	-	8,343	-	8,343
Trade and other receivables		**3,062,196**	**-**	**-**	**3,062,196**	2,530,869	-	-	2,530,869
Financial assets at FVTPL		**-**	**5,743**	**-**	**5,743**	-	142,580	-	142,580
Financial assets at FVTOCI	32	**-**	**-**	**220,744**	**220,744**	-	-	220,978	220,978
Deposits, cash and bank balances	37	**6,969,352**	**-**	**-**	**6,969,352**	7,194,254	-	-	7,194,254
Total		**10,031,548**	**82,681**	**220,744**	**10,334,973**	9,725,123	150,923	220,978	10,097,024

		2021			2020		
	Note	Financial liabilities classified as amortised cost RM'000	Liabilities at FVTPL RM'000	Total RM'000	Financial liabilities classified as amortised cost RM'000	Liabilities at FVTPL RM'000	Total RM'000
Group							
Financial liabilities							
Borrowings	16	**19,050,495**	**-**	**19,050,495**	17,745,439	-	17,745,439
Derivative financial instruments	18	**-**	**111,659**	**111,659**	-	132,665	132,665
Trade and other payables		**9,465,092**	**-**	**9,465,092**	8,041,145	-	8,041,145
Total		**28,515,587**	**111,659**	**28,627,246**	25,786,584	132,665	25,919,249

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17. FINANCIAL INSTRUMENTS BY CATEGORIES (CONTINUED)

	Note	2021 RM'000	2020 RM'000
Company			
Financial assets classified as amortised cost			
Amounts due from subsidiaries	34	**3,659,353**	3,160,989
Other receivables and deposits		**12,758**	5,024
Deposits, cash and bank balances	37	**886,387**	1,231,872
Total		**4,558,498**	4,397,885

	Note	2021 RM'000	2020 RM'000
Financial liabilities classified as amortised cost			
Accruals and other payables		**58,554**	46,500
Borrowings	16	**1,287,333**	1,261,600
Amounts due to subsidiaries		**8,044,575**	8,312,525
Total		**9,390,462**	9,620,625

18. DERIVATIVE FINANCIAL INSTRUMENTS

		Group			
		2021		2020	
	Note	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Non-current					
Non-hedging derivative:					
- Convertible warrants in an associate	(a)	**43,342**	**-**	8,343	-
- Call option over shares held by NCI	(b)	**2,311**	**-**	-	-
Derivatives designated as hedging instrument:					
- Interest rate swap ("IRS")		**486**	**-**	-	-
- CCIRS	(c)	**30,678**	**(91,162)**	-	(121,784)
Total non-current		**76,817**	**(91,162)**	8,343	(121,784)
Current					
Derivatives designated as hedging instrument:					
- IRS		**121**	**-**	-	-
- CCIRS	(c)	**-**	**(20,497)**	-	(10,881)
Total current		**121**	**(20,497)**	-	(10,881)
Total		**76,938**	**(111,659)**	8,343	(132,665)

Non-hedging derivatives are classified as current/non-current assets or liabilities. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than twelve (12) months and, as a current asset or liability, if the maturity of the hedged items is less than twelve (12) months.

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18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Non-hedging derivative

(a) Convertible warrants in an associate

The warrants issued by Sacofa Sdn Bhd ("Sacofa"), an associate company of the Group was constituted under the deed poll dated 28 January 2009. Under the deed poll, a total 64,171,634 warrants had been issued to the shareholders on the entitlement basis of one (1) free warrant for every one (1) existing Sacofa ordinary share. The Group was issued 12,834,327 warrants, in equivalent to the number of Sacofa's ordinary share held by the Group.

Counterparty	Underlying number of shares	Period	Strike price
Sacofa	12,834,327	28 Jan 2009 - 25 Jan 2025	RM1.50/share + any adjustments

The fair value of the warrants was estimated using the Black-Scholes valuation model and is sensitive to data inputs including stock price, dividend yield and volatility.

During the financial year, the exercise period of the warrants is extended another three (3) years from 25 January 2022 to 25 January 2025.

(b) Call option over shares held by NCI

Boost Holdings has been granted with a call option to purchase the shares in PTCMA owned by PT Monetrans Mitra Indonesia at a price equal to 90.00% of the exit price to increase its shareholding up to 85.00% of the issued and paid-up shares of PTCMA.

The fair value of the call options was estimated using the Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

Derivatives designated as hedging instrument

(c) Cash flow hedge – CCIRS

The Group enters into CCIRS that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its borrowings, therefore the hedged item is identified as a proportion of the outstanding borrowings up to the notional amount of the swaps. As all critical terms matched, there is an economic relationship.

The underlying debt instrument for the CCIRS is the Group's Multi-currency Sukuk as disclosed in Note 16(b)(i) to the financial statements. The hedging instrument is designed to hedge against foreign currency risk.

The CCIRS is designated as cash flow hedge to hedge the currency risk of borrowings denominated in USD. The hedge has been fully effective from inception and during the financial year. Hedge ineffectiveness may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the borrowings, and
- differences in critical terms between the interest rate swaps and loans.

During the financial year, the Group recognised a loss of RM76.9 million (2020: gain of RM33.7 million) in OCI after reclassification of fair value gain of RM138.3 million (2020: loss of RM43.3 million) on the CCIRS from the OCI to the profit or loss – foreign exchange gain/(loss) on financing activities.

In the previous financial year, the Group derecognised CCIRS which matured on 19 November 2020. As a result of the derecognition, a loss of RM2.0 million was reclassified from the OCI to the profit or loss.

The fair value changes of the derivative are attributable to future exchange rates and interest rate movements.

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Derivatives designated as hedging instrument (continued)

(c) Cash flow hedge – CCIRS (continued)

Information relating to the CCIRS of a subsidiary of the Group as at 31 December is as follows:

				Notional carrying amount					Fair value assets/(liabilities)	
Counterparties	Notional amount USD' million	Exchange rate	Notional amount RM' million	2021 RM' million	2020 RM' million	Period	Semi-annually fixed interest rate paid on RM notional %	Semi-annually fixed interest rate received on USD notional %	2021 RM'000	2020 RM'000
Sukuk maturing on 24 March 2026										
CIMB Bank Berhad	130.0	4.193	545.1	**543.1**	524.7	20 Dec 2016-24 Mar 2026	6.656	4.357	**(32,138)**	(57,335)
	50.0	4.070	203.5	**208.9**	201.8	25 Mar 2019-24 Mar 2026	5.600	4.357	**4,399**	(2,627)
	46.0	4.080	187.7	**192.1**	185.7	25 Mar 2019-24 Mar 2026	5.480	4.357	**4,487**	(1,786)
Hong Kong and Shanghai Banking Corporation	20.0	4.160	83.2	**83.6**	80.7	28 Oct 2016-24 Mar 2026	6.730	4.357	**(4,410)**	(8,293)
	50.0	4.060	203.0	**208.9**	201.8	25 Mar 2019-24 Mar 2026	5.470	4.357	**5,941**	(821)
MUFG Bank (Malaysia) Berhad	154.0	4.160	640.7	**643.3**	621.5	27 Dec 2016-24 Mar 2026	6.641	4.357	**(31,641)**	(60,983)
	50.0	4.060	203.0	**208.9**	201.8	25 Mar 2019-24 Mar 2026	5.470	4.357	**5,940**	(820)
	500.0		2,066.2	**2,088.8**	2,018.0				**(47,422)**	(132,665)
Weighted average		4.132					6.210	4.357		

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Derivatives designated as hedging instrument (continued)

(c) Cash flow hedge – CCIRS (continued)

Information relating to the CCIRS of a subsidiary of the Group as at 31 December is as follows: (continued)

Counterparties	Notional amount USD' million	Exchange rate	Notional amount RM' million	Notional carrying amount 2021 RM' million	Notional carrying amount 2020 RM' million	Period	Semi-annually fixed interest rate paid on RM notional %	Semi-annually fixed interest rate received on USD notional %	Fair value assets/(liabilities) 2021 RM'000	Fair value assets/(liabilities) 2020 RM'000
Sukuk maturing on 19 August 2030										
CIMB Bank Berhad	50.0	4.045	202.3	**208.9**	-	19 Feb 2021-19 Aug 2030	3.350	2.163	**(2,208)**	-
	50.0	4.071	203.5	**208.9**	-	19 Feb 2021-19 Aug 2030	3.580	2.163	**2,982**	-
	70.0	4.118	288.3	**292.4**	-	19 Feb 2021-19 Aug 2030	3.700	2.163	**(9,560)**	-
MUFG Bank (Malaysia) Berhad	30.0	4.044	121.3	**125.3**	-	19 Feb 2021-19 Aug 2030	3.330	2.163	**2,019**	-
	50.0	4.070	203.5	**208.9**	-	19 Feb 2021-19 Aug 2030	3.580	2.163	**(2,153)**	-
Standard Chartered Bank	50.0	4.055	202.8	**208.9**	-	19 Feb 2021-19 Aug 2030	3.470	2.163	**460**	-
Malayan Banking Berhad	200.0	4.108	821.6	**835.5**	-	19 Feb 2021-19 Aug 2030	3.700	2.163	**(25,099)**	-
	500.0		2,043.3	**2,088.8**	-				**(33,559)**	-
Weighted average		4.087					3.596	2.163		

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19. DEFERRED INCOME

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At 1 January	**449,057**	383,337	**17,265**	-
Received	**32,806**	157,919	**-**	20,000
Released to profit or loss	**(217,052)**	(91,542)	**(5,529)**	(2,735)
Currency translation differences	**(842)**	(657)	**-**	-
At 31 December	**263,969**	449,057	**11,736**	17,265
Current	**3,609**	3,820	**-**	-
Non-current	**260,360**	445,237	**11,736**	17,265
	263,969	449,057	**11,736**	17,265

Deferred income of the Group mainly relates to the government grants received/receivable by subsidiaries for the purchase of certain qualifying assets.

RM41.3 million (2020: RM86.5 million) of the deferred income arising from government grants in relation to USP projects of a subsidiary is expected to be realised within the next 12 months.

Deferred income of the Company relates to government grant under PRIHATIN - Program Kredit Mikro Kepada Perusahaan Kecil dan Sederhana Mikro. The government grant is to provide subsidy for the Company's COVID-19 Micro SME support initiatives.

20. DEFERRED GAIN ON SALE AND LEASEBACK ASSETS

Deferred gain arising from tower sale and finance leaseback transaction where the gain is deferred and amortised over leaseback period of ten (10) years. The remaining useful life is three (3) to five (5) years (2020: four (4) to six (6) years).

21. TRADE AND OTHER PAYABLES

		2021			2020		
	Note	Non-current RM'000	Current RM'000	Total RM'000	Non-current RM'000	Current RM'000	Total RM'000
Group							
Trade payables		**-**	**4,119,037**	**4,119,037**	-	2,890,808	2,890,808
Customer deposits		**-**	**268,608**	**268,608**	-	228,379	228,379
Business licence payable		**682,594**	**342,936**	**1,025,530**	793,533	263,279	1,056,812
Payroll liabilities		**35,113**	**686,975**	**722,088**	112,048	625,295	737,343
Accruals		**-**	**4,993,473**	**4,993,473**	-	5,002,560	5,002,560
Other payables		**245,200**	**491,095**	**736,295**	201,459	342,616	544,075
USP payables		**-**	**489,178**	**489,178**	-	461,028	461,028
Defined benefit plans	(a)	**112,114**	**-**	**112,114**	160,976	-	160,976
Contract liabilities	(b)	**41,059**	**1,833,771**	**1,874,830**	35,026	1,951,498	1,986,524
Taxes		**-**	**288,654**	**288,654**	-	190,083	190,083
Deferred revenue		**-**	**41,334**	**41,334**	-	46,402	46,402
Total		**1,116,080**	**13,555,061**	**14,671,141**	1,303,042	12,001,948	13,304,990
Company							
Payroll liabilities		**-**	**33,927**	**33,927**	-	39,774	39,774
Accruals		**-**	**51,071**	**51,071**	-	31,736	31,736
Other payables		**-**	**7,483**	**7,483**	-	14,764	14,764
Taxes		**-**	**9,139**	**9,139**	-	16,656	16,656
Total		**-**	**101,620**	**101,620**	-	102,930	102,930

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21. TRADE AND OTHER PAYABLES (CONTINUED)

(a) The Group's defined benefit plans are mainly from Indonesia, Sri Lanka and Bangladesh under the mobile segment, infrastructure segment and others. Movements in the present value of defined benefit obligations of the defined benefit plans are as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 January	**160,976**	113,730
Acquisition of a subsidiary	**384**	-
Additions	**-**	25,203
Charge/(Credit) to profit or loss:		
- current services	**34,175**	28,217
- interest costs	**7,512**	6,543
- past service costs	**(27,400)**	(12,226)
	14,287	22,534
Benefit paid	**(43,568)**	(47,595)
Settlement gains	**-**	(685)
(Credit)/Debit to OCI:		
- actuarial (gains)/losses	**(18,709)**	51,415
Currency translation differences	**(1,256)**	(3,626)
At 31 December	**112,114**	160,976

Present value of the defined benefit obligations is calculated annually by independent actuaries using the projected unit credit method. The principal actuarial valuation assumptions used are as follows:

	Group			
	2021		2020	
	Discount rate (p.a.)	Salary increment rate (p.a.)	Discount rate (p.a.)	Salary increment rate (p.a.)
Mobile segment:				
- Indonesia	**7.0%**	**8.5%**	6.8%	8.5%
- Sri Lanka	**10.6% - 11.8%**	**10.0%**	7.0% - 8.0%	7.0% - 10.0%
- Bangladesh	**6.8%**	**6.0%**	7.0%	6.0%
Infrastructure segment	**5.7% - 11.6%**	**4.0% - 8.0%**	6.4% - 7.8%	5.5% - 8.0%
Others	**2.2% - 7.8%**	**5.0% - 10.0%**	1.7% - 7.8%	5.0% - 10.0%

(b) The movements of contract liabilities are as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 January	**1,986,524**	1,796,666
Revenue recognised that was included in the contract liability balance at the beginning of the financial year	**(1,950,248)**	(1,777,044)
Increases due to cash received, excluding amounts recognised as revenue during the financial year	**1,840,140**	1,968,243
Currency translation differences	**(1,586)**	(1,341)
At 31 December	**1,874,830**	1,986,524

21. TRADE AND OTHER PAYABLES (CONTINUED)

The currencies profiles of trade and other payables are as follows:

	2021								2020							
	Functional currency								Functional currency							
	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000
Group																
RM	**3,591,996**	**3,903**	**-**	**-**	**-**	**39**	**-**	**3,595,938**	3,326,473	17,433	-	-	-	-	-	3,343,906
USD	**52,077**	**155,610**	**364**	**415,746**	**93,045**	**846,120**	**167**	**1,563,129**	301,612	51,038	161,174	383,345	120,209	567,657	-	1,585,035
IDR	**-**	**4,031,083**	**-**	**-**	**-**	**10**	**-**	**4,031,093**	-	3,467,329	-	-	-	-	-	3,467,329
SLR	**-**	**-**	**1,439,275**	**-**	**-**	**360**	**-**	**1,439,635**	-	-	999,287	-	-	-	-	999,287
BDT	**-**	**-**	**-**	**3,000,040**	**-**	**-**	**-**	**3,000,040**	-	-	-	2,847,354	-	-	-	2,847,354
NPR	**3,736**	**-**	**-**	**-**	**814,016**	**-**	**-**	**817,752**	-	-	-	-	914,601	-	-	914,601
MMK	**-**	**-**	**-**	**-**	**-**	**22,721**	**-**	**22,721**	-	-	-	-	-	-	44,032	44,032
PKR	**-**	**-**	**-**	**-**	**-**	**-**	**95,978**	**95,978**	-	-	-	-	-	-	72,527	72,527
Others	**3,288**	**70**	**-**	**-**	**40,464**	**2,574**	**58,459**	**104,855**	7,086	-	-	-	8,614	-	15,219	30,919
Total	**3,651,097**	**4,190,666**	**1,439,639**	**3,415,786**	**947,525**	**871,824**	**154,604**	**14,671,141**	3,635,171	3,535,800	1,160,461	3,230,699	1,043,424	567,657	131,778	13,304,990
Company																
RM	**79,698**	**-**	**-**	**-**	**-**	**-**	**-**	**79,698**	82,377	-	-	-	-	-	-	82,377
USD	**16,642**	**-**	**-**	**-**	**-**	**-**	**-**	**16,642**	20,455	-	-	-	-	-	-	20,455
NPR	**3,736**	**-**	**-**	**-**	**-**	**-**	**-**	**3,736**	-	-	-	-	-	-	-	-
Others	**1,544**	**-**	**-**	**-**	**-**	**-**	**-**	**1,544**	98	-	-	-	-	-	-	98
Total	**101,620**	**-**	**-**	**-**	**-**	**-**	**-**	**101,620**	102,930	-	-	-	-	-	-	102,930

MMK: Myanmar Kyat

Credit terms of trade and other payables for the Group and the Company vary from thirty (30) to ninety (90) days (2020: thirty (30) to ninety (90) days) depending on the terms of the contracts respectively.

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Notes to the Financial Statements For the financial year ended 31 December 2021

22. PROVISION FOR ASSET RETIREMENT

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At 1 January		**640,507**	517,288	**804**	779
Acquisition of a subsidiary		**10,580**	-	**-**	-
Additions		**85,738**	120,335	**-**	-
Utilised during the financial year		**(11,647)**	(8,460)	**-**	-
Accretion of interest	10	**18,777**	24,753	**25**	25
Reclassified to liabilities classified as held-for-sale	39	**(3,675)**	(3,185)	**-**	-
Currency translation differences		**7,515**	(10,224)	**-**	-
At 31 December		**747,795**	640,507	**829**	804

The provision of asset retirement of the Group relates to provision for dismantling costs of existing telecommunication network equipment and buildings.

23. DEFERRED TAXATION

Deferred tax assets and liabilities of the Group are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group	
	2021 RM'000	2020 RM'000
Deferred tax assets:		
- To be recovered within twelve (12) months	**295,240**	223,991
- To be recovered after more than twelve (12) months	**63,290**	86,333
Deferred tax assets	**358,530**	310,324
Deferred tax liabilities:		
- To be recovered within twelve (12) months	**288,804**	231,344
- To be recovered after more than twelve (12) months	**1,088,712**	855,436
Deferred tax liabilities	**1,377,516**	1,086,780
Net deferred tax liabilities	**1,018,986**	776,456

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23. DEFERRED TAXATION (CONTINUED)

The movements in net deferred tax liabilities are as follows:

	Note	Group 2021 RM'000	Group 2020 RM'000
At 1 January		**776,456**	881,235
Acquisition of subsidiaries		**129,254**	-
Charge/(Credit) to profit or loss:			
- PPE and intangible assets		**(36,529)**	(264,698)
- Tax losses		**158,236**	196,931
- Leases		**(65,687)**	(47,784)
- Provision and others		**37,422**	57,160
	11	**93,442**	(58,391)
Debit/(Credit) to OCI:			
- actuarial losses/(gains)		**2,614**	(16,506)
- FVTOCI		**-**	(567)
Currency translation differences		**17,220**	(29,315)
At 31 December		**1,018,986**	776,456

Breakdown of cumulative balances by each type of temporary differences are as follows:

	Group 2021 RM'000	Group 2020 RM'000 Restated*
Deferred tax assets:		
- PPE and intangible assets	**97,512**	88,527
- Tax losses	**84,597**	243,874
- Leases	**175,197**	109,176
- Provision and others	**643,992**	663,069
	1,001,298	1,104,646
Offsetting	**(642,768)**	(794,322)
Total	**358,530**	310,324
Deferred tax liabilities:		
- PPE and intangible assets	**1,965,464**	1,837,518
- Others	**54,820**	43,584
	2,020,284	1,881,102
Offsetting	**(642,768)**	(794,322)
Total	**1,377,516**	1,086,780

* Restated to conform with current year presentation.

23. DEFERRED TAXATION (CONTINUED)

The amounts of deductible temporary differences and unutilised tax losses for which no deferred tax asset is recognised in the statements of financial position are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000 Restated[1]	2021 RM'000	2020 RM'000 Restated[1]
Unutilised tax losses	**2,532,202**	2,294,481	**453,646**	371,188
Deductible temporary differences	**443,505**	376,122	**82,208**	77,566
	2,975,707	2,670,603	**535,854**	448,754

The unutilised tax losses for which no deferred tax asset is recognised in the statements of financial positions, available for set off against future taxable profit with a time limit of utilisation are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000 Restated[1]	2021 RM'000	2020 RM'000 Restated[1]
Expiring in the financial year ending:				
- 2021	**-**	2,520	**-**	-
- 2022	**4,824**	4,687	**-**	-
- 2023	**243,049**	355,250	**-**	-
- 2024	**67,752**	78,112	**-**	-
- 2025	**64,424**	775,518	**-**	162,690
- 2026	**69,148**	399,897	**-**	108,991
- 2027	**56,936**	353,497	**-**	99,507
- 2028	**757,389**	16,874	**162,690**	-
- 2029	**369,495**	5,888	**108,991**	-
- 2030	**306,718**	3,322	**99,507**	-
- 2031	**419,317**	131,234	**82,458**	-
- 2035-2037	**16,946**	16,946	**-**	-
- No expiry date	**156,204**	150,736	**-**	-
Total	**2,532,202**	2,294,481	**453,646**	371,188

[1] Restated to be consistent with actual tax submission.

In accordance with the Malaysian Finance Act 2021 which was gazetted on 31 December 2021, the Group's and the Company's unutilised tax losses can now be carried forward for ten (10) (2020: seven (7)) consecutive years of assessment ("YAs"). This is effective retrospectively from YA2019. This existing unutilised tax losses previously carried forward up to YA2018 can now be carried forward up to YA2028 (2020: YA2025).

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24. LEASE LIABILITIES

The movements in lease liabilities are as follows:

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
At 1 January		**9,628,596**	8,840,317	**14,571**	18,090
Additions		**2,005,413**	2,443,489	**-**	-
Acquisition of a subsidiary		**46,089**	-	**-**	-
Adjustments[1]		**(158,895)**	-	**-**	-
Interest expense	10	**675,390**	669,847	**618**	792
Repayment of:					
- principal		**(1,522,063)**	(1,328,392)	**(3,827)**	(3,519)
- interest		**(654,476)**	(497,447)	**(618)**	(792)
Remeasurement		**33,040**	89,906	**-**	-
Modification		**13,526**	45,783	**-**	-
Termination		**(4,515)**	(444,296)	**-**	-
Reclassification of liabilities held-for-sale	39	**(2,669)**	(13,971)	**-**	-
Currency translation differences		**111,559**	(176,640)	**-**	-
At 31 December		**10,170,995**	9,628,596	**10,744**	14,571
Non-current		**8,412,149**	7,894,276	**6,600**	10,730
Current		**1,758,846**	1,734,320	**4,144**	3,841
		10,170,995	9,628,596	**10,744**	14,571

[1] Following the acquisition of Touch Mindscape Group as disclosed in Note 5(a)(ii) to the financial statements, lease transactions between other subsidiaries of the Group and Touch Mindscape Group are no longer treated as leases of the Group.

The Group leases sites for installation of telecommunication structures, retail outlets, land and office buildings. Rental contracts duration is typically between one (1) to forty (40) years (2020: one (1) to forty (40) years) including extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Extension and termination options are included, to provide the Group with greater flexibility to align its need for access to assets with the fulfilment of customer contracts.

In cases in which the Group is not reasonably certain to exercise an optional extended lease term, payment associated with the optional period are not included within lease liabilities. As at 31 December 2021, potential future cash outflows of RM11,750.9 million (undiscounted) (2020: RM7,374.0 million) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The Company leases office building with a lease term of five (5) years (2020: five (5) years), including extension options.

The cash outflows for leases as lessee of the Group and the Company for the financial year ended 31 December 2021 were RM2,428.6 million (2020: RM2,014.8 million) and RM5.6 million (2020: RM5.6 million) respectively.

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25. INTANGIBLE ASSETS

		Group			
	Note	Goodwill RM'000	Licences RM'000	Others[1] RM'000	Total RM'000
Net book value					
At 1 January 2021		**12,948,304**	**6,642,407**	**1,043,688**	**20,634,399**
Acquisitions of subsidiaries		**1,229,714**	**-**	**441,425**	**1,671,139**
Additions[2]		**-**	**290,193**	**115,444**	**405,637**
Amortisation	7(a)	**-**	**(701,600)**	**(159,662)**	**(861,262)**
Disposals		**-**	**-**	**(1,477)**	**(1,477)**
Write-off	7(a)	**-**	**-**	**(1,670)**	**(1,670)**
Impairment	7(a)	**(340,029)**	**-**	**(4,407)**	**(344,436)**
Currency translation differences		**94,557**	**116,719**	**9,081**	**220,357**
At 31 December 2021		**13,932,546**	**6,347,719**	**1,442,422**	**21,722,687**
Cost		**14,374,564**	**11,213,954**	**2,606,508**	**28,195,026**
Accumulated amortisation		**-**	**(4,866,235)**	**(1,159,679)**	**(6,025,914)**
Accumulated impairment losses		**(442,018)**	**-**	**(4,407)**	**(446,425)**
At 31 December 2021		**13,932,546**	**6,347,719**	**1,442,422**	**21,722,687**
Net book value					
At 1 January 2020		13,171,073	6,973,555	579,733	20,724,361
Acquisition of a subsidiary		405	-	-	405
Disposal of a subsidiary		-	-	(968)	(968)
Additions[2]		-	966,629	130,812	1,097,441
Amortisation	7(a)	-	(658,323)	(151,630)	(809,953)
Impairment[3]	7(a)	(9,476)	-	(28,265)	(37,741)
Disposals		-	-	(12)	(12)
Write-off	7(a)	-	-	(6,088)	(6,088)
Inter-classification		-	(472,324)	472,324	-
Currency translation differences		(213,698)	(167,130)	47,782	(333,046)
At 31 December 2020		12,948,304	6,642,407	1,043,688	20,634,399
Cost		13,051,109	10,750,822	2,187,326	25,989,257
Accumulated amortisation		-	(4,108,415)	(1,115,373)	(5,223,788)
Accumulated impairment losses		(102,805)	-	(28,265)	(131,070)
At 31 December 2020		12,948,304	6,642,407	1,043,688	20,634,399

1 Others mainly relate to customer contracts and related customer relationships, other licences, software and brands.

2 Additions in licences include telecommunication licences of a subsidiary of BDT5,317.0 million (RM258.0 million) (2020: BDT20,332.7 million (RM965.4 million)).

3 Impairment was due to liquidation plan of a subsidiary.

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Notes to the Financial Statements For the financial year ended 31 December 2021

25. INTANGIBLE ASSETS (CONTINUED)

The remaining amortisation period of acquired telecommunication licences with allocated spectrum rights which are individually material range from three (3) years to twenty-two (22) years (2020: four (4) years to twenty-three (23) years).

The carrying amount of the telecommunication licences of a subsidiary which belongs to Indonesia's CGU having an indefinite useful life amounts to RM1,673.7 million (2020: RM1,639.4 million).

Net book value of intangible assets of certain subsidiaries amounting to RM19.1 million (2020: RM18.8 million) are pledged as security for borrowings as disclosed in Note 16(a) to the financial statements.

Impairment tests for goodwill

The Group undertakes an annual test for impairment of its goodwill allocated to the CGUs identified according to operating segment.

The following CGUs, being the lowest level of asset for which the management monitors the goodwill of the Group:

	2021 RM'000	2020 RM'000
Mobile segment:		
- Malaysia	**4,031,110**	4,031,110
- Indonesia	**5,172,440**	5,132,352
- Sri Lanka	**208,368**	212,518
- Cambodia	**209,912**	202,802
- Nepal	**2,748,997**	3,028,546
Infrastructure segment[1]	**1,424,999**	282,755
Others	**136,720**	58,221
	13,932,546	12,948,304

[1] Infrastructure segment consists of four (4) CGUs (2020: three (3) CGUs) namely Pakistan, Myanmar and Tanjung Digital Sdn Bhd and Touch Mindscape Group in Malaysia (2020: Pakistan, Myanmar and Tanjung Digital Sdn Bhd in Malaysia).

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Notes to the Financial Statements For the financial year ended 31 December 2021

25. INTANGIBLE ASSETS (CONTINUED)

Impairment tests for goodwill (continued)

Key assumptions used

The recoverable amounts of Malaysia's, Indonesia's, Sri Lanka's, Cambodia's and Nepal's CGUs under the mobile and infrastructure segments in this test are determined as follows:

	Type of business	2021	2020
Mobile segment:			
Malaysia	Mobile business	**VIU**	VIU
Indonesia	Mobile business	**VIU**	VIU
Sri Lanka	Fixed communication business (consist of fixed telephone and data) and television business	**VIU**	VIU
Cambodia	Mobile business	**VIU**	VIU
Nepal	Mobile business	**FVLCS**	FVLCS
Infrastructure segment	Telecommunication infrastructure and services	**FVLCS**	FVLCS

The VIU calculations apply a discounted cash flow model using cash flow projections based on forecasts and projections approved, covering:

- a three (3) year period for the mobile businesses in Malaysia and Cambodia;
- a five (5) year period for mobile business in Indonesia; and
- a five (5) year period for the fixed telecommunication and television businesses in Sri Lanka.

The FVLCS calculations apply a discounted cash flow model based on market's participants' view using level three (3) in fair value hierarchy covering:

- a five (5) year (2020: a five (5) year) period for the mobile business in Nepal. A five (5) year projected period is used to demonstrate the impact of capturing data growth, achieving spectrum acquisition and stabilised revenue levels in line with the telecommunication industry in Nepal and comparable territories; and

- ten (10) year and fifteen (15) year (2020: a ten (10) year) period for Infrastructure segment in Pakistan, Myanmar and Tanjung Digital Sdn Bhd and Touch Mindscape Group in Malaysia due to long-term customer contracts, intensive capital required in the initial phase and expected market penetration growth in these countries.

The forecasts and projections reflect management's expectations of revenue growth, operating costs and margins based on past experience and future outlook of the respective CGUs. Cash flows beyond the third (3rd) year for the mobile businesses in Malaysia, Cambodia, fifth (5th) year for the mobile businesses in Indonesia, Sri Lanka and Nepal and tenth (10th) to fifteenth (15th) (2020: tenth (10th)) year for the Infrastructure segment are extrapolated in perpetuity using estimated terminal growth rates which takes into consideration the current Gross Domestic Product, inflation and average growth rates for the telecommunication industry. These rates have been determined with regards to projected growth rates for the market in which the CGUs participate and are not expected to exceed the long term average growth rates for these markets.

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Notes to the Financial Statements For the financial year ended 31 December 2021

25. INTANGIBLE ASSETS (CONTINUED)

Impairment tests for goodwill (continued)

Key assumptions used (continued)

The following assumptions have been applied in the VIU and FVLCS calculations:

	Infrastructure segment	Mobile segment				
		Nepal#	Cambodia	Sri Lanka	Indonesia	Malaysia
2021						
Discount rate	**7.0% to 15.9%**	**10.5%**	**13.3%***	**13.6%***	**12.1%***	**11.3%***
Terminal growth rate	**2.0% to 6.5%**	**4.0%**	**2.0%**	**3.0%**	**3.0%**	**0.7%**
Revenue growth rate	**-3.6% to 46.1% over 10 to 15 years**	**3.3% to 5.3% over 5 years**	**2.6% to 3.6% over 3 years**	**5.0% to 14.0% over 5 years**	**7.2% to 9.7% over 5 years**	**3.2% to 6.5% over 3 years**
2020						
Discount rate	6.8% to 15.5%	10.5%	15.1%*	10.1%*	8.1%*	11.0%*
Terminal growth rate	2.0% to 5.0%	4.0%	2.0%	3.0%	3.0%	0.7%
Revenue growth rate	-5.0% to 35.0% over 10 years	4.2% to 8.2% over 5 years	-1.4% to 1.0% over 3 years	5.0% to 14.0% over 5 years	4.5% to 9.4% over 5 years	4.5% to 10.6% over 3 years

* Pre-tax discount rates applied to the cash flow forecasts were derived from the pre-tax cash flows at the date of assessment of the respective CGU that reflects the risk of the CGU.

\# In accordance with Section 33 of the Telecommunications Act 2053 (1997) ("Telco Act 2053") in Nepal, a telecommunications operator with more than fifty percent (50%) of Foreign Direct Investment has to handover its entire assets (land, building, plant, equipment and other structures related to the telecommunications service) to the Government of Nepal once the maximum licence period of twenty-five (25) years has expired, in which a buyback of these assets can take place. The Nepal CGU will reach this period in 2029. However, the Telco Act 2053 is silent on the process for the handover or buyback and the cost of buyback.

The Board of Directors considers the above to be a form of licence renewal which will be subject to negotiations with the Government of Nepal. Given the Group's existing interaction with the Government of Nepal, the significant size and scale of the Nepal operations, and its continued commitment to invest for the long term, management has assumed the licence allocated to the Nepal CGU will be extended in perpetuity as it is expected that the Group will be able to negotiate an extension or appropriate buyback mechanism with the Government of Nepal.

Ncell Axiata Limited ("Ncell") has been paying licence fees to the Government of Nepal annually since 2004. As such, management has estimated that the licence fee allocated to the Nepal CGU will continue to be paid annually into perpetuity and has included an annual licence fee with a long term terminal growth in their impairment assessment. The sensitivity analysis on the annual licence fee is disclosed in sensitivity analysis of Nepal CGU below.

Based on the assessment above, the Malaysia, Indonesia, Cambodia and Infrastructure segment CGUs' goodwill were not impaired as the recoverable amounts exceeded the carrying amounts except for Sri Lanka and Nepal CGU as below:

(i) An impairment loss of RM1.6 million was recognised as of 31 December 2021 in respect of Sri Lanka CGU.

(ii) Based on the impairment assessment of the Nepal CGU, the Group recorded an impairment loss of RM338.4 million. The impairment loss related solely to goodwill. The recoverable amount of the Nepal CGU was RM5,896.4 million and was derived from future cash flows generated by the underlying assets in the Nepal CGU including 100% of goodwill attributable to the Nepal CGU. As the Group recognised goodwill based on partial goodwill method, no impairment loss was allocated to NCI.

The COVID-19 pandemic and its lockdowns continued to impact the operations in Nepal during the financial year ended 31 December 2021. In addition, the pre-existing business challenges, stiff competition landscape and weak economic conditions in Nepal continue to persist during the financial year and its business outlook. Management has reflected these assumptions in their five (5) year business plan.

Management's assessment included an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, the Board of Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGUs to exceed its recoverable amounts except for Nepal CGU.

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Notes to the Financial Statements For the financial year ended 31 December 2021

25. INTANGIBLE ASSETS (CONTINUED)

Sensitivity analysis of Nepal CGU

During the financial year, the Group's review of the Nepal CGU included an impact assessment of changes in assumptions in relation to the terminal growth rate, discount rate and annual licence fee in the terminal year. A sensitivity analysis was performed and the effects of movement in the key assumptions, assuming all else remained constant, to the recoverable amounts are as follows:

- If the terminal growth rate decreases from 4.0% to 3.5% assuming all else remains constant, an additional impairment of RM266.8 million will result.
- If the discount rate increases from 10.5% to 11.0% assuming all else remains constant, an additional impairment of RM338.4 million will result.
- If the annual licence fee in the terminal year increases by 50.0%, assuming all else remains constant, an additional impairment of RM400.0 million will result.

26. CONTRACT COST ASSETS

		Group					
		2021			2020		
	Note	Contract acquisition cost RM'000	Contract fulfillment cost RM'000	Total RM'000	Contract acquisition cost RM'000	Contract fulfillment cost RM'000	Total RM'000
At 1 January		**75,335**	**104,466**	**179,801**	57,004	125,904	182,908
Additions		**82,994**	**110,264**	**193,258**	86,930	57,352	144,282
Amortisation	7(a)	**(53,441)**	**(79,617)**	**(133,058)**	(68,259)	(77,885)	(146,144)
Currency translation differences		**(2,899)**	**(4,583)**	**(7,482)**	(340)	(905)	(1,245)
At 31 December		**101,989**	**130,530**	**232,519**	75,335	104,466	179,801

Contract acquisition cost comprise mainly of sales commission paid to dealers. Contract fulfillment cost comprise mainly of set-top boxes and routers. The contract cost assets are expected to be amortised over twenty-four (24) to thirty-six (36) months (2020: twenty-four (24) to thirty-six (36) months).

27. PROPERTY, PLANT AND EQUIPMENT

	Note	Land RM'000	Buildings RM'000	Telecom-munication network equipment RM'000	Movable plant and equipment RM'000	Computer support systems RM'000	Capital work-in-progress RM'000	Total RM'000
Group								
Net book value								
At 1 January 2021		**69,956**	**146,544**	**20,597,939**	**219,043**	**980,090**	**2,482,075**	**24,495,647**
Additions		**-**	**30,770**	**5,942,005**	**44,946**	**636,378**	**581,690**	**7,235,789**
Inter-classification		**-**	**621**	**812,198**	**27,746**	**105,189**	**(945,754)**	**-**
Acquisition of subsidiaries		**-**	**-**	**246,237**	**846**	**251**	**-**	**247,334**
Disposals		**-**	**(368)**	**(47,589)**	**(292)**	**(1,299)**	**(75)**	**(49,623)**
(Write-off)/Writeback	7(a)	**-**	**(873)**	**10,485**	**(923)**	**(8,037)**	**(561)**	**91**
Depreciation	7(a)	**-**	**(24,300)**	**(4,299,171)**	**(77,862)**	**(633,751)**	**-**	**(5,035,084)**
Impairment	7(a)	**-**	**-**	**(8,939)**	**(2,407)**	**(3,685)**	**(7,703)**	**(22,734)**
Reversal of impairment	7(a)	**-**	**-**	**6,593**	**-**	**-**	**4,384**	**10,977**
Reclassified to assets classified as held-for-sale	39	**-**	**-**	**(6,841)**	**-**	**-**	**-**	**(6,841)**
Currency translation differences		**71**	**(2,511)**	**68,035**	**1,032**	**12,603**	**20,502**	**99,732**
At 31 December 2021		**70,027**	**149,883**	**23,320,952**	**212,129**	**1,087,739**	**2,134,558**	**26,975,288**
At 1 January 2020		72,700	155,795	20,997,252	581,878	940,693	2,884,905	25,633,223
Additions		350	16,298	4,429,533	39,365	305,240	539,354	5,330,140
Inter-classification		-	4,116	808,148	(336,307)	378,798	(854,755)	-
Disposals		-	(2)	(52,633)	(2,172)	(1,565)	(102)	(56,474)
Write-off	7(a)	-	-	(140,983)	(891)	(9,139)	(5,751)	(156,764)
Depreciation	7(a)	-	(25,740)	(5,003,581)	(59,419)	(615,978)	-	(5,704,718)
Impairment	7(a)	-	-	(23,016)	-	(2,840)	(8,658)	(34,514)
Reclassified to assets classified as held-for-sale	39	-	-	(736)	-	-	-	(736)
Currency translation differences		(3,094)	(3,923)	(416,045)	(3,411)	(15,119)	(72,918)	(514,510)
At 31 December 2020		69,956	146,544	20,597,939	219,043	980,090	2,482,075	24,495,647

27. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land RM'000	Buildings RM'000	Telecom-munication network equipment RM'000	Movable plant and equipment RM'000	Computer support systems RM'000	Capital work-in-progress RM'000	Total RM'000
Group							
Cost	**77,092**	**396,994**	**65,054,725**	**657,258**	**6,704,708**	**2,196,532**	**75,087,309**
Accumulated depreciation	**-**	**(221,441)**	**(41,321,427)**	**(437,242)**	**(5,599,667)**	**-**	**(47,579,777)**
Accumulated impairment losses	**(7,065)**	**(25,670)**	**(412,346)**	**(7,887)**	**(17,302)**	**(61,974)**	**(532,244)**
At 31 December 2021	**70,027**	**149,883**	**23,320,952**	**212,129**	**1,087,739**	**2,134,558**	**26,975,288**
Cost	77,021	370,243	57,902,691	597,568	6,029,466	2,547,463	67,524,452
Accumulated depreciation	-	(198,029)	(36,883,302)	(372,929)	(5,035,759)	-	(42,490,019)
Accumulated impairment losses	(7,065)	(25,670)	(421,450)	(5,596)	(13,617)	(65,388)	(538,786)
At 31 December 2020	69,956	146,544	20,597,939	219,043	980,090	2,482,075	24,495,647

(a) Net book value of PPE of certain subsidiaries pledged as security for borrowings as disclosed in Note 16(a) to the financial statements are as follows:

	Group	
	2021 RM'000	2020 RM'000
Land	**33,525**	32,886
Buildings	**23,593**	25,288
Telecommunication network equipment	**1,230,603**	1,193,885
Movable plant and equipment	**49,484**	31,824
Computer support systems	**130,484**	162,791
Capital work-in-progress	**82,136**	111,034
Total	**1,549,825**	1,557,708

(b) Certain subsidiaries recognised accelerated depreciation on:

i. telecommunication network equipment due to revision of useful life of the assets under modernisation plans undertaken in the previous financial year of RM274.4 million (2020: accelerated depreciation and assets written off of RM1,065.3 million).

ii. telecommunication network equipment related to government grants of USP projects due to technological advancements assessed during the financial year of RM91.9 million.

(c) During the financial year, net book value of telecommunication network equipment subject to operating lease of the Group is amounting to RM3,162.7 million (2020: RM2,243.5 million).

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27. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Office equipment RM'000	Furniture and fitting RM'000	Motor vehicle RM'000	Capital work-in-progress RM'000	Total RM'000
Company						
Net book value						
At 1 January 2021		**12,075**	**4,304**	**-**	**1,683**	**18,062**
Additions		**2,522**	**158**	**-**	**3,322**	**6,002**
Inter-classification		**-**	**1,074**	**-**	**(1,074)**	**-**
Disposals		**(238)**	**(677)**	**-**	**-**	**(915)**
Depreciation	7(a)	**(4,555)**	**(1,188)**	**-**	**-**	**(5,743)**
At 31 December 2021		**9,804**	**3,671**	**-**	**3,931**	**17,406**
At 1 January 2020		13,149	3,936	-	313	17,398
Additions		6,191	1,032	-	6,072	13,295
Inter-classification		270	436	-	(706)	-
Disposals		(23)	-	-	-	(23)
Depreciation	7(a)	(5,523)	(1,100)	-	-	(6,623)
Write-off	7(a)	(1,989)	-	-	(3,996)	(5,985)
At 31 December 2020		12,075	4,304	-	1,683	18,062
Cost		**32,868**	**13,928**	**665**	**3,931**	**51,392**
Accumulated depreciation		**(23,064)**	**(10,257)**	**(665)**	**-**	**(33,986)**
At 31 December 2021		**9,804**	**3,671**	**-**	**3,931**	**17,406**
Cost		30,604	13,572	665	1,683	46,524
Accumulated depreciation		(18,529)	(9,268)	(665)	-	(28,462)
At 31 December 2020		12,075	4,304	-	1,683	18,062

28. RIGHT-OF-USE ASSETS

	Note	Land RM'000	Buildings RM'000	Telecommunication network sites and equipment RM'000	Others RM'000	Total RM'000
Net book value						
Group						
At 1 January 2021		**1,078,503**	**575,915**	**6,847,164**	**17,313**	**8,518,895**
Additions		**446,769**	**72,588**	**1,600,781**	**9,313**	**2,129,451**
Acquisition of a subsidiary		**44,306**	**-**	**-**	**-**	**44,306**
Adjustments[1]		**-**	**-**	**(150,803)**	**-**	**(150,803)**
Disposal/Termination		**-**	**(3,952)**	**(172)**	**(37)**	**(4,161)**
Depreciation	7(a)	**(276,850)**	**(83,649)**	**(1,303,797)**	**(15,364)**	**(1,679,660)**
Remeasurement		**40,181**	**(5,066)**	**-**	**(1,054)**	**34,061**
Modification		**2,813**	**1,721**	**11,892**	**-**	**16,426**
Reclassified to assets classified as held-for-sale	39	**(41,048)**	**-**	**-**	**-**	**(41,048)**
Currency translation differences		**6,265**	**182**	**109,742**	**(443)**	**115,746**
At 31 December 2021		**1,300,939**	**557,739**	**7,114,807**	**9,728**	**8,983,213**
At 1 January 2020		1,303,468	659,801	6,951,955	22,482	8,937,706
Additions		237,843	403,000	1,262,651	10,956	1,914,450
Inter-classification		30,302	(2,114)	(28,188)	-	-
Disposal/Termination		(36,376)	(395,030)	-	-	(431,406)
Depreciation	7(a)	(267,537)	(87,406)	(1,221,057)	(13,072)	(1,589,072)
Remeasurement		(161,197)	3,399	-	(188)	(157,986)
Modification		17,274	(1,006)	33,159	(2,800)	46,627
Reclassified to assets classified as held-for-sale	39	(29,857)	-	-	-	(29,857)
Currency translation differences		(15,417)	(4,729)	(151,356)	(65)	(171,567)
At 31 December 2020		1,078,503	575,915	6,847,164	17,313	8,518,895

[1] Following the acquisition of Touch Mindscape Group as disclosed in Note 5(a)(ii) to the financial statements, ROU assets from lease transactions between other subsidiaries of the Group and Touch Mindscape Group are no longer treated as assets of the Group.

		Company	
	Note	2021 RM'000	2020 RM'000
Buildings (net book value)			
At 1 January		**14,366**	18,471
Depreciation	7(a)	**(4,106)**	(4,105)
At 31 December		**10,260**	14,366

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28. RIGHT-OF-USE ASSETS (CONTINUED)

Amounts recognised in profit or loss within "Other operating costs" related to lease contracts accounted for in accordance with MFRS 16 are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Short-term leases	**186,573**	131,176	**-**	-
Low value assets	**8,542**	11,591	**1,146**	1,268
Variable lease payments	**56,945**	46,132	**-**	-

The Group is also exposed to potential future cash outflow on variable lease payments, which are not included as lease liability until the event or condition that triggers those payments occur. Variable lease payments are in relation to the number of equipment installed on network sites.

29. SUBSIDIARIES

		2021			2020		
	Note	Malaysia RM'000	Overseas RM'000	Total RM'000	Malaysia RM'000	Overseas RM'000	Total RM'000
Company							
Unquoted shares, at cost		**14,760,401**	**6,489,023**	**21,249,424**	14,760,401	6,489,023	21,249,424
Accumulated impairment losses	(a)	**(324,020)**	**(2,037,540)**	**(2,361,560)**	(177,651)	(1,434,484)	(1,612,135)
Net cost of investments in subsidiaries		**14,436,381**	**4,451,483**	**18,887,864**	14,582,750	5,054,539	19,637,289
Quasi-investments		**857,975**	**-**	**857,975**	857,975	-	857,975
Accumulated impairment losses		**(383,185)**	**-**	**(383,185)**	(383,185)	-	(383,185)
Net quasi-investments		**474,790**	**-**	**474,790**	474,790	-	474,790
Total		**14,911,171**	**4,451,483**	**19,362,654**	15,057,540	5,054,539	20,112,079

The Group's and the Company's ownership interests in subsidiaries, their respective principal activities and countries of incorporation are listed in Note 44 to the financial statements.

(a) Impairment tests for investments in subsidiaries

During the financial year, the Company performed impairment assessments of its cost of investments in certain subsidiaries as there were indicators of impairment due to objective evidence of non-recoverability attributable to the changes in macroeconomic outlook and pre-existing business challenges, including the impact of COVID-19, as follows:

i) Impairment assessment for Axiata Investments (UK) Limited ("AIUK")

The recoverable amount for AIUK was determined based on FVLCS calculations, which applied a discounted cash flow model of the Nepal mobile business segment based on market participants' view covering a five (5) year period adjusted for net debt and debt-like items. It also includes deposits paid to avoid possible penalties in relation to an ongoing arbitration case as disclosed in Note 35 and Note 40(e) to the financial statements.

The assumptions that have been applied in the FVLCS calculations based on market's participants' view using level three (3) in the fair value hierarchy are as follows:

	2021	2020
Discount rate	**10.5%**	10.5%
Terminal growth rate	**4.0%**	4.0%
Revenue growth rate	**3.3% to 5.3% over 5 years**	4.2% to 8.2% over 5 years

Based on the impairment assessment of AIUK, the Company recorded an impairment loss of RM603.1 million (2020: RM1,252.6 million). The recoverable amount of AIUK was RM4,450.4 million (2020: RM5,053.5 million).

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Notes to the Financial Statements For the financial year ended 31 December 2021

29. SUBSIDIARIES (CONTINUED)

(a) Impairment tests for investments in subsidiaries (continued)

During the financial year, the Company performed impairment assessments of its cost of investments in certain subsidiaries as there were indicators of impairment due to objective evidence of non-recoverability attributable to the changes in macroeconomic outlook and pre-existing business challenges, including the impact of COVID-19, as follows: (continued)

i) Impairment assessment for Axiata Investments (UK) Limited ("AIUK") (continued)

A sensitivity analysis was performed for AIUK's impairment assessment. The effects of movement in the key assumptions, assuming all else remains constant, to the recoverable amount are as follows:

- If the terminal growth rate decreases from 4.0% to 3.5%, assuming all else remains constant, an additional impairment of RM226.8 million will result.
- If the discount rate increases from 10.5% to 11.0%, assuming all else remains constant, an additional impairment of RM338.4 million will result.
- If the annual licence fee in the terminal year increases by 50.0%, assuming all else remains constant, an additional impairment of RM400.0 million will result.

Additionally, in the event the outcome of the arbitration case as disclosed in Note 40(e) to the financial statements is not in favour of the Group, assuming all else remains constant, the impairment loss recognised in AIUK is expected to increase by approximately RM362.9 million (2020: RM312.0 million).

ii) During the financial year, the Company had fully impaired its cost of investment in Axiata Business Services Sdn Bhd ("ABS") amounting to RM86.6 million based on impairment assessment performed.

In the previous financial year, the Company recorded an impairment loss of RM171.9 million based on impairment assessment performed. The recoverable amount of ABS was RM86.6 million.

iii) During the financial year, based on the impairment assessment of Axiata Investments (Singapore) Limited ("AIS"), the Company recorded an impairment loss of RM59.7 million. The recoverable amount of AIS was RM217.0 million.

iv) In the previous financial year, based on the impairment assessments performed, the Company had fully impaired cost of investment and quasi-investments in certain Malaysian subsidiaries amounting to RM151.8 million. In addition, the Company had also reversed impairment losses of RM148.3 million due to repayment of capital contribution from an overseas subsidiary.

(b) NCI

The total NCI of the Group as at reporting date is RM7,060.5 million (2020: RM6,238.3 million), of which the subsidiaries that have material NCI to the Group are:

- RM2,240.8 million (2020: RM1,797.5 million) is attributable to XL;
- RM598.5 million (2020: RM594.4 million) is attributable to Ncell;
- RM1,175.1 million (2020: RM1,168.6 million) is attributable to Robi; and
- RM1,868.9 million (2020: RM1,712.7 million) is attributable to consolidated edotco.

The remaining NCI of the Group are individually immaterial.

The financial information (before inter-company eliminations and after consolidation adjustments) of the segments that have material NCI to the Group are as follows:

(i) The summarised statement of comprehensive income for the financial year ended 31 December

	edotco		XL		Robi		Ncell	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit for the financial year	**292,687**	155,394	**414,400**	88,131	**23,671**	76,896	**137,082**	4,664
OCI	**54,045**	(43,500)	**121,654**	(153,097)	**70,158**	(65,288)	**26,804**	(65,675)
Total comprehensive income/ (expense)	**346,732**	111,894	**536,054**	(64,966)	**93,829**	11,608	**163,886**	(61,011)
Profit for the financial year attributable to NCI	**140,068**	79,612	**142,679**	30,655	**9,038**	24,076	**27,416**	933
Dividend paid to NCI	**35,628**	42,544	**32,077**	20,853	**10,480**	-	**44,271**	131,012

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29. SUBSIDIARIES (CONTINUED)

(b) NCI (continued)

The financial information (before inter-company eliminations and after consolidation adjustments) of the segments that have material NCI to the Group are as follows: (continued)

(ii) The summarised statement of financial position as at 31 December

	edotco		XL		Robi		Ncell	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current assets	**6,900,108**	4,285,564	**18,914,165**	17,129,735	**9,068,737**	8,542,659	**3,109,006**	3,354,062
Current assets	**2,144,433**	2,228,182	**2,285,436**	2,192,231	**758,635**	927,561	**708,774**	642,315
Non-current liabilities	**(1,931,730)**	(1,476,727)	**(9,283,506)**	(8,546,943)	**(3,026,350)**	(2,834,834)	**(1,300,033)**	(1,463,559)
Current liabilities	**(2,997,867)**	(1,256,826)	**(6,102,068)**	(5,397,215)	**(3,652,483)**	(3,503,920)	**(1,207,427)**	(1,216,705)
Net assets	**4,114,944**	3,780,193	**5,814,027**	5,377,808	**3,148,539**	3,131,466	**1,310,320**	1,316,113

(iii) The summarised statement of cash flows as at 31 December

	edotco		XL		Robi		Ncell	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Net cash flow from/(used in) operating activities	**775,146**	1,001,246	**3,505,234**	4,003,502	**1,579,839**	1,208,716	**582,964**	(65,815)
Net cash flow used in investing activities	**(2,215,125)**	(239,617)	**(2,030,772)**	(1,577,911)	**(1,155,133)**	(998,499)	**(347,137)**	(335,252)
Net cash flow from/(used in) financing activities	**1,127,934**	(240,487)	**(1,562,851)**	(2,034,995)	**(645,535)**	24,934	**(224,773)**	30,630
Net (decrease)/increase in cash and cash equivalent	**(312,045)**	521,142	**(88,389)**	390,596	**(220,829)**	235,151	**11,054**	(370,437)
Effect of exchange rate changes on cash and cash equivalents	**20,959**	(10,212)	**17,930**	(12,489)	**9,863**	(3,184)	**4,728**	(40,222)
Cash and cash equivalents at beginning of financial year	**1,032,209**	521,279	**851,125**	473,018	**449,611**	217,644	**406,161**	816,820
Cash and cash equivalents at the end of financial year	**741,123**	1,032,209	**780,666**	851,125	**238,645**	449,611	**421,943**	406,161

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30. ASSOCIATES

	2021			2020		
	Malaysia RM'000	Overseas RM'000	Total RM'000	Malaysia RM'000	Overseas RM'000	Total RM'000
Group						
Unquoted investments	**208,582**	**110,743**	**319,325**	214,419	102,285	316,704
Share of post-acquisition results and reserves	**(29,680)**	**(3,886)**	**(33,566)**	(37,260)	(2,733)	(39,993)
	178,902	**106,857**	**285,759**	177,159	99,552	276,711
Accumulated impairment losses[1]	**-**	**(28,731)**	**(28,731)**	-	(749)	(749)
Currency translation differences	**-**	**870**	**870**	-	(1,327)	(1,327)
Total	**178,902**	**78,996**	**257,898**	177,159	97,476	274,635

The Group's ownership interests in the associates, their respective principal activities and countries of incorporation are listed in Note 45 to the financial statements.

[1] During the financial year, the Group performed an impairment assessment on the carrying amount of Pi Pay HK as there was existence of impairment indicators due to objective evidence of non-recoverability, attributable to the changes in macroeconomic outlook and business challenges. Based on the assessment performed, the Group recognised an impairment loss of RM28.0 million. The recoverable amount was RM7.9 million.

(a) The summarised financial information of a material associate of the Group for the financial year ended 31 December is as follows:

(i) The summarised statement of comprehensive income of a material associate of the Group for the financial year ended 31 December is as follows:

	Sacofa	
	2021 RM'000	2020 RM'000
Revenue	**242,724**	235,433
Profit for the financial year	**88,307**	96,793
Group's share of profit for the financial year	**13,352**	20,998
Dividend received from associate	**5,262**	4,877

The Group's share of loss of other individually immaterial associates is RM1.7 million (2020: RM3.1 million).

(ii) The summarised statement of financial position of a material associate of the Group for the financial year ended 31 December is as follows:

	Sacofa	
	2021 RM'000	2020 RM'000
Non-current assets	**682,091**	646,865
Current assets	**481,713**	393,790
Current liabilities	**(122,949)**	(61,819)
Non-current liabilities	**(111,436)**	(102,923)
	929,419	875,913

30. ASSOCIATES (CONTINUED)

(b) The details of carrying amount of the associates of the Group are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Group's share of net assets	**257,884**	274,621
Goodwill	**14**	14
At 31 December	**257,898**	274,635

31. JOINT VENTURES

	Group	
	2021 RM'000	**2020 RM'000**
Unquoted investments	**40,358**	40,358
Share of post-acquisition reserves	**(14,327)**	(6,621)
Currency translation differences	**(462)**	-
Total	**25,569**	33,737

The Group's ownership interests in the joint ventures, their respective principal activities and countries of incorporation are listed in Note 46 to the financial statements.

The summarised financial information of a material joint venture of the Group for the financial year ended 31 December is as follows:

(i) The summarised statement of comprehensive income for a material joint venture of the Group for the financial year ended 31 December is as follows:

	Merchantrade	
	2021 RM'000	**2020 RM'000**
Revenue	**187,776**	136,778
(Loss)/Profit for the financial year	**(18,086)**	4,300
Group's share of (loss)/profit for the financial year	**(3,617)**	860

The Group's share of loss of other individually immaterial joint ventures is RM4.1 million (2020: Nil).

(ii) The summarised statement of financial position for a material joint venture of the Group for the financial year ended 31 December is as follows:

	Merchantrade	
	2021 RM'000	**2020 RM'000**
Non-current assets	**112,372**	101,405
Current assets	**258,989**	230,990
Current liabilities	**(222,168)**	(183,060)
Non-current liabilities	**(25,113)**	(36,490)
	124,080	112,845

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Notes to the Financial Statements For the financial year ended 31 December 2021

32. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVTOCI comprise the following investments:

	Group	
	2021 RM'000	2020 RM'000
Unquoted securities:		
- Pegasus 7 Ventures Pte. Ltd.	**216,872**	216,854
- Others	**3,872**	4,124
Total	**220,744**	220,978

The Group has irrevocably elected non-trading equity securities above at initial recognition to present its fair value changes in OCI. The Group considers this classification to be more relevant as these instruments are strategic investments of the Group and not held for trading purpose.

33. INVENTORIES

	Group	
	2021 RM'000	2020 RM'000
Trading inventories	**288,263**	207,228
Allowance for inventory obsolescence	**(65,516)**	(65,565)
Total	**222,747**	141,663

Inventories comprise of SIM cards, handsets and other consumables.

34. AMOUNTS DUE FROM/TO SUBSIDIARIES

The carrying amounts and currencies profiles of the amounts due from/to subsidiaries are as follows:

	2021			2020		
	RM RM'000	USD RM'000	Total RM'000	RM RM'000	USD RM'000	Total RM'000
Amounts due from subsidiaries:						
- Non-current[1]	**2,471,003**	**98,536**	**2,569,539**	2,640,378	77,378	2,717,756
- Current[1]	**879,444**	**210,370**	**1,089,814**	328,124	115,109	443,233
Total	**3,350,447**	**308,906**	**3,659,353**	2,968,502	192,487	3,160,989
Amounts due to subsidiaries:						
- Non-current[2]	**6,843,330**	**-**	**6,843,330**	-	-	-
- Current[3]	**733,884**	**467,361**	**1,201,245**	330,263	7,982,262	8,312,525
Total	**7,577,214**	**467,361**	**8,044,575**	330,263	7,982,262	8,312,525

[1] Includes amounts due from subsidiaries of RM2,584.3 million (2020: RM2,515.1 million) which bear interest ranging from 1.80% to 8.00% p.a. (2020: 3.30% to 8.00% p.a.).

[2] Includes an amount due to a subsidiary of RM4,036.0 million which bears an interest of 3.214% per annum (2020: Nil) before offsetting and is repayable by way of bullet repayment on 19 August 2050 based on a term sheet signed on 20 December 2021, and an amount due to a subsidiary of RM3,469.3 million which is interest-free (2020: Nil) before offsetting and is repayable by way of bullet repayment on 19 August 2030 based on a term sheet signed on 31 December 2021.

[3] Includes an amount due to a subsidiary of RM188.3 million (2020: RM497.2 million) which bears an interest at 3.05% p.a. (2020: 3.05% p.a.).

Except as disclosed otherwise above, amounts due from/to subsidiaries are unsecured, interest free and repayable on demand.

34. AMOUNTS DUE FROM/TO SUBSIDIARIES (CONTINUED)

Amount due from subsidiaries

Maximum exposure to credit risk

Generally, the Company considers amounts due from subsidiaries to have low credit risk as the subsidiaries have strong capacity to meet their contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the subsidiaries to fulfil its contractual cash flow obligations.

Details of the measurement of ECL is shown below:

Category	Company's definition of categories	Basis for recognising ECL
Performing	Subsidiaries have a low risk of default and a strong capacity to meet contractual cash flows.	Twelve (12) month ECL
Underperforming	Subsidiaries for which there is a significant increase in credit risk due to actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the subsidiary's ability to meet its obligations.	Lifetime ECL
Non-performing	Subsidiaries for which there are evidence indicating the assets are credit impaired.	Lifetime ECL

Based on the above, loss allowance is measured on either twelve (12) months ECL or lifetime ECL using a PD x LGD x EAD methodology as follows:

- PD ("probability of default") – the likelihood that the subsidiary would not be able to repay during the contractual period;
- LGD ("loss given default") – the percentage of contractual cash flows that will not be collected if default happens; and
- EAD ("exposure at default") – the outstanding amount that is exposed to default risk.

In deriving at the PD and LGD, the Company considers the historical collection trend and expected future cash flows generated by individual subsidiaries. The Company also identified other relevant factors in relation to the geographical area that the subsidiaries operate in and adjust the loss rates based on the expected changes in these factors. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs.

Movements in provision for impairment of amounts due from subsidiaries are as follows:

	2021 RM'000	2020 RM'000
At 1 January	**12,283**	-
Provision for impairment	**65,914**	12,283
At 31 December	**78,197**	12,283

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34. AMOUNTS DUE FROM/TO SUBSIDIARIES (CONTINUED)

Amounts due from subsidiaries (continued)

Maximum exposure to credit risk (continued)

The table below contains an analysis of the credit risk exposure of amounts due from subsidiaries for which loss allowance is recognised. The gross carrying amount of amounts due from subsidiaries also represent the maximum exposure to credit risk on these assets.

	Expected credit loss rate	Basis for recognition of expected credit loss RM'000	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
2021					
Performing	**0.0%**	**12 month ECL**	**3,493,106**	**-**	**3,493,106**
Underperforming	**12.6%**	**Lifetime ECL**	**190,172**	**(23,925)**	**166,247**
Non-performing	**100.0%**	**Lifetime ECL**	**54,272**	**(54,272)**	**-**
Total			**3,737,550**	**(78,197)**	**3,659,353**
2020					
Performing	0.0%	12 month ECL	2,980,711	-	2,980,711
Underperforming	5.3%	Lifetime ECL	190,453	(10,175)	180,278
Non-performing	100.0%	Lifetime ECL	2,108	(2,108)	-
Total			3,173,272	(12,283)	3,160,989

The movements in the amounts due to subsidiaries are as follows:

	Note	Company 2021 RM'000	Company 2020 RM'000
At 1 January		**8,312,525**	5,691,143
Advances from subsidiaries	(a)	**179,333**	4,902,427
Repayments:			
- Cash		**(6,382)**	(1,767,596)
- Offset with dividend receivable from subsidiaries		**(330,052)**	(479,946)
Interest expenses	10	**190,736**	21,766
Others	(b)	**(301,585)**	(55,269)
At 31 December		**8,044,575**	8,312,525

(a) In the previous financial year, the Company received advances from a subsidiary arising from the issuance of EMTN as disclosed in Note 16(d) to the financial statements.

(b) Included in others are foreign exchange gains or losses and reclassifications to amounts due from subsidiaries. Amounts due to certain subsidiaries have been presented on a net basis as the Company has a legal enforceable right to offset these amounts with amounts due from certain subsidiaries. The Company currently has the intention to settle on a net basis or realise/settle the amounts due from/to subsidiaries simultaneously.

35. TRADE AND OTHER RECEIVABLES

		2021			2020		
	Note	Non-current RM'000	Current RM'000	Total RM'000	Non-current RM'000	Current RM'000	Total RM'000
Group							
Finance lease receivables	(a)	**31,922**	**26,541**	**58,463**	49,990	23,437	73,427
Accrued lease receivables	(b)	**124,771**	**-**	**124,771**	106,895	-	106,895
Prepayment	(c)	**361,108**	**1,550,614**	**1,911,722**	437,520	1,342,388	1,779,908
Contract assets	(d)	**55,117**	**207,165**	**262,282**	54,483	321,036	375,519
Trade receivables	(e)	**103,655**	**2,901,196**	**3,004,851**	77,420	2,367,260	2,444,680
Deposits[1]		**559,055**	**205,789**	**764,844**	554,006	223,193	777,199
Other receivables		**143,108**	**914,561**	**1,057,669**	142,938	979,052	1,121,990
USP receivables		**-**	**212,918**	**212,918**	-	239,352	239,352
Advances		**134,633**	**289,243**	**423,876**	102,976	169,698	272,674
Provision for impairment:	(f)						
- Accrued lease receivables		**(8,608)**	**-**	**(8,608)**	(8,549)	-	(8,549)
- Contract assets	(d)	**(23,141)**	**(63,950)**	**(87,091)**	(18,820)	(54,073)	(72,893)
- Trade receivables		**(24,228)**	**(642,740)**	**(666,968)**	(14,706)	(732,751)	(747,457)
- Deposits		**(38,363)**	**(80,044)**	**(118,407)**	(30,095)	(83,357)	(113,452)
- Other receivables		**(138,163)**	**(460,360)**	**(598,523)**	(138,163)	(432,840)	(571,003)
Total		**1,280,866**	**5,060,933**	**6,341,799**	1,315,895	4,362,395	5,678,290

[1] Refers to deposits for rental and utilities as well as deposits for ongoing legal, regulatory and taxation claims and disputes which includes RM362.8 million (2020: RM312.0 million) as disclosed in Note 40(d) to the financial statements.

	2021			2020		
	Non-current RM'000	Current RM'000	Total RM'000	Non-current RM'000	Current RM'000	Total RM'000
Company						
Prepayment	**-**	**1,992**	**1,992**	-	1,361	1,361
Deposits	**-**	**1,898**	**1,898**	-	2,236	2,236
Other receivables	**-**	**10,860**	**10,860**	2,000	788	2,788
Advances	**-**	**337**	**337**	-	198	198
Total	**-**	**15,087**	**15,087**	2,000	4,583	6,583

(a) Finance lease receivables are receivables related to the lease of fibre optic cable and telecommunication infrastructures and equipment of subsidiaries.

The movements in finance lease receivables are as follows:

		Group	
	Note	2021 RM'000	2020 RM'000
At 1 January		**73,427**	93,575
Lease payments received		**(22,528)**	(19,412)
Finance income	10	**6,194**	8,045
Write-off		**-**	(1,630)
Currency translation differences		**1,370**	(7,151)
At 31 December		**58,463**	73,427

Notes to the Financial Statements For the financial year ended 31 December 2021

35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Finance lease receivables are receivables related to the lease of fibre optic cable and telecommunication infrastructures and equipment of subsidiaries. (continued)

Details of finance lease receivables according to maturity schedule are as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	**34,354**	33,152
Between 1 and 2 years	**22,186**	22,324
Between 2 and 3 years	**7,963**	22,324
Between 3 and 4 years	**-**	7,283
	64,503	85,083
Unearned finance lease income	**(6,040)**	(11,656)
Total	**58,463**	73,427

(b) Accrued lease receivables relate to the effect of fixed price escalation clauses that are spread on a straight-line basis over the lease term.

(c) Long term prepayment mainly relates to prepayment for transmission services of a subsidiary.

(d) The movements in contract assets are as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 January	**302,626**	261,659
Transfer to trade receivables	**(564,938)**	(636,958)
New subscriptions	**451,468**	702,655
Write-off	**(49)**	(1,913)
Provision for impairment	**(14,198)**	(20,932)
Currency translation differences	**282**	(1,885)
At 31 December	**175,191**	302,626

(e) The Group's non-current trade receivables include receivables with deferred payment terms which allow customers to purchase devices with twenty-four (24) monthly installment payments.

35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(f) Movements in provision for impairment of certain components of trade and other receivables are as follows:

	Group	
	2021 RM'000	2020 RM'000
Accrued lease receivables		
At 1 January	**8,549**	2,128
Provision for impairment	**-**	6,800
Currency translation differences	**59**	(379)
At 31 December	**8,608**	8,549
Contract assets		
At 1 January	**72,893**	51,951
Provision for impairment	**14,198**	20,932
Write-off	**-**	10
At 31 December	**87,091**	72,893
Trade receivables		
At 1 January	**747,457**	702,765
Provision for impairment	**107,972**	250,133
Reversal of provision for impairment	**(85,423)**	(432)
Write-off	**(100,190)**	(190,960)
Currency translation differences	**(2,848)**	(14,049)
At 31 December	**666,968**	747,457

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deposits and other receivables				
At 1 January	**684,455**	663,826	**-**	2,108
Provision for impairment	**33,070**	21,298	**-**	-
Write-off	**(1,000)**	-	**-**	(2,108)
Currency translation differences	**405**	(669)	**-**	-
At 31 December	**716,930**	684,455	**-**	-

(g) The carrying amounts of trade and other receivables approximate their fair value. Credit terms of trade receivables for the Group range from five (5) to ninety (90) days (2020: five (5) to ninety (90) days).

(h) Measurement of ECL

(i) Simplified approach - accrued lease receivables, finance lease receivables, trade receivables and contract assets within the scope of MFRS 15

The expected loss rates are based on the payment profiles of sales over a period of twenty-four (24) months before reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle receivables. The Group has identified the Gross Domestic Product ("GDP"), Consumer Price Index ("CPI") and Kuala Lumpur Interbank Offered Rate 3-month ("KLIB3M") to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors. At every reporting date, the historical loss rates are updated and changes in the forward-looking estimates are analysed.

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35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(h) Measurement of ECL (continued)

(ii) General 3-stage approach for trade receivables arising from loan receivables and all other financial instruments

The Group and the Company use three categories for trade receivables arising from loan receivables and all other financial instruments which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's and the Company's ECL model is as follows:

Category	Group's definition of categories	Basis of recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows	Twelve (12) month ECL
Underperforming	Debtors for which there is a significant increase in credit risk or significant increase in credit risk is presumed if interest and/or principal repayments are thirty (30) to one hundred and twenty (120) days past due	Lifetime ECL
Non-performing	Interest and/or principal repayments are ninety (90) days to three hundred and sixty-five (365) days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL

Based on the above, loss allowance is measured on either twelve (12) month ECL or lifetime ECL using a PD x LGD x EAD methodology as follows:

- PD – the likelihood that the debtor would not be able to repay during the contractual period;
- LGD – the percentage of contractual cash flows that will not be collected if default happens; and
- EAD – the outstanding amount that is exposed to default risk.

In deriving the PD and LGD, the Group and the Company consider historical data by each receivable by categories and adjusts for forward-looking macroeconomic data. The Group and the Company have identified GDP and KLIB3M to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. There is no significant change to estimation techniques or assumptions used.

(i) Maximum exposure to credit risk

(1) Trade receivables and contract assets within the scope of MFRS 15 - simplified approach (collective assessment)

The gross carrying amount of receivables below, which also represent the maximum exposure to credit risk to the Group, are as follows:

	Current	Past due			Total
		1-3 months	4-6 months	Over 6 months	
	RM'000	RM'000	RM'000	RM'000	RM'000
2021					
Expected loss rate	**3.7% - 19.9%**	**12.0% - 63.8%**	**20.5% - 99.6%**	**80.7% - 100%**	
Gross trade receivables	**1,336,867**	**194,699**	**264,631**	**172,144**	**1,968,341**
Provision for impairment	**(162,551)**	**(35,725)**	**(188,139)**	**(127,275)**	**(513,690)**
Net trade receivables	**1,174,316**	**158,974**	**76,492**	**44,869**	**1,454,651**
Gross contract assets	**245,676**	**-**	**-**	**-**	**245,676**
Provision for impairment	**(87,091)**	**-**	**-**	**-**	**(87,091)**
Net contract assets	**158,585**	**-**	**-**	**-**	**158,585**
2020					
Expected loss rate	0.4% - 20.9%	1.8% - 63.6%	6.0% - 99.2%	82.8% - 100%	
Gross trade receivables	795,495	242,480	506,132	366,397	1,910,504
Provision for impairment	(126,094)	(29,023)	(211,785)	(265,620)	(632,522)
Net trade receivables	669,401	213,457	294,347	100,777	1,277,982
Gross contract assets	325,983	-	-	-	325,983
Provision for impairment	(72,893)	-	-	-	(72,893)
Net contract assets	253,090	-	-	-	253,090

35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Maximum exposure to credit risk (continued)

(2) Accrued lease receivables, finance lease receivables, trade receivables and contract assets within the scope of MFRS 15 - simplified approach (individual assessment)

The gross carrying amount of accrued lease receivables, finance lease receivables, trade receivables and contract assets within the scope of MFRS 15 (with individually significant balances which are separately assessed for ECL measurement) represent maximum exposure to credit risk to the Group are as follows:

	2021				2020			
	Accrued lease receivables	Finance lease receivables	Contract assets	Trade receivables	Accrued lease receivables	Finance lease receivables	Contract assets	Trade receivables
Group								
Gross balances:								
Current (not past due)	**116,163**	**58,463**	**16,606**	**392,135**	98,346	73,427	49,536	193,597
Up to 3 months past due	**-**	**-**	**-**	**199,512**	-	-	-	90,542
3 to 6 months past due	**-**	**-**	**-**	**53,025**	-	-	-	23,500
More than 6 months past due	**-**	**-**	**-**	**81,518**	-	-	-	31,344
Credit impaired	**8,608**	**-**	**-**	**137,813**	8,549	-	-	102,501
	124,771	**58,463**	**16,606**	**864,003**	106,895	73,427	49,536	441,484
Provision for impairment:								
Credit impaired	**(8,608)**	**-**	**-**	**(137,813)**	(8,549)	-	-	(102,501)
Non-credit impaired	**-**	**-**	**-**	**(5,405)**	-	-	-	(1,085)
Total	**116,163**	**58,463**	**16,606**	**720,785**	98,346	73,427	49,536	337,898

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35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Maximum exposure to credit risk (continued)

(3) Trade receivables - 3-stage approach (individual assessment)

The gross carrying amount of trade receivables arising from loan receivables (with individually significant balances which are separately assessed for ECL measurement) represent maximum exposure to credit risk to the Group are as follows:

	Expected credit loss rate	Basis for recognition of expected credit loss RM'000	Estimated gross carrying amount default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
2021					
Group					
Performing	**1.9%**	**12 month ECL**	**162,786**	**(3,125)**	**159,661**
Underperforming	**45.0%**	**Lifetime ECL**	**4,050**	**(1,824)**	**2,226**
Non-performing	**90.1%**	**Lifetime ECL**	**5,671**	**(5,111)**	**560**
Total			**172,507**	**(10,060)**	**162,447**
2020					
Group					
Performing	1.5%	12 month ECL	77,440	(1,196)	76,244
Underperforming	18.5%	Lifetime ECL	4,422	(817)	3,605
Non-performing	86.2%	Lifetime ECL	10,830	(9,336)	1,494
Total			92,692	(11,349)	81,343

(4) Deposits, USP receivables and other receivables - 3-stage approach (individual assessment)

The gross carrying amount of deposits, USP receivables and other receivables (excluding non-financial assets) (with individually significant balances which are separately assessed for ECL measurement) represent maximum exposure to credit risk to the Group and the Company are as follows:

	Expected credit loss rate	Basis for recognition of expected credit loss RM'000	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
2021					
Group					
Performing	**18.7%**	**12 month ECL**	**784,946**	**(146,499)**	**638,447**
Underperforming	**69.2%**	**Lifetime ECL**	**250,016**	**(172,974)**	**77,042**
Non-performing	**97.8%**	**Lifetime ECL**	**406,281**	**(397,457)**	**8,824**
Total			**1,441,243**	**(716,930)**	**724,313**
Company					
Performing	**0.0%**	**12 month ECL**	**12,758**	**-**	**12,758**

35. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Maximum exposure to credit risk (continued)

(4) Deposits, USP receivables and other receivables - 3-stage approach (individual assessment) (continued)

The gross carrying amount of deposits, USP receivables and other receivables (excluding non-financial assets) (with individually significant balances which are separately assessed for ECL measurement) represent maximum exposure to credit risk to the Group and the Company are as follows: (continued)

	Expected credit loss rate	Basis for recognition of expected credit loss RM'000	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
2020					
Group					
Performing	1.6%	12 month ECL	689,411	(11,099)	678,312
Underperforming	47.9%	Lifetime ECL	296,256	(142,000)	154,256
Non-performing	99.8%	Lifetime ECL	532,434	(531,356)	1,078
Total			1,518,101	(684,455)	833,646
Company					
Performing	0.0%	12 month ECL	5,024	-	5,024

In respect to other receivables that are performing, the risk of default is immaterial if debtors have a strong capacity to meet their contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtors to fulfill their contractual cash flow obligations.

35. TRADE AND OTHER RECEIVABLES (CONTINUED)

The currencies profiles of trade and other receivables are as follows:

	2021								2020							
	Functional currency								Functional currency							
	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000
Group																
RM	1,867,259	-	-	-	-	-	-	1,867,259	1,887,732	-	-	-	-	-	-	1,887,732
USD	124,401	46,776	107,830	795	76,172	434,902	383	791,259	313,175	56,897	74,071	452	46,891	121,572	-	613,058
IDR	41,185	1,589,246	-	-	-	-	-	1,630,431	-	1,356,439	-	-	-	-	-	1,356,439
SLR	-	-	458,436	-	-	66	-	458,502	-	-	333,331	-	-	-	-	333,331
BDT	-	-	-	686,652	-	-	-	686,652	-	-	-	729,907	-	-	-	729,907
NPR	-	-	-	-	560,354	-	-	560,354	-	-	-	-	495,266	-	-	495,266
MMK	-	-	-	-	-	196,482	-	196,482	-	-	-	-	-	138,656	-	138,656
PKR	-	-	-	-	-	-	101,794	101,794	-	-	-	-	-	-	100,093	100,093
Others	1,242	-	-	-	1,097	3,682	43,045	49,066	1,206	-	-	-	87	-	22,515	23,808
Total	2,034,087	1,636,022	566,266	687,447	637,623	635,132	145,222	6,341,799	2,202,113	1,413,336	407,402	730,359	542,244	260,228	122,608	5,678,290
Company																
RM	13,822	-	-	-	-	-	-	13,822	5,811	-	-	-	-	-	-	5,811
USD	550	-	-	-	-	-	-	550	485	-	-	-	-	-	-	485
Others	715	-	-	-	-	-	-	715	287	-	-	-	-	-	-	287
Total	15,087	-	-	-	-	-	-	15,087	6,583	-	-	-	-	-	-	6,583

36. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In the previous financial year, included in the financial assets at fair value through profit or loss of the Group were trust funds that were highly liquid money market instruments with licensed financial institutions in Malaysia which were redeemable with one (1) day notice without exit penalty or redemption charges amounting to RM138.1 million. The redemption value was based on the net asset value of the funds, which was subject to insignificant risk of changes in value. These funds were denominated in RM and measured using level one (1) valuation technique.

The trust funds were uplifted during the financial year.

37. DEPOSITS, CASH AND BANK BALANCES

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deposits with licensed banks		**2,169,700**	1,666,693	**125,335**	383,420
Deposits under Islamic principles		**1,367,311**	1,763,254	**232,843**	538,062
Total deposits		**3,537,011**	3,429,947	**358,178**	921,482
Cash and bank balances		**3,432,341**	3,764,307	**528,209**	310,390
Total deposits, cash and bank balances		**6,969,352**	7,194,254	**886,387**	1,231,872
Represented by:					
Cash and cash equivalents in banks		**6,525,962**	6,700,654	**886,387**	1,231,872
Deposits pledged	16(a)	**96,210**	92,869	**-**	-
Restricted cash		**126,326**	99,477	**-**	-
Deposits maturing more than three (3) months		**220,854**	301,254	**-**	-
Total deposits, cash and bank balances		**6,969,352**	7,194,254	**886,387**	1,231,872

Deposits are placed mainly with a number of creditworthy financial institutions. There is no major concentration of deposits in any single financial institution. Maturity range of deposits are as follows:

	Group		Company	
(In days)	From	To	From	To
Financial year ended 31 December 2021	**Overnight**	**360**	**Overnight**	**92**
Financial year ended 31 December 2020	Overnight	360	Overnight	91

The effective interest rates on deposits for the Group and the Company range from 0.04% to 7.75% (2020: 0.25% to 8.00%) per annum.

The Group and the Company placed its cash and bank balances with licensed financial institutions with credit rating range from P1 to B3 (2020: P1 to B3) in managing its credit exposure.

37. DEPOSITS, CASH AND BANK BALANCES (CONTINUED)

The currencies profile of deposits, cash and bank balances are as follows:

	2021								2020							
	Functional currency								Functional currency							
	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000	RM RM'000	IDR RM'000	SLR RM'000	BDT RM'000	NPR RM'000	USD RM'000	Others RM'000	Total RM'000
Group																
RM	**2,745,383**	**-**	**-**	**-**	**-**	**-**	**-**	**2,745,383**	2,360,906	-	-	-	-	-	-	2,360,906
USD	**1,131,305**	**63,859**	**37,967**	**310**	**343,472**	**684,671**	**5,926**	**2,267,510**	1,549,646	23,440	148,294	191,084	206,511	485,028	160,086	2,764,089
IDR	**3,085**	**859,044**	**-**	**-**	**-**	**-**	**-**	**862,129**	-	899,191	-	-	-	-	-	899,191
SLR	**103,839**	**-**	**427,107**	**-**	**-**	**662**	**-**	**531,608**	-	-	215,606	-	-	-	-	215,606
BDT	**-**	**-**	**-**	**398,186**	**-**	**-**	**-**	**398,186**	-	-	-	640,922	-	-	-	640,922
NPR	**-**	**-**	**-**	**-**	**78,471**	**-**	**-**	**78,471**	-	-	-	-	199,650	-	-	199,650
MMK	**-**	**-**	**-**	**-**	**-**	**68,286**	**-**	**68,286**	-	-	-	-	-	-	37,387	37,387
PKR	**-**	**-**	**-**	**-**	**-**	**-**	**7,602**	**7,602**	-	-	-	-	-	-	54,677	54,677
Others	**1,027**	**-**	**-**	**-**	**-**	**2,995**	**6,155**	**10,177**	229	-	-	-	-	-	21,597	21,826
Total	**3,984,639**	**922,903**	**465,074**	**398,496**	**421,943**	**756,614**	**19,683**	**6,969,352**	3,910,781	922,631	363,900	832,006	406,161	485,028	273,747	7,194,254
Company																
RM	**544,483**	**-**	**-**	**-**	**-**	**-**	**-**	**544,483**	268,044	-	-	-	-	-	-	268,044
USD	**341,766**	**-**	**-**	**-**	**-**	**-**	**-**	**341,766**	963,751	-	-	-	-	-	-	963,751
Others	**138**	**-**	**-**	**-**	**-**	**-**	**-**	**138**	77	-	-	-	-	-	-	77
Total	**886,387**	**-**	**-**	**-**	**-**	**-**	**-**	**886,387**	1,231,872	-	-	-	-	-	-	1,231,872

38. CASH FLOWS FROM/(USED IN) OPERATING, INVESTING AND FINANCING ACTIVITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Receipts from customers and others	**25,250,051**	24,167,782	**-**	20,000
Payments to suppliers, employees and others	**(14,438,737)**	(15,053,690)	**(267,905)**	(234,915)
Payments of finance costs	**(1,398,060)**	(1,400,405)	**(25,220)**	(22,530)
Payments of income taxes and zakat (net of refunds)	**(576,240)**	(576,986)	**-**	-
Total cash flows from/(used in) operating activities	**8,837,014**	7,136,701	**(293,125)**	(237,445)
Proceeds from disposal of PPE	**118,547**	64,877	**2**	13
Proceeds from disposal of IA	**3,568**	-	**-**	-
Purchase of PPE	**(6,366,742)**	(4,583,843)	**(6,002)**	(13,295)
Acquisition of IA	**(573,915)**	(596,723)	**-**	-
Investments in deposits maturing more than three (3) months	**80,400**	601,802	**-**	-
Investments in subsidiaries (net of cash acquired)	**(1,400,993)**	-	**-**	-
Investments in associates	**-**	(6,054)	**-**	-
Investments in joint ventures	**-**	(11,169)	**-**	-
Additional investments in associates	**(2,421)**	(10,743)	**-**	-
Interest received	**149,820**	192,101	**5,717**	5,414
Purchase of other investments	**(12,672)**	(1,953)	**-**	-
Disposal of other investments	**559**	150,582	**-**	-
Net proceeds from sale of towers	**-**	580,790	**-**	-
Dividends received from an associate and other investment	**5,262**	4,884	**-**	-
Dividends received from subsidiaries	**-**	-	**734,808**	331,610
Advances to employees	**(282)**	(647)	**-**	-
Payments for ROU assets	**(123,866)**	(22,495)	**-**	-
Redemption of preference shares by an associate	**5,837**	-	**-**	-
Rights issue by a subsidiary	**-**	-	**-**	(262,227)
Advances to subsidiaries	**-**	-	**(526,896)**	(2,596,698)
Repayments from subsidiaries	**-**	-	**375,661**	181,710
Total cash flows (used in)/from investing activities	**(8,116,898)**	(3,638,591)	**583,290**	(2,353,473)

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38. CASH FLOWS FROM/(USED IN) OPERATING, INVESTING AND FINANCING ACTIVITIES (CONTINUED)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Proceeds from borrowings	**4,557,752**	11,295,628	**-**	3,456,784
Proceeds from Sukuk	**-**	2,091,250	**-**	-
Repayments of borrowings	**(3,222,604)**	(8,411,387)	**-**	(2,326,700)
Repayments of Sukuk	**(666,907)**	(3,582,091)	**-**	-
Sale and leaseback of towers	**-**	561,908	**-**	-
Additional investments in subsidiaries by NCI	**-**	7,897	**-**	-
Capital injections in subsidiaries by NCI	**247,237**	294,000	**-**	-
Proceed from IPO of a subsidiary	**-**	184,092	**-**	-
Proceed from rights issue of a subsidiary	**-**	9,596	**-**	-
Net proceed from partial disposal of a subsidiary	**420,667**	-	**-**	-
Redemption of preference shares	**(309)**	-	**-**	-
Advances from subsidiaries	**-**	-	**179,333**	4,902,427
Repayments of advances to subsidiaries	**-**	-	**(6,382)**	(1,767,596)
Repayments of lease liabilities	**(1,522,063)**	(1,328,392)	**(3,827)**	(3,519)
Share buyback of a subsidiary	**-**	(40,469)	**-**	-
Dividends paid to NCI	**(204,776)**	(256,739)	**-**	-
Dividends paid to shareholders	**(825,539)**	(595,993)	**(825,539)**	(595,993)
Total cash flows (used in)/from financing activities	**(1,216,542)**	229,300	**(656,415)**	3,665,403

39. ASSETS/LIABILITIES CLASSIFIED AS HELD-FOR-SALE

		Group	
	Note	2021 RM'000	2020 RM'000
Assets classified as held-for-sale			
PPE	27	**6,841**	736
ROU assets	28	**41,048**	29,857
		47,889	30,593
Liabilities classified as held-for-sale			
Provision for asset retirement	22	**3,675**	3,185
Lease liabilities	24	**2,669**	13,971
		6,344	17,156

(a) Sale and leaseback of telecommunication towers during the financial year

Following a subsidiary's intention to sell and leaseback some of its telecommunication towers, certain assets and liabilities balances have been classified as held-for-sale. The expected completion of the sale and leaseback of telecommunication towers within a period of twelve (12) months from the financial reporting date was assessed to be highly probable.

(b) Sale of indoor telecommunication infrastructure assets

Certain assets and liabilities balances were classified as held-for-sale following a subsidiary's intention to sell some of its indoor telecommunication infrastructure assets. The subsidiary had completed the sale for such assets during the previous and current financial year.

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS

(a) Capital commitments

	Group	
	2021 RM'000	**2020 RM'000**
PPE		
Commitments in respect of expenditure approved and contracted for	**3,797,885**	2,361,832

(b) 3G annual fees commitment

XL has committed to pay annual fees within ten (10) years, as long as XL holds the 3G licence. The amount of annual payment is based on the scheme of payment set out in Regulation No. 07/PER/M.KOMINFO/2/2006 of the Minister of Communication & Information and Decree No.323/KEP/M.KOMINFO/09/2010 of the Minister of Communication & Information. No penalty will be imposed in the event that XL returns the licence.

(c) Operating lease - The Group as a lessor

The Group leases out its telecommunication towers, sites and network equipment. The Group classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The following tables sets out the maturity schedule of undiscounted lease payments to be received after the reporting date.

	Group	
	2021 RM'000	**2020 RM'000**
Within 1 year	**715,019**	508,118
Between 1 and 2 years	**702,341**	491,626
Between 2 and 3 years	**668,325**	462,233
Between 3 and 4 years	**648,136**	462,144
Between 4 and 5 years	**595,836**	438,551
Later than 5 years	**1,888,865**	1,551,951
Total undiscounted lease payments to be received	**5,218,522**	3,914,623

(d) Lists of contingent liabilities of subsidiaries of the Group as at 31 December are as follows:

	Potential exposure	
Description	**2021 RM'million**	**2020 RM'million**
1. **Celcom Malaysia Berhad (now known as Celcom Axiata Berhad) ("Celcom") & Technology Resources Industries Berhad (now known as Celcom Resources Berhad) ("Celcom Resources") vs Tan Sri Dato' Tajudin Ramli ("TSDTR") & 6 others (Conspiracy Suit)**	**7,215.0**	7,215.0

In 2008, Celcom and Celcom Resources initiated a claim against five (5) of its former directors, DeTe Asia Holding GmbH ("DeTe Asia"), and Beringin Murni Sdn Bhd ("Defendants") for conspiring with each other to injure Celcom and Celcom Resources by causing and/or committing them to enter into various agreements in relation to certain rights issue shares in Celcom Resources. Celcom and Celcom Resources are seeking damages for conspiracy against the Defendants.

On 15 November 2021, Celcom and Celcom Resources reached an amicable settlement with DeTe Asia including the DeTe Asia representatives. The settlement was entered into without any admission of liability by the parties and pursuant to the above, Celcom and Celcom Resources filed their respective notice of discontinuance with no order as to costs and without liberty to file afresh against DeTe Asia and the DeTe Asia representatives. The Company has also received the settlement amount as at 31 December 2021.

Two (2) of the Defendants, TSDTR and Dato' Bistamam Ramli ("DBR") filed a counterclaim against Celcom and Celcom Resources for damages for breach of an alleged global settlement involving, inter-alia, the present action and also for conspiracy and misrepresentation in inducing TSDTR to withdraw a counterclaim in another suit. Full trial of the case commenced on 22 January 2018 and is still on-going at the High Court level. The Court has ruled that a decision date will be fixed after the close of all submissions by the parties on 20 April 2022.

The Board of Directors, based on external legal advice received, are of the view that it has good prospects of successfully defending the counterclaim.

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Notes to the Financial Statements For the financial year ended 31 December 2021

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(d) Lists of contingent liabilities of subsidiaries of the Group as at 31 December are as follows: (continued)

Description	Potential exposure 2021 RM'million	Potential exposure 2020 RM'million
2. **Celcom & Celcom Resources vs TSDTR & 8 others (Indemnity Suit)**	**7,215.0**	7,215.0
In 2006, Celcom and Celcom Resources initiated a claim against nine (9) of its former directors ("Defendants") seeking, inter-alia, for indemnity in respect of the sums paid out to DeTe Asia under the Award dated 2 August 2005 handed down by the Tribunal of the International Court of Arbitration of the International Chamber of Commerce in Paris and damages for breach of their fiduciary duties.		
On 15 November 2021, Celcom and Celcom Resources reached an amicable settlement with DeTeAsia including the DeTeAsia representatives. The settlement was entered into without any admission of liability by the parties and pursuant to the above, Celcom and Celcom Resources filed their respective notice of discontinuance with no order as to costs and without liberty to file afresh against DeTeAsia and the DeTeAsia representatives. The Company has also received the settlement amount as at 31 December 2021.		
Two (2) of the Defendants, TSDTR and DBR filed a counterclaim against Celcom and Celcom Resources for damages for breach of an alleged global settlement involving, inter-alia, the present action and also for conspiracy and misrepresentation in inducing TSDTR to withdraw a counterclaim in another suit. Full trial of the case commenced on 22 January 2018 and is still on-going at the High Court level. The trial against TSDTR and DBR in relation to the Indemnity Suit is still ongoing at the High Court level. The Court has ruled that a decision date will be fixed after the close of all submissions by the parties on 20 April 2022.		
The Board of Directors, based on external legal advice received, are of the view that it has good prospects of successfully defending the counterclaim during the trial.		
3. **Robi vs Large Taxpayer Unit ("LTU-VAT") of the National Board of Revenue of Bangladesh ("NBR") (SIM Replacement Tax)**	**201.1**	196.8
Robi SIM Replacement Dispute March 2007 - June 2011		
On 17 May 2015, the LTU-VAT of the NBR issued a revised demand letter for BDT4,145.5 million (RM196.8 million) (from the earlier show cause letter dated 23 February 2012 for BDT6,549.9 million (RM311.0 million)) ("2007 to 2011 Revised Claim") to Robi alleging that Robi had evaded payment of supplementary duty and value-added tax ("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 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% of the sum set out in the 2007 to 2011 Revised Claim with the LTU-VAT of the NBR based on provisions of the Value Added Tax Act 1991, as disclosed in Note 35 to the financial statements.		
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 of Bangladesh against the Customs, Excise and VAT Appellate Tribunal's decision ("VAT Appeal No. 1").		
On 23 November 2020, the VAT Appeal No. 1 pending in the High Court of Bangladesh was fixed for hearing whereupon the High Court of Bangladesh ordered parties to file the remaining paper books and fixed VAT Appeal for continued hearing from 20 January 2021 onwards, with no further developments to date.		
The Board of Directors, based on external legal advice received, are of the view that it has good prospects of succeeding on the claim.		

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(d) Lists of contingent liabilities of subsidiaries of the Group as at 31 December are as follows: (continued)

	Potential exposure	
Description	2021 RM'million	2020 RM'million
4. **Robi vs LTU-VAT of the NBR (SIM Replacement Tax)**	**138.4**	135.4
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 (RM135.4 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 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% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on provisions of the Value Added Tax Act 1991, as disclosed in Note 35 to the financial statements. This appeal was dismissed by the Customs, Excise and VAT Appellate Tribunal.		
Robi has filed an appeal to the High Court of Bangladesh against the Customs, Excise and VAT Appellate Tribunal's decision ("VAT Appeal No. 2").		
On 23 November 2020, the VAT Appeal No. 2 pending in the High Court of Bangladesh was fixed for hearing whereupon the High Court of Bangladesh ordered parties to file the remaining paper books.		
On 3 December 2020, the High Court of Bangladesh took the view that Robi will need to file a Revision Application for the VAT Appeal No. 2 under the new Value Added Tax and Supplementary Duty Act 2012 which became effective on 1 July 2019. Pursuant thereto, Robi will have to deposit a further 10% of the sum set out in the respective demand notice with the LTU-VAT of the NBR.		
Robi has filed written arguments against such view on the basis that the new Value Added Tax and Supplementary Duty Act 2012 is not applicable. This legal point was heard on 2 March 2021 in which the High Court of Bangladesh dismissed Robi's argument and advised Robi to file a Revision Application under the new Value Added Tax and Supplementary Duty Act 2012. Subsequently on 23 March 2021, Robi filed a Civil Miscellaneous Petition for Leave to Appeal ("CMP") before the Appellate Division of the Supreme Court of Bangladesh contending the dismissal. Pending the hearing of the CMP by the Appellate Division, the High Court Division of Supreme Court of Bangladesh 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.		
The Board of Directors, based on external legal advice received, are of the view that it has good prospects of succeeding on the claim.		
5. **Robi's tax position**	**141.0**	282.4
Robi has claimed certain expenses as deductible expenses in its tax provision computations for the FY 2005 to 2017 (2020: FY 2005 to 2016). The NBR has challenged its claims and regarded those expenses as non-deductible.		
Robi deposited between 10% to 25% of the tax liability with the NBR at different stages of appeal based on provisions of the Income Tax Ordinance 1984.		
Included in Robi's tax provision computations is a claim on SIM tax subsidy as a deductible expense. NBR has challenged this claim on grounds that the subsidy is collected from customers and therefore is not a 'business expense'.		
During the financial year ended 31 December 2021, the Supreme Court of Bangladesh rejected an appeal by another company with a similar claim. Based on legal advice received, the Board of Directors are of the view that the likelihood of Robi getting a different judgement from the Supreme Court of Bangladesh is remote. As a result of the unfavourable outcome, Robi reassessed its tax position as at 31 December 2021 and recorded an additional tax provision of BDT3,424.3 million (RM166.2 million). Correspondingly, the potential exposure has reduced.		

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Notes to the Financial Statements For the financial year ended 31 December 2021

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(d) Lists of contingent liabilities of subsidiaries of the Group as at 31 December are as follows: (continued)

	Potential exposure	
Description	2021 RM'million	2020 RM'million
5. **Robi's tax position (continued)**		
Based on external legal advice received, the Board of Directors are of the view that Robi has good prospects of succeeding on the remaining claims.		
In addition, there are similar Bharti Airtel Limited ("Airtel") cases amounting to BDT433.9 million (RM21.1 million) which are indemnified by a third party arising from a business combination.		
6. **Robi vs Bangladesh Telecommunication Regulatory Commission ("BTRC")**	**420.8**	411.7
7. **Robi vs LTU-VAT of the NBR (VAT rebate cancellation)**	**136.1**	133.2

6. Robi vs Bangladesh Telecommunication Regulatory Commission ("BTRC")

BTRC conducted an information system audit on Robi for the years between 1997 to 2014 and issued a claim of BDT8,672.0 million (RM420.8 million) against Robi on 31 July 2018 ("Information System Audit Claim"). This Information System Audit Claim was disputed by Robi and a Notice of Arbitration was served on BTRC on 20 May 2019.

On 13 June 2019, notwithstanding Robi's Notice of Arbitration, 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 operations 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 preferred an appeal before the High Court of Bangladesh in respect of the rejection of temporary injunction application on 5 September 2019.

On 5 January 2020, the High Court of Bangladesh issued an injunction upon BTRC on condition that Robi deposit BDT1,380.0 million (RM69.0 million) in five (5) instalments. Robi deposited these five (5) equal instalments by 31 May 2020, as disclosed in Note 35 to the financial statements. This matter is currently pending for hearing before the Joint District Judge, Dhaka.

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

7. 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 goods and services relating 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 issued five (5) show cause cum demand notices to Robi to cancel such rebate for input VAT and demanded for a total amount of BDT2,805.5 million (RM136.1 million).

(i) The demand notice for the period of July 2013 to June 2014 is for BDT596.8 million (RM29.0 million).
(ii) The demand notice for the period of July 2014 to January 2016 is for BDT993.2 million (RM48.2 million).
(iii) The demand notice for the period of February 2016 to April 2016 for BDT41.0 million (RM2.0 million).
(iv) The demand notice for the period of May 2016 to December 2016 is for BDT707.7 million (RM34.3 million).
(v) The demand notice for the period of July 2010 to June 2012 is for BDT466.8 million (RM22.6 million). On 11 March 2018, Robi filed an appeal to the Customs, Excise and VAT Appellate Tribunal.

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(d) Lists of contingent liabilities of subsidiaries of the Group as at 31 December are as follows: (continued)

	Potential exposure	
Description	2021 RM'million	2020 RM'million
7. **Robi vs LTU-VAT of the NBR (VAT rebate cancellation) (continued)**		
Pursuant to each demand notice in items (i) to (v), Robi deposited 10% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on the provisions of the Value Added Tax Act 1991, as disclosed in Note 35 to the financial statements.		
For items (i) to (iv), Robi filed four (4) separate VAT appeals to the High Court of Bangladesh on 21 January 2019 to challenge the said demand notices. For item (v), the earlier appeal to the Customs, Excise and VAT Appellate Tribunal was dismissed and Robi thereafter filed a VAT appeal to the High Court of Bangladesh on 1 June 2020 to challenge the said demand notice. All VAT appeals are currently pending for hearing before the High Court of Bangladesh.		
The Board of Directors, based on external legal advice received, are of the view that it has good prospects of succeeding on the claim.		
In addition, there are similar Airtel cases amounting to BDT442.8 million (RM21.5 million) which are indemnified by a third party arising from a business combination.		
Total exposure	**15,467.4**	15,589.5

The Company does not have any contingent liability as at 31 December 2021 and 31 December 2020.

(e) Other legal matters

(i) Public interest litigation ("PIL") filed at the Supreme Court of Nepal ("SC")

On 11 April 2016, AIUK completed the purchase from TeliaSonera Norway Nepal Holdings AS ("TeliaSonera") of 100% of the shares of Reynolds Holdings Limited ("Reynolds") which owns 80% of the shares of Ncell ("Transaction").

On 5 June 2017, the Company announced that Ncell had deposited a total of approximately NPR23,574.3 million (RM826.8 million) as at that date in alleged capital gains tax ("CGT") in relation to the Transaction. Ncell had paid this amount in two tranches on 8 May 2016 and 4 June 2017 under protest and without prejudice to its position that it was under no obligation to pay CGT in connection with the Transaction. The Large Taxpayer Office of Nepal ("LTPO") had on 4 June 2017 conclusively certified in writing that Ncell had fully complied with its alleged obligation to pay CGT in relation to the Transaction.

On 28 January 2018, a group of Nepalese citizens brought a PIL against Ncell and various other parties at the SC alleging that Ncell and its holding companies, namely Reynolds and AIUK, have evaded their tax liabilities. The petitioners demanded various orders, including that the LTPO ascertain the CGT payable on the Transaction by Ncell and AIUK. The SC issued its full written order on 9 April 2019 ("Order") in relation to its oral ruling dated 6 February 2019 that the responsibility to pay tax lies with Ncell and Axiata Group Berhad, the latter who is not a party to the PIL. The SC ordered LTPO to make an assessment of the applicable CGT in relation to the Transaction initially issued to TeliaSonera to be transferred to Ncell. Accordingly, on 16 April 2019, LTPO issued an assessment order against Ncell for approximately NPR62,635.0 million (RM2,196.7 million); (NPR35,913.4 million (RM1,259.5 million) as CGT and NPR26,721.5 million (RM937.2 million) as interest and penalties).

On 22 April 2019, Ncell filed a writ petition with the SC seeking orders that, amongst other things, the LTPO's assessment order be quashed and that LTPO conduct a new assessment in accordance with the law ("Writ Petition"). The Writ Petition was filed without prejudice to Ncell's position that it was not under any obligation to pay CGT in relation to the Transaction.

On 26 August 2019, the SC issued a short-form judgment in which it partially upheld the Writ Petition. The full written judgment of the SC's decision was issued on 21 November 2019 ("SC Judgment"). The SC Judgment stated that the prior tax amount assessed by LTPO was to be reduced to the extent of fees purportedly levied under section 120(a) of the Nepalese Income Tax Act 2058 (2002) ("ITA") which were found to be unlawful. The SC held that Ncell remained liable to pay NPR21,104.0 million (RM740.1 million) (approximately) in allegedly outstanding CGT (including penalties pursuant to sections 117(1)(a) and (c) and interest pursuant to sections 118 and 119 until the date of deposit) in relation to the Transaction.

Following the SC Judgment, on 6 December 2019, LTPO issued a new demand letter demanding that Ncell pay a total of NPR22,445.1 million (RM787.2 million) (approximately) in allegedly outstanding CGT (including interest and penalties) ("Demand Amount"). On 22 December 2019, LTPO issued a further demand letter, repeating the demand from 6 December 2019 for Ncell to deposit the sums demanded within 15 days (collectively, the "LTPO Demand Letters").

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(e) Other legal matters (continued)

(i) Public interest litigation ("PIL") filed at the Supreme Court of Nepal ("SC") (continued)

The LTPO Demand Letters represent a clear violation of the terms of the Provisional Measures Order issued by the Tribunal on 19 December 2019 in the arbitration proceedings commenced by Ncell and AIUK (as detailed in item (e)(ii) below) which ordered Nepal, its agencies and officials to refrain from, amongst other things, taking any steps to enforce or otherwise give effect to the LTPO Demand Letters. The Provisional Measures Order is legally binding on Nepal and its agencies under international law.

On 12 April 2020, Ncell paid the Demand Amount and an additional sum of NPR990.3 million (RM35.0 million) as interest (collectively, the "Total Amount"). Ncell's payment of the Total Amount was made under protest and expressly without prejudice to Ncell and AIUK's position in the international arbitration proceedings commenced by Ncell and AIUK against Nepal.

For the avoidance of doubt, the Company, AIUK and Ncell continue to dispute that Ncell is liable to pay any amount of CGT in relation to the Transaction.

(ii) AIUK and Ncell vs Nepal (ICSID Case No. ARB19/15)

On 24 April 2019, AIUK and Ncell, a wholly owned subsidiary and an indirect 80% owned subsidiary of Axiata Group Berhad respectively, filed a Request for Arbitration ("Request") with the International Centre for the Settlement of Investment Disputes ("ICSID") pursuant to the Agreement dated 2 March 1993 between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Nepal for the Promotion and Protection of Investments ("Bilateral Investment Treaty"). Nepal was notified of the Request on 25 April 2019.

AIUK and Ncell's claims as set out in the Request relate to Nepal's conduct in contravention of its international law obligations under the Bilateral Investment Treaty. In particular, the claims relate to Nepal's conduct in imposing CGT in connection with AIUK's acquisition of 100% of the shares of Reynolds, which owns 80% of the shares of Ncell. AIUK and Ncell dispute the entirety of the CGT allegedly payable by Ncell in connection with the Transaction and are arguing, among other things, that the imposition of CGT by Nepal in relation to the Transaction is unlawful. AIUK and Ncell are seeking remedies including restitution of sums already paid, a permanent injunction against further attempts to collect CGT from Ncell in connection with the Transaction (including quashing the Demand Notice dated 13 January 2021 (described in item (e)(iii) below)) and damages for all losses suffered in consequence of Nepal's unlawful conduct. Ncell has paid a total of NPR47,009.9 million (RM1,648.7 million) in alleged outstanding CGT.

Pursuant to the ICSID Convention and ICSID Arbitration Rules, AIUK and Ncell appointed Albert Jan van den Berg (Dutch) on 23 July 2019 as their chosen arbitrator. The arbitration tribunal ("Tribunal") was fully constituted on 18 October 2019, the other members being Paul Friedland (American) and Professor Joongi Kim (Korean, presiding arbitrator).

On 18 December 2019, the Tribunal granted AIUK and Ncell's application for provisional measures in large part and ordered that Nepal, its organs, agencies and officials, including LTPO and the Inland Revenue Department ("IRD"), immediately be restrained from:

(i) taking any steps to enforce or otherwise give effect to the demand letter served by LTPO against Ncell dated 6 December 2019 in which LTPO demanded that Ncell pay NPR22,445.1 million (RM787.2 million) in allegedly outstanding CGT (including interest and penalties) in connection with the Transaction (described in item (e)(i) above); and

(ii) taking any steps which would alter the status quo between AIUK, Ncell and Nepal or aggravate the present dispute (together, the "Provisional Measures Order").

A merits hearing was originally scheduled to take place in two (and potentially three) sessions. The first session was scheduled for 29 November 2021 to 3 December 2021, with the second session to take place on 11-16 April 2022, and with 4-5 July 2022 in reserve. However, by a decision of 28 November 2021, the Tribunal postponed the November/December 2021 session of the hearing due to the emergency hospitalisation of one of Nepal's lawyers.

By Procedural Order No. 9 dated 3 December 2021, the Tribunal ordered that the hearing be deferred to 11-22 April 2022, with 4-5 July 2022 in reserve.

Based on the external legal advice received, the Board of Directors are of the view that AIUK and Ncell have strong prospect of success in the arbitration proceedings against Nepal. In the event that the outcome of the case is unfavourable, the Group's and the Company's statements of comprehensive income are expected to be adjusted by approximately NPR10,346.3 million (RM362.9 million) (2020: NPR9,070.3 million (RM312.0 million)).

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

Notwithstanding letters dated 12 April 2020 and 15 April 2020 by LTPO to confirm that Ncell has fully discharged all of its tax obligations under the ITA arising from the Transaction, LTPO issued a notice dated 25 December 2020 ("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.

40. CONTINGENCIES, COMMITMENTS AND OTHER LEGAL MATTERS (CONTINUED)

(e) Other legal matters (continued)

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

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 (RM4,483.0 million). Ncell responded to the Reassessment Notice on 12 January 2021 disagreeing amongst 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 (being the Government of Nepal, Large Taxpayers Office, Chief Tax Administrator - Large Taxpayers Office, Tax Officer - Large Taxpayers Office, IRD, and Ministry of Finance) for a Writ of Certiorari and Prohibition to impugn the Reassessment Notice. On 13 January 2021, Ncell obtained an order from the 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 that its organs and agencies of Nepal (including LTPO, IRD, Nepal Telecommunication Authority, Nepal Rastra Bank, and the Ministries and Departments of the Government of Nepal) will not take any measures against Ncell in relation to the section 57 demand and the Transaction.

Notwithstanding the order from the SC, LTPO later the same day issued a further notice ("Demand Notice") under section 102 of the ITA for additional tax liability of NPR57,852.3 million (RM2,028.9 million) (which includes fees chargeable under section 117 of ITA, interests under sections 118 and 119 of the ITA, and 50% penalty on the total additional tax liability under section 120(a) of the ITA). Ncell has filed another Writ Petition ("Second Writ") to dispute the Demand Notice as the remedies sought in the First Writ has 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 to 29 March 2022.

The Board of Directors, based on the external legal advice received, are of the view that the likelihood of probable cash outflow for the Demand Notice in relation to section 57 of the ITA is remote.

41. SIGNIFICANT NON-CASH TRANSACTION

		Group	
	Note	2021 RM'000	2020 RM'000
Disposal of SmartLuy	5(b)(i)	-	12,108

42. SEGMENTAL REPORTING

By business segments and geographical locations of the key operating companies of the Group

Management has determined the operating segments to be based on the management reports reviewed by the Board of Directors (CODM).

The business segments of the Group represent the core businesses and geographical locations of the key operating companies based on the operating results regularly reviewed by the Board of Directors. The business segments of the Group are as follows:

(i) Mobile segment

The mobile business of the Group is segmented based on the countries in which the key operating companies operate, as shown in Note 44 to the financial statements. The reportable segments are principally engaged in the provision of mobile services and other services such as provision of interconnect services, sale of devices, pay television transmission services and broadband services.

(ii) Infrastructure segment

The infrastructure segment is principally engaged in the provision of telecommunication infrastructure and related services. Although the infrastructure segment operates in different geographical locations, resource allocation decisions and business performance management for this segment are viewed as a single business unit by the Board of Directors. This is consistent with the current practice of internal reporting. As such, the geographical information on infrastructure segment is not presented.

(iii) Others

Others comprise of investment holding entities, financing entities and other operating companies providing other services including digital business and fibre optic transmission in Malaysia and other countries that contributed less than 10% of consolidated revenue.

The Board of Directors assess the performance of the operating segment, before its respective tax charge or tax credits, mainly based on the measure of EBITDA. EBITDA is derived after revenue less domestic interconnect, international outpayment and other direct costs, marketing, advertising and promotion, other operating costs, staff costs and net impairment on receivables. Segment assets and segment liabilities are not used in decisions about allocation of resources and in assessing the performance of the operating segments.

42. SEGMENTAL REPORTING (CONTINUED)

	Mobile segment						Infrastructure segment	Others	Consolidation adjustments/ eliminations	Total
	Malaysia RM'000	Indonesia RM'000	Bangladesh RM'000	Sri Lanka RM'000	Nepal RM'000	Cambodia RM'000	RM'000	RM'000	RM'000	RM'000
Financial year ended 31 December 2021										
Revenue:										
Total revenue	6,622,722	7,758,675	3,955,039	2,953,532	1,449,095	1,448,542	1,978,663	1,366,476	-	27,532,744
Inter-segment[1]	(18,782)	(14,017)	(96,991)	(30,324)	(11,336)	(28,328)	(1,185,287)	(247,018)	-	(1,632,083)
External revenue	6,603,940	7,744,658	3,858,048	2,923,208	1,437,759	1,420,214	793,376	1,119,458	-	25,900,661
Results:										
EBITDA[2]	2,825,957	3,889,711	1,592,997	1,223,195	841,529	774,663	1,238,069	(407,517)	(574,587)	11,404,017
Finance income	67,314	25,437	4,522	9,502	10,666	11,492	22,738	103,860	(104,549)	150,982
Finance expense	(342,187)	(700,821)	(199,658)	(45,184)	(92,812)	(28,787)	(109,732)	(374,623)	328,735	(1,565,069)
Depreciation of PPE	(1,201,112)	(1,707,965)	(709,356)	(492,633)	(272,646)	(260,263)	(398,492)	(13,836)	21,219	(5,035,084)
Depreciation of ROU assets	(421,763)	(1,163,948)	(156,864)	(47,583)	(18,573)	(58,580)	(234,288)	(14,482)	436,421	(1,679,660)
Amortisation of intangible assets	(61,850)	-	(295,535)	(77,742)	(130,975)	(12,923)	(32,469)	(36,541)	(213,227)	(861,262)
Joint ventures:										
- share of results (net of tax)	(3,777)	-	-	-	-	-	-	(4,091)	162	(7,706)
Associates:										
- share of results (net of tax)	13,351	2,497	-	(599)	-	(1,095)	-	(2,465)	-	11,689
Impairment of PPE, net of reversal	-	(7,682)	4,384	(2,737)	-	(6,224)	6,593	(6,091)	-	(11,757)
Other income/(expense)[3]	317,956	199,907	(63,898)	(169,694)	14,229	(33,294)	(174)	(125,079)	(372,485)	(232,532)
Taxation	(252,786)	(130,952)	(88,997)	(42,331)	(108,522)	(86,174)	(199,558)	(23,579)	36,162	(896,737)
Segment profit/(loss) for the financial year	941,103	406,184	87,595	354,194	242,896	298,815	292,687	(904,444)	(442,149)	1,276,881

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

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

3 Other income/(expense) consolidation adjustment mainly due to impairment of Nepal CGU goodwill of RM338.4 million as disclosed in Note 25(ii) to the financial statements.

42. SEGMENTAL REPORTING (CONTINUED)

	Mobile segment						Infrastructure segment	Others	Consolidation adjustments/ eliminations	Total
	Malaysia RM'000	Indonesia RM'000	Bangladesh RM'000	Sri Lanka RM'000	Nepal RM'000	Cambodia RM'000	RM'000	RM'000	RM'000	RM'000
Financial year ended 31 December 2020										
Revenue:										
Total revenue	6,218,831	7,514,215	3,744,616	2,721,085	1,479,397	1,372,696	1,881,176	785,951	-	25,717,967
Inter-segment[1]	(44,784)	(24,022)	(32,713)	(21,339)	(2,872)	(10,856)	(1,119,989)	(258,221)	-	(1,514,796)
External revenue	6,174,047	7,490,193	3,711,903	2,699,746	1,476,525	1,361,840	761,187	527,730	-	24,203,171
Results:										
EBITDA[2]	2,589,948	3,776,653	1,580,705	1,153,679	850,210	751,947	1,087,192	(553,282)	(580,177)	10,656,875
Finance income	59,739	52,933	3,460	7,556	5,840	8,196	49,855	37,579	(47,975)	177,183
Finance expense	(380,497)	(761,506)	(245,477)	(54,194)	(94,879)	(27,952)	(106,552)	(358,019)	336,009	(1,693,067)
Depreciation of PPE	(1,051,920)	(2,468,198)	(708,144)	(522,623)	(305,086)	(256,740)	(383,501)	(14,087)	5,581	(5,704,718)
Depreciation of ROU assets	(394,689)	(1,106,964)	(139,138)	(42,827)	(19,843)	(54,453)	(226,461)	(14,916)	410,219	(1,589,072)
Amortisation of intangible assets	(61,850)	(6,312)	(218,011)	(78,526)	(131,076)	(13,276)	(32,467)	(31,856)	(236,579)	(809,953)
Joint ventures:										
- share of results (net of tax)	860	-	-	-	-	-	-	-	-	860
Associates:										
- share of results (net of tax)	20,998	(176)	-	(96)	-	(4,720)	-	1,856	-	17,862
Impairment of PPE (net of reversal)	-	102	(7,992)	1,116	-	-	(24,901)	(2,839)	-	(34,514)
Other income/(expense)	83,090	543,990	(68,623)	(152,486)	(107,694)	(40,276)	(44,894)	(65,717)	2,271	149,661
Taxation	(167,360)	57,609	(119,884)	(40,446)	(100,089)	(68,446)	(162,877)	(13,445)	67,866	(547,072)
Segment profit/(loss) for the financial year	698,319	88,131	76,896	271,153	97,383	294,280	155,394	(1,014,726)	(42,785)	624,045

42. SEGMENTAL REPORTING (CONTINUED)

By geographical location

In presenting information for geographical segments of the Group, total non-current assets are determined based on where the assets of core businesses and geographical locations of the key operating companies. Non-current assets exclude financial instruments defined under MFRS 9 and deferred tax assets.

	Mobile segment						Infrastructure segment[1]	Others	Total
	Malaysia RM'000	Indonesia RM'000	Bangladesh RM'000	Sri Lanka RM'000	Nepal RM'000	Cambodia RM'000	RM'000	RM'000	RM'000
As at 31 December 2021									
Total non-current assets	**10,802,000**	**22,096,673**	**7,387,644**	**3,342,196**	**6,622,399**	**1,775,362**	**6,875,496**	**392,047**	**59,293,817**
As at 31 December 2020									
Total non-current assets	11,258,347	20,263,044	7,212,509	3,237,513	7,139,866	1,695,377	4,185,552	292,582	55,284,790

[1] Geographical locations of infrastructure segment non-current assets are as follows:

	Malaysia RM'000	Bangladesh RM'000	Myanmar RM'000	Pakistan RM'000	Others[2] RM'000	Total RM'000
2021	**3,129,181**	**1,509,998**	**1,222,120**	**566,079**	**448,118**	**6,875,496**
2020	893,283	1,153,491	1,237,436	531,484	369,858	4,185,552

[2] Others include other geographical locations within the infrastructure segment that are not individually material.

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Market risks consist of:

(i) price risk – risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market.

(ii) foreign currency exchange risk – risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

(iii) fair value interest rate risk – risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

(iv) cash flow interest rate risk – risk that future cash flows associated with a financial instrument will fluctuate. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value.

(b) credit risk – risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

(c) liquidity risk (funding risk) – risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The Group's and the Company's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's and the Company's financial risk management policies. The Board of Directors regularly reviews these risks and approves the treasury policies, which covers the management of these risks. Hedging transactions are determined in the light of commercial commitments. Derivative financial instruments are used to hedge underlying commercial exposures.

(a) Market risks

(i) Price risk

The Group is exposed to equity securities price risk mainly due to investments held by the Group classified on the consolidated statement of financial position as FVTOCI asset, which is fair valued under level three (3) fair value estimation.

(ii) Foreign currency exchange risk

Group

The foreign exchange risk of the Group predominantly arises from borrowings denominated in foreign currencies. The main currency exposure from borrowings denominated in foreign currency is USD as disclosed in Note 16 to the financial statements. The Group has cross currency swaps that are primarily used to hedge selected foreign currency borrowings to reduce the foreign currency exposures on these borrowings.

Based on the borrowings position as at 31 December 2021, if USD were to strengthen/weaken by 5% against BDT, SLR and RM with all other variables held constant, this will result in foreign exchange losses/gains to the profit or loss of RM300.3 million (2020: RM410.2 million) on translation of USD denominated non-hedged borrowings.

The exposure to other foreign currency risk of the Group is not material and hence, sensitivity analysis is not presented.

Company

The foreign exchange risk of the Company predominantly arises from non-hedged borrowings denominated in USD.

As at 31 December 2021, if USD were to strengthen/weaken by 5% against RM with all other variables held constant, this will result in foreign exchange losses/gains to the profit or loss of RM31.3 million (2020: RM30.3 million) on translation of USD denominated non-hedged borrowings.

(iii) Cash flow and fair value interest rate risk

The Group and the Company have deposits, cash and bank balances including deposits placed with creditworthy licensed banks and financial institutions. The Group and the Company manage its interest rate risk by actively monitoring the yield curve trend and interest rate movement for the various deposits, cash and bank balances.

The Group's borrowings comprise borrowings from financial institutions, Sukuk, Bonds and Note. The Group's interest rate risk objective is to manage an acceptable level of rate fluctuation on interest expense. In order to achieve this objective, the Group targets a composition of fixed and floating borrowings based on assessment of its existing exposure and desirable interest rate profile. To obtain this composition, the Group uses hedging instruments such as CCIRS as disclosed in Note 18(c) to the financial statements.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risks (continued)

(iii) Cash flow and fair value interest rate risk (continued)

The Company's borrowings comprise borrowings from financial institutions. The interest rate profiles of the Company's borrowings are regularly reviewed against prevailing and anticipated market interest rates to determine whether refinancing or early repayment is warranted.

Group

As at 31 December 2021, if interest rate on non-hedged floating borrowings had been lower/higher by 5% with all other variables held constant, this will result in a lower/higher finance cost of the Group amounting to RM14.0 million (2020: RM11.8 million).

Company

As at 31 December 2021, if interest rate on non-hedged floating borrowings had been lower/higher by 5% with all other variables held constant, this will result in a lower/higher finance cost of the Company amounting to RM1.2 million (2020: RM1.1 million).

Effects of IBOR reform

The reform and replacement of benchmark interest rates such as USD LIBOR and other inter-bank offered rates has become a priority for global regulators. Globally, new alternative reference rates ("ARR") are being introduced to improve the integrity of financial benchmark rates as part of a transition to transaction-based rates, in line with the LIBOR reforms. There remains some uncertainty around the timing and precise nature of these changes.

As at 31 December 2021, the Group and the Company have a number of borrowings which reference USD LIBOR and extend beyond 2021.

The publication of USD LIBOR will be discontinued after 30 June 2023, and it is expected to be replaced by the Secured Overnight Financing Rate ("SOFR"). There remain key differences between USD LIBOR and SOFR. USD LIBOR is a 'term rate', which is published for a borrowing period (such as 3- or 6-month tenor) and is 'forward looking', as it is published at the beginning of the borrowing period. SOFR is a 'backward-looking' rate, based on the cost of borrowing cash overnight collateralised by the U.S. Treasury Securities in the repurchase agreement market, and it is published on the next business day. Furthermore, USD LIBOR includes a credit spread over the risk-free rate, which SOFR currently does not. To transition existing contracts and agreements that reference USD LIBOR to SOFR, adjustments for term and credit differences might need to be applied to SOFR, to enable the two benchmark rates to be economically equivalent on transition.

A series of workstreams were established to manage the transition from IBOR to ARR. The key objectives of these workstreams include the followings:

- identifying contracts in scope of benchmark reform;
- identifying and communicating to counterparties with whom repricing and/or re-papering IBOR-referenced contracts is required and executing the necessary change in contracts;
- managing any related tax and accounting implications.

In view that the publication of USD LIBOR will be discontinued after 30 June 2023, the Group has identified all USD LIBOR-linked contracts as at 31 December 2021. Out of which, certain USD LIBOR based borrowings as at 31 December 2021 are maturing before the reform and replacement of benchmark interest rates take place. For the remaining USD LIBOR-linked contracts which have not been modified during the year, the Group is in the midst of discussing with counterparties to change the basis for determining the future cash flows. No contracts were modified during the financial year. The Group will closely monitor the regulators' announcement on the alternative benchmark rate or discontinuation of publication of the USD LIBOR for the relevant tenors; and engage the counterparties to discuss necessary changes to the related contracts.

The USD LIBOR based financial instrument of the Group and the Company hold as of 31 December 2021 is as below:

	Carrying amount	
	Group RM'000	Company RM'000
Borrowings exposed to USD LIBOR:		
- which matures before transition to an alternative benchmark interest rate	633,512	179,633
- which have yet to transition to an alternative benchmark interest rate	1,168,204	446,993
Total	1,801,716	626,626

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk arises from trade receivables, cash and cash equivalents and financial instruments used in hedging activities.

The Group has no significant concentration of credit risk due to its diverse customer base. Credit risk is managed through the application of credit assessment and approval, credit limit and monitoring procedures. Where appropriate, the Group obtains deposits or bank guarantees from customers.

The Group and the Company place its cash and cash equivalents with a number of creditworthy financial institutions. The Group's and the Company's policy limit the concentration of financial exposure to any single financial institution.

All hedging instruments are executed with creditworthy financial institutions with a view to limit the credit risk exposure of the Group and the Company. The Group and the Company, however, are exposed to credit-related losses in the event of non-performance by counterparties to financial derivative instruments, but do not expect any counterparties to fail to meet their obligations.

The maximum credit risk exposure of the financial assets of the Group and the Company are approximately their carrying amounts as at the end of the reporting period.

The carrying amount and expected credit losses for trade receivables and amount due from subsidiaries are shown in Note 34 and Note 35 to the financial statements, respectively.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations.

In the management of liquidity risk, the Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Group and the Company aim at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available.

Surplus cash of the Group and the Company are invested in profit bearing current accounts, money market deposits and other instruments with appropriate maturities and sufficient liquidity levels to provide sufficient headroom and to enable the Group and the Company to discharge liabilities in the normal course of business.

As at 31 December 2021, the Group's current liabilities exceeded its current assets by RM7,942.1 million (2020: RM5,429.4 million). The Company and its subsidiaries have undrawn facilities amounting to RM4,060.2 million available to meet liquidity requirements. Additionally, as disclosed in Note 16 to the financial statements, certain subsidiaries of the Group have outstanding undrawn amounts under the Multi-currency Sukuk, Sukuk Murabahah and EMTN Programme amounting to USD500.0 million (RM2,088.8 million), RM3,250.0 million and USD500.0 million (RM2,088.8 million) respectively. Any issuance of new Sukuk will be subject to market conditions such as market liquidity and market lending rates at the point of issuance. The Group is confident that it will be able to successfully issue the outstanding amounts, if needed, in the next twelve (12) months from the date of the financial statements.

The Group's net cash flow from operating activities for the financial year ended 2021 was RM8,837.0 million (2020: RM7,136.7 million). In addition, the Group's deposits, cash and bank balances as at 31 December 2021 was RM6,969.4 million (2020: RM7,194.3 million).

Where undrawn facilities are not available, subsidiaries' twelve (12) month cash flow forecasts have been prepared taking into account expected revenue growth, past performance and one-off transactions. Based on these cash flow forecasts and available undrawn facilities, the Group is able to generate sufficient cash flows for the next twelve (12) months from the date of the financial statements to meet operational and financing needs as and when they fall due.

As at 31 December 2021, the Group has sufficient liquidity and available facilities to meet its obligations as and when they fall due within twelve (12) months from the date of the financial statements.

Notes to the Financial Statements For the financial year ended 31 December 2021

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (continued)

The tables below analyse the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. As amounts included in the tables are contractual undiscounted cash flows, these amounts may not be reconciled to the amounts disclosed on the statements of financial position for trade and other payables, lease liabilities, borrowings and derivative financial instruments.

	2021					
	Trade and other payables RM'000	Lease liabilities RM'000	Borrowings RM'000	Gross settled CCIRS (Inflow) RM'000	Gross settled CCIRS Outflow RM'000	Total RM'000
Group						
Below 1 year	**9,223,854**	**2,647,711**	**3,859,263**	**(136,187)**	**201,820**	**15,796,461**
1-2 years	**241,238**	**1,857,198**	**3,337,744**	**(136,187)**	**201,820**	**5,501,813**
2-3 years	**-**	**1,697,175**	**1,915,963**	**(136,187)**	**201,820**	**3,678,771**
3-4 years	**-**	**1,475,294**	**1,052,264**	**(136,187)**	**201,820**	**2,593,191**
4-5 years	**-**	**1,364,477**	**3,508,086**	**(2,156,682)**	**2,171,847**	**4,887,728**
5-10 years	**-**	**3,607,731**	**4,773,043**	**(2,254,409)**	**2,312,910**	**8,439,275**
10-15 years	**-**	**345,509**	**639,993**	**-**	**-**	**985,502**
15-40 years	**-**	**394,306**	**6,097,479**	**-**	**-**	**6,491,785**
Total contractual undiscounted cash flows	**9,465,092**	**13,389,401**	**25,183,835**	**(4,955,839)**	**5,292,037**	**48,374,526**
Total carrying amounts	**9,465,092**	**10,170,995**	**19,050,495**	**-**	**80,981**	**38,767,563**

	2020					
	Trade and other payables RM'000	Lease liabilities RM'000	Borrowings RM'000	Gross settled CCIRS (Inflow) RM'000	Gross settled CCIRS Outflow RM'000	Total RM'000
Group						
Below 1 year	7,842,458	2,331,871	2,829,593	(87,924)	128,325	13,044,323
1-2 years	198,687	1,745,608	1,844,691	(87,924)	128,325	3,829,387
2-3 years	-	1,505,606	3,042,564	(87,924)	128,325	4,588,571
3-4 years	-	1,391,752	1,337,032	(87,924)	128,325	2,769,185
4-5 years	-	1,213,587	1,063,899	(87,924)	128,325	2,317,887
5-10 years	-	3,666,775	7,203,030	(2,105,924)	2,130,433	10,894,314
10-15 years	-	383,732	618,315	-	-	1,002,047
15-40 years	-	180,040	5,890,946	-	-	6,070,986
Total contractual undiscounted cash flows	8,041,145	12,418,971	23,830,070	(2,545,544)	2,772,058	44,516,700
Total carrying amounts	8,041,145	9,628,596	17,745,439	-	132,665	35,547,845

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (continued)

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. As amounts included in the tables are contractual undiscounted cash flows, these amounts may not be reconciled to the amounts disclosed on the statements of financial position for other payables, lease liabilities and borrowings.

2021	Other payables RM'000	Amounts due to subsidiaries RM'000	Lease liabilities RM'000	Borrowings RM'000	Financial guarantees[1] RM'000	Total RM'000
Company						
Below 1 year	**58,554**	**1,201,245**	**4,569**	**202,669**	**224,517**	**1,691,554**
1-2 years	**-**	**129,717**	**4,569**	**678,864**	**507,605**	**1,320,755**
2-3 years	**-**	**129,717**	**2,284**	**448,770**	**135,502**	**716,273**
3-4 years	**-**	**129,717**	**-**	**-**	**135,502**	**265,219**
4-5 years	**-**	**129,717**	**-**	**-**	**135,502**	**265,219**
5-10 years	**-**	**4,117,899**	**-**	**-**	**1,043,213**	**5,161,112**
10-15 years	**-**	**648,585**	**-**	**-**	**639,993**	**1,288,578**
15-40 years	**-**	**5,852,039**	**-**	**-**	**5,926,814**	**11,778,853**
Total contractual undiscounted cash flows	**58,554**	**12,338,636**	**11,422**	**1,330,303**	**8,748,648**	**22,487,563**
Total carrying amounts	**58,554**	**8,044,575**	**10,744**	**1,287,333**	**-**	**9,401,206**

2020	Other payables RM'000	Amounts due to subsidiaries RM'000	Lease liabilities RM'000	Borrowings RM'000	Financial guarantees[1] RM'000	Total RM'000
Company						
Below 1 year	46,500	8,312,525	4,457	452,614	148,950	8,965,046
1-2 years	-	-	4,555	192,594	308,667	505,816
2-3 years	-	-	4,569	676,105	790,170	1,470,844
3-4 years	-	-	2,284	-	131,893	134,177
4-5 years	-	-	-	-	131,893	131,893
5-10 years	-	-	-	-	1,017,935	1,017,935
10-15 years	-	-	-	-	618,315	618,315
15-40 years	-	-	-	-	5,890,946	5,890,946
Total contractual undiscounted cash flows	46,500	8,312,525	15,865	1,321,313	9,038,769	18,734,972
Total carrying amounts	46,500	8,312,525	14,571	1,261,600	-	9,635,196

[1] Financial guarantees represents the maximum amount of guarantees provided by the Company to its subsidiaries.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Capital risk management

The Group's and the Company's objective when managing capital is to safeguard the Group's and the Company's abilities to continue as a going concern while at the same time provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders. The Group and the Company maintains a strong credit rating and optimal capital structure that will improve its capital efficiency whilst ensuring availability of funds in order to meet financial obligations, support business growth and maximise shareholder's value through a long-term sustainable dividend policy. The Group's credit rating remains unchanged at Baa2 by Moody's Investors Service (Moody's) and BBB+ by Standard & Poor's 500 (S&P) as at 31 December 2021.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratios. This ratio is calculated as total debts over total equity. Total debts including non-current, current borrowings and lease liabilities as shown in the consolidated statement of financial position. Total equity is calculated as 'equity' in the consolidated statement of financial position.

	Note	2021 RM'000	2020 RM'000
Total borrowings	16	**19,050,495**	17,745,439
Lease liabilities	24	**10,170,995**	9,628,596
Total debts		**29,221,490**	27,374,035
Total equity		**25,065,829**	23,879,430
Gearing ratio		**1.17**	1.15

(e) Fair value estimation

The tables below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identified assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as stock prices, dividend yield and volatility) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

The Group measures the financial instruments based on published price quotations (Level 1) and market approach valuation technique (Level 2) with inputs of valuation technique such as interest rates and yield curves observable at commonly quoted intervals; implied volatilities; and credit spreads that are observable direct or indirectly as at reporting date.

There is no transfer between Level 1 and Level 2 during the financial year.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

The following tables represent the fair value level of the assets and liabilities that are measured at fair value as at reporting date.

	2021				2020			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group								
Assets								
Financial assets at FVTPL:								
- Trading securities	**65**	**-**	**-**	**65**	138,113	-	-	138,113
- Unquoted securities	**-**	**-**	**5,678**	**5,678**	-	-	4,467	4,467
- Non-hedging derivatives	**-**	**45,653**	**-**	**45,653**	-	8,343	-	8,343
- Derivatives used for hedging	**-**	**31,285**	**-**	**31,285**	-	-	-	-
Financial assets at FVTOCI[1]:								
- Equity securities	**-**	**-**	**220,744**	**220,744**	-	-	220,978	220,978
Assets at FVTPL:								
- Trade and other receivables	**-**	**-**	**450,869**	**450,869**	-	-	312,036	312,036
Total assets	**65**	**76,938**	**677,291**	**754,294**	138,113	8,343	537,481	683,937
Liabilities								
Financial liabilities at FVTPL:								
- Derivatives used for hedging	**-**	**(111,659)**	**-**	**(111,659)**	-	(132,665)	-	(132,665)
Total liabilities	**-**	**(111,659)**	**-**	**(111,659)**	-	(132,665)	-	(132,665)

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

(i) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of cross currency interest rate swaps and interest rate swaps is calculated as the present value of the estimated future cash flows based on observable market curves; and
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value.

(iii) Financial instruments in Level 3

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques where the underlying assets' significant inputs are not available from observable market data.

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amounts are reported in the Statements of Financial Position where the Group and the Company have a legally enforceable right to offset the recognised amounts, and there are intention to settle on a net basis or realise the assets and the liabilities simultaneously.

The following table presents the recognised financial instruments that are offset or subject to enforceable master netting arrangements and other similar agreements, as at financial year end. The column 'Net amounts' shows the impact on the Group's and Company's Statements of Financial Position if all set-off rights were exercised.

	Gross amounts RM'000	Gross amounts of recognised (financial liabilities)/ financial assets set off RM'000	Net amounts RM'000
Group			
2021			
Trade receivables	**711,386**	**(187,398)**	**523,988**
Trade payables	**(3,710,712)**	**187,398**	**(3,523,314)**
2020			
Trade receivables	662,689	(225,068)	437,621
Trade payables	(2,462,367)	225,068	(2,237,299)
Company			
2021			
Amount due from subsidiaries	**5,771,859**	**(2,112,506)**	**3,659,353**
Amount due to subsidiaries	**(10,157,081)**	**2,112,506**	**(8,044,575)**
2020			
Amount due from subsidiaries	5,921,266	(2,760,277)	3,160,989
Amount due to subsidiaries	(11,072,802)	2,760,277	(8,312,525)

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44. LIST OF SUBSIDIARIES

The list of subsidiaries of the Group as at 31 December 2021 is as follows:

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Axiata Management Services Sdn Bhd[1]	100.00	100.00	-	Provision of services in relation to information technology (IT), including IT solutions development and maintenance, IT related managed services, analytics and technical advisory	Malaysia
Axiata Foundation[1 and 7]	-	-	-	Develop and nurture talent pool and foster, develop and improve education	Malaysia
Axiata Investments (Singapore) Limited[1]	100.00	100.00	-	Investment holding	Federal Territory Labuan, Malaysia
Axiata SPV1 (Labuan) Limited[1]	100.00	100.00	-	To hold securities and financial instruments on a non-trading basis	Federal Territory Labuan, Malaysia
Axiata SPV2 Berhad[1]	100.00	100.00	-	Financing	Malaysia
Axiata SPV4 Sdn Bhd[1]	100.00	100.00	-	Investment holding	Malaysia
Axiata SPV5 (Labuan) Limited[1]	100.00	100.00	-	To hold securities and financial instruments on a non-trading basis	Federal Territory Labuan, Malaysia
Axiata Investments (Labuan) Limited[1]	100.00	100.00	-	Investment holding	Federal Territory Labuan, Malaysia
Axiata Investments 1 (India) Limited[2]	100.00	100.00	-	Investment holding	Mauritius
Axiata Investments (Cambodia) Limited[1]	100.00	100.00	-	Investment holding	Federal Territory Labuan, Malaysia
Celcom Axiata Berhad[1]	100.00	100.00	-	Telecommunication network capacity, infrastructure and services	Malaysia
Axiata Digital Services Sdn Bhd[1]	96.47	96.47	3.53	Investment holding	Malaysia
Axiata Business Services Sdn Bhd[1]	100.00	100.00	-	Provision of international carrier services and enterprise solutions	Malaysia
edotco Group Sdn Bhd[1]	63.00	63.00	37.00	Investment holding and provision of technical and operations support services in the telecommunications and related industries in local and/or international markets	Malaysia
Axiata Investments (UK) Limited[2]	100.00	100.00	-	Investment holding	United Kingdom
Dialog Axiata Digital Innovation Fund (Private) Limited[3,9 and 15]	25.00	45.69	54.31	Venture capital fund	Sri Lanka
Subsidiaries held through Axiata Investments (Labuan) Limited					
Axiata Investments (Indonesia) Sdn Bhd[1]	-	100.00	-	Investment holding	Malaysia
Dialog Axiata PLC[2 and 15]	-	82.74	17.26	Communication services, telecommunication infrastructure services, media and digital services	Sri Lanka
Robi Axiata Limited[3]	-	61.82	38.18	Mobile telecommunication services	Bangladesh

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Notes to the Financial Statements For the financial year ended 31 December 2021

44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiaries held through Axiata Investments (Labuan) Limited (continued)					
Axiata Lanka (Private) Limited[2]	-	100.00	-	Property development and letting of property for commercial purposes	Sri Lanka
Axiata Digital Labs (Private) Limited[2]	-	100.00	-	Software development and IT enabled services venture of Axiata Group	Sri Lanka
Subsidiary held through Axiata Investments (Indonesia) Sdn Bhd					
PT XL Axiata Tbk[2, 12 and 15]	-	61.48	38.52	Telecommunication services, network and/or multimedia services provider	Indonesia
Subsidiaries held through Dialog Axiata PLC					
Dialog Broadband Networks (Private) Limited[2 and 15]	-	82.74	17.26	Data and backbone, fixed wireless and transmission infrastructure	Sri Lanka
Dialog Television (Private) Limited[2 and 15]	-	82.74	17.26	Television broadcasting services and direct-to-home satellite pay television service	Sri Lanka
Digital Holdings Lanka (Private) Limited[2 and 15]	-	82.74	17.26	Investment holding company for new business areas of Dialog Group	Sri Lanka
Dialog Business Services (Private) Limited[2 and 15]	-	82.74	17.26	Provision of manpower for call centre operations	Sri Lanka
Dialog Finance PLC[2 and 15]	-	81.95	18.05	Provision of financial services	Sri Lanka
Dialog Device Trading (Private) Limited[2 and 15]	-	82.74	17.26	Selling information technology enabled equipment	Sri Lanka
Dialog Network Services (Private) Limited[2 and 15]	-	82.74	17.26	Provision of network development, operations and maintenance services	Sri Lanka
Subsidiaries held through Dialog Broadband Networks (Private) Limited					
Telecard (Private) Limited[2 and 15]	-	82.74	17.26	Provision of digital credit facilities	Sri Lanka
H One (Private) Limited[2 and 14]	-	82.74	17.26	Provision of software licences	Sri Lanka
Subsidiary held through Dialog Television (Private) Limited					
Communiq Broadband Network (Private) Limited[2, 6 and 15]	-	82.74	17.26	Dormant	Sri Lanka

44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiaries held through Digital Holdings Lanka (Private) Limited					
Digital Commerce Lanka (Private) Limited[2 and 15]	-	82.74	17.26	e-commerce and digital marketing services	Sri Lanka
Digital Health (Private) Limited[2, 9 and 15]	-	40.15	59.85	Developing and operating a state-of-the-art electronic commerce infrastructure for the healthcare sector	Sri Lanka
Headstart (Private) Limited[2, 10 and 15]	-	41.86	58.14	Creating and providing e-learning content	Sri Lanka
Subsidiary held through DH					
My Health (Private) Limited[2, 9 and 14] ("MyHealth")	-	40.15	59.85	Developing and operating a state-of-the-art electronic commerce infrastructure for the healthcare sector	Sri Lanka
Subsidiary held through Robi Axiata Limited					
RedDot Digital Limited[3]	-	61.81	38.19	Provision of IT, information and communications technology services to facilitate Robi's non-mobile network operator business activities	Bangladesh
Subsidiary held through Axiata Digital Labs (Private) Limited					
PT Axiata Digital Labs Indonesia[2 and 5]	-	100.00	-	Software development and IT enabled services venture of Axiata Group	Indonesia
Subsidiary held through Axiata Investments 1 (India) Limited					
Axiata Investments 2 (India) Limited[2]	-	100.00	-	Investment holding	Mauritius
Subsidiary held through Axiata Investments (Cambodia) Limited					
Axiata (Cambodia) Holdings Limited[1]	-	72.48	27.52	Investment holding	Federal Territory Labuan, Malaysia
Subsidiary held through Axiata (Cambodia) Holdings Limited					
Smart Axiata Co., Ltd[2]	-	72.48	27.52	Mobile telecommunication services	Cambodia
Associate held through Smart Axiata Co., Ltd					
edotco (Cambodia) Co., Ltd[2]	-	14.50	5.50	Telecommunication infrastructure and services	Cambodia

44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiaries held through Celcom Axiata Berhad					
Celcom Mobile Sdn Bhd[1]	-	100.00	-	Mobile communications, network and application services and content	Malaysia
Celcom Networks Sdn Bhd[1]	-	100.00	-	Network telecommunications, capacity and services	Malaysia
Celcom Properties Sdn Bhd[1]	-	100.00	-	Property investment	Malaysia
Escape Axiata Sdn Bhd[1 and 6]	-	100.00	-	Dormant	Malaysia
Celcom Retail Holding Sdn Bhd[1]	-	100.00	-	Strategic and business development, management, administrative, support services and investment holding	Malaysia
Celcom Intelligence Sdn Bhd[1 and 6]	-	100.00	-	Dormant	Malaysia
Celcom Timur (Sabah) Sdn Bhd[1]	-	80.00	20.00	Fibre optic transmission network	Malaysia
Celcom eCommerce Sdn Bhd[1 and 6]	-	100.00	-	Dormant	Malaysia
Celcom Resources Berhad[1]	-	100.00	-	Investment holding	Malaysia
Subsidiary held through Celcom Retail Holding Sdn Bhd					
Celcom Retail Sdn Bhd[1]	-	100.00	-	Trading and distribution of communication devices and related products and managing retail stores	Malaysia
Subsidiary held through Celcom Resources Berhad					
Celcom Trading Sdn Bhd[1]	-	100.00	-	Dealing in marketable securities	Malaysia
Subsidiaries held through Axiata Digital Services Sdn Bhd					
Axiata Digital & Analytics Sdn Bhd (formerly known as Axiata Digital Advertising Sdn Bhd)[1 and 15]	-	61.23	38.77	Investment holding and provision of multimedia advertising services as well as multimedia advertising sales support services	Malaysia
Axiata Digital Bangladesh (Private) Limited[3]	-	96.46	3.54	Online ticketing services	Bangladesh
Boost Holdings Sdn Bhd[1]	-	75.36	24.64	Investment holding	Malaysia
Apigate Inc.[2]	-	96.47	3.53	Technology enabler service provider	United States of America
ADS Digital Ventures Sdn Bhd (formerly known as Merchantrade Digital Services Sdn Bhd)[1 and 16]	-	96.47	3.53	Dormant	Malaysia

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44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiaries held through Boost Holdings Sdn Bhd					
Axiata Digital Capital Sdn Bhd[1]	-	75.36	24.64	Micro-financing, money lending services, micro-insurance and related services, including related technology services	Malaysia
Apigate Sdn Bhd[1]	-	75.36	24.64	Application programming interface, software and mobile applications	Malaysia
Axiata Digital eCode Sdn Bhd[1]	-	75.36	24.64	e-wallet mobile application and other related services	Malaysia
PT Axiata Digital Services Indonesia[2]	-	75.36	24.64	Provision of digital services	Indonesia
PT Creative Mobile Adventure[2 and 14]	-	51.81	48.19	IT-based platform lending	Indonesia
Subsidiaries held through Axiata Digital & Analytics Sdn Bhd					
PT Axiata Digital Analytics Indonesia[2 and 15]	-	61.58	38.42	Provision of digital analytics services	Indonesia
ADA Digital Singapore Pte Ltd[2 and 15]	-	61.23	38.77	Advertising service provider and investment holding	Singapore
Subsidiaries held through ADA Digital Singapore Pte Ltd					
Adknowledge Asia Pacific (India) Private Limited[2 and 15]	-	61.23	38.77	Dormant	India
ADA Digital Philippines Inc[2 and 15]	-	61.22	38.78	Provision of technology and software solutions	Philippines
ADA Digital (Thailand) Co., Ltd[2 and 15]	-	61.14	38.86	Provision of IT products and services for online media companies	Thailand
ADA Asia Malaysia Sdn Bhd[1 and 15]	-	61.23	38.77	Provision of multimedia advertising services and creative content, as well as multimedia advertising sales support services	Malaysia
PT ADA Asia Indonesia[2 and 15]	-	60.62	39.38	Provision of multimedia advertising services and creative content, as well as multimedia advertising sales support services	Indonesia
Komli Network Philippines, Inc[2, 6, 11 and 15]	-	61.23	38.77	Dormant	Philippines
AAD Holdings Pte Ltd[2 and 14]	-	61.23	38.77	Investment holding	Singapore
Subsidiary held through Apigate Sdn Bhd and Boost Holdings Sdn Bhd					
Apigate India Services Private Ltd[2]	-	75.36	24.64	Support services	India
Subsidiary held through Apigate Inc					
Apigate (Private) Limited[2 and 6]	-	96.47	3.53	Dormant	Sri Lanka

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44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiary held through Axiata Digital Capital Sdn Bhd and PT Axiata Digital Services Indonesia					
PT Axiata Digital Capital Indonesia[2]	-	75.36	24.64	Provision of service in data processing and management consultation	Indonesia
Subsidiaries held through AAD Holdings Pte Ltd					
AAD Indochina Pte Ltd[2 and 14]	-	61.23	38.77	Investment holding	Singapore
AADistribution Phils Inc[2 and 14]	-	61.23	38.77	e-commerce distribution business and rendering solutions for clients	Philippines
Awake Asia Distribution Sdn Bhd[1 and 14]	-	61.23	38.77	Trading, retailing and distributing all kinds of goods through e-commerce	Malaysia
Awake Asia Distribution Pte Ltd[2 and 14]	-	61.23	38.77	Develop and provision of information technology related services	Singapore
PT Awake Asia Distribution Indonesia[2 and 14]	-	61.23	38.77	e-commerce distribution business	Indonesia
Subsidiary held through AAD Indochina Pte Ltd					
Thien An Investment Co., Ltd[1 and 14]	-	61.23	38.77	Provision of retail, consignment and service through e-commerce	Vietnam
Subsidiaries held through Axiata Business Services Sdn Bhd					
Xpand Investments (Labuan) Limited[1]	-	100.00	-	Investment holding	Federal Territory Labuan, Malaysia
Axiata Global Service Pte. Ltd.[2]	-	100.00	-	To provide international carrier services, management of partnerships and alliances	Singapore
Subsidiary held through Xpand Investments (Labuan) Limited					
Suvitech Co., Ltd[2]	-	65.00	35.00	Owner and operation of a mobile virtual network enabler (MVNE) platform services for customer, enterprise and IoT services	Thailand
Subsidiaries held through edotco Group Sdn Bhd					
edotco Malaysia Sdn Bhd[1]	-	63.00	37.00	Telecommunication infrastructure and services	Malaysia
edotco Investments (Labuan) Limited[1]	-	63.00	37.00	Investment holding	Federal Territory Labuan, Malaysia
edotco Holdings (Labuan) Limited[1]	-	63.00	37.00	Investment holding	Federal Territory Labuan, Malaysia

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44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiaries held through edotco Group Sdn Bhd (continued)					
PT edotco Infrastruktur Indonesia[5]	-	63.00	37.00	Telecommunication infrastructure and services	Indonesia
edotco Bangladesh Co. Ltd[3]	-	44.10	55.90	Telecommunication infrastructure and services	Bangladesh
Subsidiaries held through edotco Malaysia Sdn Bhd					
Tanjung Digital Sdn Bhd[1]	-	50.40	49.60	Investment holding	Malaysia
On Site Services Sdn Bhd[1 and 13] ("OSS")	-	63.00	37.00	Provision of field line maintenance business including preventive, corrective maintenance and support services	Malaysia
Touch Mindscape Sdn Bhd[1 and 14]	-	63.00	37.00	Telecommunication infrastructure and services	Malaysia
Subsidiary held through Tanjung Digital Sdn Bhd					
Yiked Bina Sdn Bhd[1]	-	50.40	49.60	Telecommunication infrastructure and services	Malaysia
Subsidiaries held through Touch Mindscape Sdn Bhd					
Touch Matrix Sdn Bhd[1 and 14]	-	63.00	37.00	Telecommunication infrastructure and services	Malaysia
Shahzan Alam Muda Sdn Bhd[1 and 14]	-	50.40	49.60	Telecommunication infrastructure and services	Malaysia
Touch Mindscape (Melaka) Sdn Bhd[1 and 14]	-	34.65	65.35	Telecommunication infrastructure and services	Malaysia
Touch Mobile Sdn Bhd[1 and 14]	-	63.00	37.00	Other business support service activities	Malaysia
Subsidiaries held through edotco Investments (Labuan) Limited					
edotco Services Lanka (Private) Limited[2]	-	63.00	37.00	Provision of end to end Integrated Infrastructure Services	Sri Lanka
edotco Towers (Bangladesh) Limited[3]	-	63.00	37.00	Telecommunication infrastructure and services	Bangladesh
edotco Pakistan (Private) Limited[2]	-	63.00	37.00	Telecommunication infrastructure and services	Pakistan
edotco Investments Singapore Pte Ltd[2]	-	55.13	44.87	Investment holding	Singapore
edotco Lao Company Limited[4]	-	50.40	49.60	Telecommunication infrastructure and services	Laos
ISOC edotco Towers, Inc.[2]	-	32.13	67.87	Telecommunication infrastructure and services	Philippines
Subsidiary held through edotco Holdings (Labuan) Limited					
edotco (Cambodia) Co., Ltd[2]	-	50.40	29.60	Telecommunication infrastructure and services	Cambodia

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Notes to the Financial Statements For the financial year ended 31 December 2021

44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

Name of company	Ownership interest directly held by the parent (%)	Ownership interest held by the Group (%)	Ownership interest held by NCI (%)	Principal activities	Country and place of incorporation
Subsidiary held through edotco Pakistan (Private) Limited					
edotco Towers Pakistan (Private) Limited[2]	-	63.00	37.00	Telecommunication infrastructure and services	Pakistan
Subsidiaries held through edotco Investments Singapore Pte Ltd					
Asian Towers Holdings Private Limited[2]	-	55.13	44.87	Investment holding	Singapore
edotco Myanmar Limited[3]	-	55.13	44.87	Telecommunication infrastructure and services	Myanmar
edotco Urban Infrashare Ltd[3]	-	55.13	44.87	Telecommunications infrastructure and related services	Myanmar
Subsidiary held through Axiata Investments (UK) Limited					
Reynolds Holdings Limited[4]	-	100.00	-	Investment holding	St Kitts and Nevis
Subsidiary held through Reynolds Holdings Limited					
Ncell Axiata Limited[3 and 8]	-	80.00	20.00	Telecommunication services	Nepal

1 Audited by PricewaterhouseCoopers Malaysia.

2 Audited by member firms of PricewaterhouseCoopers International Limited which are separate and independent legal entities from PricewaterhouseCoopers Malaysia.

3 Audited by a firm other than a member firm of PricewaterhouseCoopers International Limited.

4 No audit is required as allowed by the laws of the respective country of incorporation.

5 Incorporated during the financial year.

6 Inactive as at 31 December 2021.

7 In accordance with IC Interpretation 112 “Consolidation - Special Purpose Vehicles”, Axiata Foundation is consolidated in the Group as the substance of the relationship between the Company and the special purpose entity indicates that the entity is controlled by the Company.

8 Ncell has a financial year end in accordance with the calendar year of Nepal which falls in the middle of July every year.

9 The Company and Dialog hold direct interest of 25.00% respectively in DADIF. The Group exercises its controlling power on DADIF via the Investment and Shareholders’ Agreement.

Accordingly, the Group also exercises its controlling power on DH and MyHealth via its subsidiaries, DADIF and Dialog.

10 The Group exercises its controlling power via its subsidiary, Dialog.

11 On 31 October 2019, Komli Network Philippines Inc commenced the voluntary liquidation and dissolution.

12 Ownership interest in XL is calculated based on issued and paid-up share capital of XL, excluding treasury shares with no voting rights. Based on the total issued and paid-up share capital of XL, including treasury shares, the ownership interest held by the Group and NCI is 61.16% and 38.31%, respectively.

Audited Financial Statements

Notes to the Financial Statements For the financial year ended 31 December 2021

44. LIST OF SUBSIDIARIES (CONTINUED)

The list of subsidiaries of the Group as at 31 December 2021 is as follows: (continued)

[13] Ownership interest in OSS is calculated based on issued and paid-up share capital of OSS, including issued and paid-up share capital held by CIMB Commerce Trustee Berhad ("CIMB Trustee") for the purpose of establishing the employee benefit trust scheme of OSS ("OSS Scheme"). The subscription and dealings of the employee benefit trust shares ("EBT Shares") under the Scheme shall be in the manner prescribed by the Board of OSS or OSS Scheme Committee from time to time.

In accordance with MFRS 10 - Consolidated Financial Statements, the Group does not recognise any non-controlling interest in relation to the EBT Shares held by CIMB Trustee as the Group effectively has control over the EBT Shares. Based on the total issued and paid-up share capital of OSS, the ownership interest held by the Group excluding EBT Shares is 49.77% and the ownership interest held by CIMB Trustee in relation to the EBT Shares is 50.23%.

[14] Acquisitions during the financial year as disclosed in Note 5(a)(ii) and Note 5(a)(iii) to the financial statements.

[15] Change in ownership interests due to disposal and dilutions during the financial year as disclosed in Note 5(a)(i) and Note 5(a)(v) to the financial statements.

[16] Change in ownership interests due to accretion during the financial year as disclosed in Note 5(a)(vi) to the financial statements.

45. LIST OF ASSOCIATES

The list of associates of the Group as at 31 December 2021 is as follows:

Name of company	Ownership interest held by the Group 2021 (%)	2020 (%)	Principal activities	Country and place of incorporation
Associate held through Celcom Axiata Berhad				
Sacofa Sdn Bhd	**15.12**	15.12	Telecommunication infrastructure and services company including all its related businesses	Malaysia
Associate held through Dialog Axiata PLC				
Firstsource - Dialog Solutions (Private) Limited[4]	**21.51**	21.58	Dormant	Sri Lanka
Associate held through Digital Broadband Networks (Private) Limited				
Digital Realty (Private) Limited[4]	**28.96**	29.05	Establish, operate and manage data centre	Sri Lanka
Associate held through Axiata SPV4 Sdn Bhd				
Axiata Digital Innovation Fund Sdn Bhd[1]	**62.19**	62.19	Venture capital fund	Malaysia
Associates held through Smart Axiata Co., Ltd				
SADIF LP[2]	**57.98**	57.98	Venture capital fund	Federal Territory Labuan, Malaysia
Pi Pay International Co. Limited[3]	**19.15**	19.15	Investment holding	Hong Kong
Associate held through PT XL Axiata Tbk				
PT Princeton Digital Group Data Centres[4]	**18.44**	19.98	Provision of information and communication service with the main business to develop hosting activities	Indonesia

[1] The Group and the Company exercised its significant influence via 1 out of 7 votes in the Investment Committee.

[2] The Group exercised its significant influence via 2 out of 5 votes in the Investment Committee.

[3] SmartLuy PLC completed merger with Pi Pay PLC as disclosed in Note 5(b)(i) in the financial statements.

[4] Change in ownership interests due to disposal and dilutions during the financial year as disclosed in Note 5(a)(i) and Note 5(a)(v) to the financial statements.

46. LIST OF JOINT VENTURES

The list of joint ventures of the Group as at 31 December 2021 is as follows:

Name of company	Ownership interest held by the Group 2021 (%)	Ownership interest held by the Group 2020 (%)	Principal activities	Country and place of incorporation
Joint ventures held through Celcom Axiata Berhad				
PLDT Malaysia Sdn Bhd[1] ("PLDT Malaysia")	-	49.00	Mobile virtual network operator	Malaysia
Tune Talk Sdn Bhd[2] ("Tune Talk")	-	35.00	Mobile communication services	Malaysia
Merchantrade Asia Sdn Bhd ("Merchantrade")	-	20.00	Provision of money services business (remittance business and currency business), communication business and payment business	Malaysia
Joint venture held through Celcom Mobile Sdn Bhd ("Celcom Mobile")				
Tune Talk Sdn Bhd[2]	**35.00**	-	Mobile communication services	Malaysia
Joint venture held through Axiata SPV4 Sdn Bhd ("SPV4")				
Merchantrade Asia Sdn Bhd[3 and 4]	**19.00**	-	Provision of money services business (remittance business and currency business), communication business and payment business	Malaysia
Joint venture held through PT XL Axiata Tbk				
PT One Indonesia Synergy[4]	**30.74**	33.30	Consultancy services in future network collaboration	Indonesia
Joint venture held through Axiata Digital Services Sdn Bhd				
Trust Axiata Digital Limited	**47.27**	47.27	Mobile financial services	Bangladesh

1. PLDT Malaysia commenced members' voluntary winding-up on 14 August 2019 pursuant to Section 432(2)(a) of the Companies Act 2016. The Liquidator of PLDT Malaysia lodged the required return with the Registrar of Companies and Official Receiver on 4 December 2020. Pursuant to Section 459(5) of the Companies Act 2016, three (3) months after the lodgement of such return, PLDT Malaysia was dissolved on 5 March 2021.

2. During the financial year, Celcom transferred 35.00% of its interest in Tune Talk to its wholly owned subsidiary, Celcom Mobile at a consideration equivalent to the carrying amount as at the date of transfer.

3. On 2 November 2021, Celcom completed the transfer of its 20.00% equity interest ("Sale Shares") in Merchantrade to the Company. The Company nominated SPV4 to receive the Sale Shares.

4. Change in ownership interest due to disposal and dilutions during the financial year as disclosed in Note 5(a)(i), Note 5(a)(iv) and Note 5(a)(v) to the financial statements.

47. 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 Disclosures.

The Government of Malaysia and bodies controlled or jointly controlled by the Government of Malaysia are related parties of the Group. The Government of Malaysia has significant influence over 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.

Key management personnel are the persons who have authority and responsibility for planning, directing and controlling the activities of the Group or the Company either directly or indirectly. Key management personnel of the Group and the Company include the Senior Leadership Team who report directly to the Group Chief Executive Officer.

Whenever it exists, related party transactions also include transactions with entities that are controlled, joint ventures or significantly influenced directly by any key management personnel or their close family members.

In addition to related party transactions and balances mentioned elsewhere in the financial statements, set out below are significant related party transactions and balances which were carried out on terms and conditions negotiated amongst the related parties.

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Notes to the Financial Statements For the financial year ended 31 December 2021

47. RELATED PARTY TRANSACTIONS (CONTINUED)

		Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(a)	Sale of goods and services:				
	Associates:				
	- Telecommunication services	**1,519**	-	**-**	-
	Joint ventures:				
	- Telecommunication services	**281,726**	249,460	**-**	-
(b)	Purchase of goods and services:				
	Associates:				
	- Leaseline charges, maintenance and others	**(122,054)**	(114,757)	**-**	-
	Joint ventures:				
	- Revenue sharing	**(1,163)**	(1,116)	**-**	-
(c)	Intercompany service agreement with subsidiaries:				
	- Technical and management services	**-**	-	**71,120**	61,146
(d)	Dividends received from subsidiaries[1]	**-**	-	**1,635,052**	1,629,946
(e)	Receivable from associates	**4,262**	8,148	**-**	-
(f)	Receivable from joint ventures	**21,853**	43,222	**-**	-
(g)	Payable to associates	**(6,107)**	(4,904)	**-**	-
(h)	Lease payable to associates	**(123,316)**	(127,489)	**-**	-
(i)	Amounts due from subsidiaries:				
	- Repayments from	**-**	-	**375,661**	181,710
	- Advances to	**-**	-	**(526,896)**	(2,596,698)
(j)	Amounts due to subsidiaries:				
	- Advances from	**-**	-	**179,333**	4,902,427
	- Repayments to	**-**	-	**(6,382)**	(1,767,596)
(k)	Interest expense on advances from subsidiaries	**-**	-	**(190,736)**	(21,766)
(l)	Interest income on advances to subsidiaries	**-**	-	**90,013**	25,295

(m) Key management compensation short term employee benefits:

	Group and Company	
	2021 RM'000	2020 RM'000
- Salaries, allowances and bonus:		
- current financial year	**24,595**	36,940
- prior financial year	**(828)**	2,998
- Contribution to EPF	**1,746**	3,120
- Estimated money value of benefits	**12**	18
- Other staff benefits	**230**	180
- Share-based compensation expense	**4,401**	14,105

Included in key management compensation is the Executive Directors' remuneration of the Company as disclosed in Note 7(e) to the financial statements.

[1] During the financial year, dividend received amounting to RM900.2 million (2020: RM1,298.3 million) are non-cash transactions, of which RM330.1 million (2020: RM479.9 million) were offset against amounts due to subsidiaries.

48. DIVIDENDS

	Tax-exempt dividend under single tier system					
	2021			2020		
	Type	Per ordinary share Sen	Total RM'000	Type	Per ordinary share Sen	Total RM'000
In respect of financial year ended 31 December:						
- 2019	-	-	-	Final	4.0	366,758
- 2019	-	-	-	Special	0.5	45,845
- 2020	**Final**	**5.0**	**458,631**	Interim	2.0	183,390
- 2021	**Interim**	**4.0**	**366,908**	-	-	-
		9.0	**825,539**		6.5	595,993

The Board of Directors had, on 21 February 2022, declared a tax-exempt dividend under single tier system of 5.5 sen per ordinary share of the Company in respect of the financial year ended 31 December 2021.

49. SIGNIFICANT EVENTS DURING THE YEAR

(a) Proposed Merger of Celcom Axiata Berhad ("Celcom") and Digi.com Berhad ("Digi")

On 8 April 2021, the Group announced that the Group and Telenor Asia Pte Ltd ("Telenor Asia") (collectively, the "Parties") are in advanced discussions to undertake a merger of the telco operations of Celcom and Digi ("MergeCo").

On 21 June 2021, the Group announced that the Parties have successfully concluded the due-diligence exercise and signed the following agreements for the proposed merger between Digi and Celcom ("Proposed Merger"):

(i) conditional share purchase agreement with Digi ("SPA"); and
(ii) master transaction agreement with Telenor Asia and Telenor ASA ("Telenor") ("MTA").

On the closing of the SPA, the Group intends to enter into a shareholders' agreement with Telenor Asia and Telenor to establish the respective rights and obligations of the parties with respect to the activities and governance of MergeCo as well as ownership and disposition of the securities in MergeCo ("SHA"). (The SPA, MTA and the agreed form of the SHA are collectively referred to as the "Transaction Agreements").

At completion, the merger of Celcom and Digi will result in the Group receiving newly issued ordinary shares in Digi, representing 33.10% of the enlarged issued share capital of Digi, cash consideration of RM2.0 billion adjusted with movement in net debt and working capital of which RM1.7 billion from Digi as new debt and RM297.9 million from Telenor Asia for the purpose of ownership equalisation under the terms of the Transaction Agreements.

Completion of the transaction will be subject to the approval of both Axiata and Digi shareholders, regulatory approvals and other customary terms and conditions. Barring unforeseen circumstances, the Proposed Merger is expected to be completed by the second quarter of 2022.

(b) Proposed Acquisition of 66.03% Equity Interest in PT Link Net TBK ("Link Net")

The Company and its subsidiary, XL (XL together with the Company collectively referred to as the "Purchasers") had on 30 July 2021 entered into a non-binding term sheet with Asia Link Dewa Pte. Ltd. and PT First Media Tbk (collectively, referred to as the "Sellers") to facilitate discussions and negotiations for a potential acquisition of 1,816,735,484 shares representing approximately 66.03% of the entire issued and paid-up capital of Link Net owned by the Sellers.

On 27 January 2022, the Purchasers signed a conditional share purchase agreement ("Link Net SPA") to jointly acquire an aggregate 66.03% equity interest in Link Net from the Sellers. The purchase consideration has been agreed at IDR4,800 per ordinary share in Link Net ("Link Net Shares") or approximately IDR8.7 trillion (equivalent to approximately RM2.6 billion) (the "Proposed Acquisition"). This translates to a value of about IDR13.2 trillion (equivalent to approximately RM3.9 billion) for 100.00% equity interest in Link Net.

Under the terms of the Link Net SPA, AII, an indirect wholly owned subsidiary of the Company, and XL shall acquire 46.03% and 20.00% respectively from the combined equity interest of 66.03% in Link Net held by the Sellers. AII will then be obligated to undertake a mandatory tender offer to acquire the remaining 33.97% Link Net Shares pursuant to regulatory requirements in Indonesia ("Proposed MTO").

The Proposed Acquisition and Proposed MTO ("Proposals") are expected to be completed in the third quarter of 2022 and will be subjected to customary completion conditions, including regulatory and shareholder approvals. The Proposals will be funded via a combination of internally generated funds and/or bank borrowings, the proportions of which will be determined at a later date.

50. EVENTS AFTER REPORTING PERIOD

(a) Acquisition of Equity Interest in Infront Consulting Group (M) Sdn Bhd ("Infront Malaysia")

On 26 August 2021, Celcom entered into the following agreements for the proposed acquisition and proposed subscription of a total of 362,827 ordinary shares in Infront Malaysia representing 60.00% of the enlarged issued and paid-up share capital of Infront Malaysia for a total cash consideration of RM5.5 million:

(i) a conditional Share Purchase Agreement dated 26 August 2021 ("Infront Malaysia SPA") entered into between Celcom and Redynamics Asia Sdn Bhd ("Vendor") for the proposed acquisition of 258,115 Infront Malaysia shares from the Vendor for a total cash consideration of RM4.0 million, comprising an initial payment of RM2.0 million subject to adjustments in accordance with the terms of the Infront Malaysia SPA and deferred payments of RM2.0 million upon certain profit guarantee targets being achieved.

(ii) a conditional Share Subscription Agreement dated 26 August 2021 ("SSA2") entered into between Celcom as investor, Infront Malaysia as issuer and the Vendor for the proposed subscription by Celcom of 104,712 new Infront Malaysia shares at a subscription price of RM1.5 million; (hereinafter referred to as the "Proposed Infront Malaysia Acquisition").

Both the Infront Malaysia SPA and the SSA2 shall be contemporaneous and conditional upon one another.

Upon completion of the Proposed Infront Malaysia Acquisition on 3 January 2022, Celcom will effectively own 60.00% of Infront Malaysia resulting in Celcom becoming the beneficial owner of the said equity interest. As at 20 January 2022, Celcom became the legal owner of the 60.00% equity interest.

(b) Acquisition of Equity Interest in Bridgenet Solutions Sdn Bhd ("Bridgenet Solutions")

On 15 November 2021, Celcom entered into the following agreements for the proposed subscription and proposed acquisition of a total of 1,308,297 ordinary shares in Bridgenet Solutions representing 51.00% of the enlarged issued and paid-up share capital of Bridgenet Solutions for a total cash consideration of RM36.1 million:

(i) a conditional Share Subscription Agreement dated 15 November 2021 ("Share Subscription Agreement") entered into between Celcom, Bridgenet Solutions as issuer and Pang Cheng Hing, Leong Kin Man, Loy Kuang Haow and Queenie Lee Wei Leng (collectively known as "Existing Shareholders") for the proposed subscription by Celcom of 565,289 new Bridgenet Solutions' shares at a subscription price of RM15.6 million. As a result of the issuance of the subscriptions shares, Bridgenet Solutions' issued ordinary shares will increase to 2,565,289 shares ("Enlarged Share Capital");

(ii) a conditional Share Sale Agreement dated 15 November 2021 ("SSA1") entered into between Celcom and Existing Shareholders for the proposed acquisition of 743,008 of Enlarged Share Capital from the Existing Shareholders for a total cash consideration of RM20.5 million subject to adjustments in accordance with the terms of the SSA1; (hereinafter referred to as the "Proposed Bridgenet Solutions Acquisition").

Both the Share Subscription Agreement and SSA1 shall be contemporaneous and conditional upon one another.

Upon completion of the Proposed Bridgenet Solutions Acquisition on 8 January 2022, the Company will effectively own 51.00% of Bridgenet Solutions resulting in Celcom becoming the beneficial owner of the said equity interest. As at 15 February 2022, Celcom became the legal owner of the 51.00% equity interest.

(c) Spectrum assignment for the 2x10MHz spectrum in the 2600MHz band

Celcom accepted an offer from MCMC for the 2x10MHz spectrum in the 2600MHz band. Celcom had paid an upfront fee for the assigned spectrum of RM11.8 million on 11 February 2022. The effective period for the spectrum commences 1 July 2022 for a period of 5 years and an annual fee component of RM20.8 million is payable throughout the validity of the spectrum assignment.

(d) Digital Nasional Berhad ("DNB") as the special purpose vehicle for implementation of 5G services in Malaysia under Single Wholesale Network ("SWN") model

In March 2021, the Government of Malaysia (the "Government") first announced DNB as the special purpose vehicle to own, implement and manage 5G infrastructure and provide equal access wholesale 5G services to licensed telecommunications companies ("telcos") under SWN model. On 16 March 2022, the Government further announced that Malaysia will proceed with its 5G rollout via the SWN model operated by DNB and it will offer up to 70.00% equity in DNB to telcos and retain the remaining 30.00% stake. The Group will engage with relevant parties on further details on implementation of the SWN model, including the proposed shareholding offer and transaction process. The Group is currently assessing the impact based on information available.

(e) Acquisition of Equity Interest in PT Hipernet Indodata ("Hipernet")

On 22 March 2022, XL entered into a Conditional Share Purchase Agreement with Bridgefield Prime Investments Pte. Ltd., Ameisys Global Technologies Pte. Ltd., PT Mitra Indo Asia and PT Magna Karya Archipelago for the proposed acquisition of 2,805 ordinary shares in Hipernet representing 51.00% of the equity interest in Hipernet for a purchase consideration of approximately IDR321.3 billion (RM94.1 million).

Audited Financial Statements

Statement By Directors Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Shahril Ridza Ridzuan and Dato' Mohd Izzaddin Idris, two of the Directors of Axiata Group Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 46 to 180 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2021 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with their resolution dated 23 March 2022.

TAN SRI SHAHRIL RIDZA RIDZUAN
DIRECTOR

DATO' MOHD IZZADDIN IDRIS
DIRECTOR

Statutory Declaration Pursuant to Section 251(1) of the Companies Act 2016

I, Vivek Sood, the officer primarily responsible for the financial management of Axiata Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 46 to 180 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

VIVEK SOOD

Subscribed and solemnly declared by the above named Vivek Sood at Kuala Lumpur on 23 March 2022, before me.

PESURUHJAYA SUMPAH
No. : W 538
Nama : Woon Mee Chin
1/1/22 - 31/12/24
MALAYSIA

22A, LORONG ARA KIRI 2
LUCKY GARDEN, BANGSAR
59100 KUALA LUMPUR
COMMISSIONER FOR OATHS

Audited Financial Statements

Independent Auditors' Report To the Members of Axiata Group Berhad

(Incorporated in Malaysia)
Registration No. 199201010685 (242188-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Axiata Group Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 46 to 180.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements and Axiata Investments (UK) Limited's cost of investment impairment assessment in the Company's financial statements Refer to Note 3(b)(i) – Significant accounting policies – Goodwill, Note 3(d) – Significant accounting policies – Investments in subsidiaries, associates and joint ventures in separate financial statements, Note 3(e) – Significant accounting policies – Impairment of non-financial assets (excluding goodwill), Note 4(b)(i) – Critical accounting estimates and judgements – Impairment assessment of goodwill, Note 25 – Intangible assets and Note 29 – Subsidiaries (a) Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements As at 31 December 2021, the Group's goodwill arising from its acquisition of Ncell Axiata Limited ("Ncell") in Nepal was RM2,749.0 million. The Group is required to test goodwill for impairment annually based on the requirements of MFRS 136 - Impairment of Assets.	(a) Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements We performed the following audit procedures: • We were assisted by our valuation expert in assessing the appropriateness of the methodology adopted by management for impairment assessment in accordance with MFRS 136 - Impairment of Assets;

Audited Financial Statements

Independent Auditors' Report To the Members of Axiata Group Berhad

(Incorporated in Malaysia)
Registration No. 199201010685 (242188-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements and Axiata Investments (UK) Limited's cost of investment impairment assessment in the Company's financial statements (continued)	
(a) Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements (continued) Management's assessment of Ncell's recoverable amount which was based on the 'fair value less costs to sell' model involved significant judgements and assumptions about Ncell's future cash flows, discount rate, terminal growth rate and annual licence fees in the terminal year. These judgements and assumptions are inherently uncertain. Based on the impairment assessment performed, the carrying amount of Ncell as at 31 December 2021 exceeded its recoverable amount by RM338.4 million, hence a corresponding impairment loss to goodwill was recognised during the financial year.	(a) Ncell Axiata Limited's goodwill impairment assessment in the Group's financial statements (continued) We performed the following audit procedures: (continued) • We assessed key assumptions, including the discount rate, terminal growth rate and revenue growth rate by comparing these assumptions against publicly available macroeconomic and industry data. This included assessing the impact of COVID-19 on the industry using both historical data as well as market expectations from industry reports, where available; • We discussed with management the assumptions underlying the cash flow projections including the terminal year cash flows especially the annual licence fees in the terminal year, and the likelihood of its licence renewal with the Government of Nepal beyond the maximum licence period which ends in 2029; • We assessed the reliability of management's forecast by comparing prior year forecast against actual results; and where applicable, obtained relevant corroborative or supporting evidence that management's projections may include periods into perpetuity. This included obtaining relevant supporting documents such as external legal opinion, as appropriate, that there is no contradictory evidence against management's assumptions; • We checked the sensitivity analysis performed by management by stress testing the discount rate, terminal growth rate and annual licence fees in the terminal year; and • We checked the appropriateness of disclosures in the financial statements of the Group. Based on the procedures performed above, we did not find any material exceptions.
(b) Axiata Investments (UK) Limited's cost of investment impairment assessment in the Company's financial statements The Company performed an impairment assessment of the cost of investment in Axiata Investments (UK) Limited ("AIUK") during the financial year as there were indicators of impairment. Based on the impairment assessment, the carrying amount of the Company's cost of investment in AIUK as at 31 December 2021 exceeded its recoverable amount by RM603.1 million, hence an impairment loss was recognised. We focused on (a) and (b) above as the assumptions made by the Group and the Company in determining the recoverable amounts are inherently uncertain, require significant judgements and are sensitive to changes.	(b) Axiata Investments (UK) Limited's cost of investment impairment assessment in the Company's financial statements In addition to the procedures performed on the underlying cash flow projections of Ncell as described above, we have performed the following audit procedures: • We checked the computation of AIUK's equity value prepared by management with assistance from our valuation expert; • We checked the sensitivity analysis performed by management by stress testing the discount rate, terminal growth rate, annual licence fees in the terminal year and deposits paid to avoid possible penalties in relation to an ongoing arbitration case; and • We checked the appropriateness of disclosures in the financial statements of the Company. Based on the procedures performed above, we did not find any material exceptions.

Audited Financial Statements

Independent Auditors' Report To the Members of Axiata Group Berhad

(Incorporated in Malaysia)
Registration No. 199201010685 (242188-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Acquisition of equity interest in Touch Mindscape Sdn Bhd and its subsidiaries ("Touch Mindscape Group") and Touch Mindscape Group's goodwill impairment assessment in the Group's financial statements Refer to Note 3(a)(i) – Significant Accounting Policies – Subsidiaries, Note 3(b)(i) – Significant accounting policies – Goodwill, Note 4(b)(i) – Critical accounting estimates and judgements – Impairment assessment of goodwill, Note 5(a)(ii) – Significant changes in composition of the Group – Acquisition of equity interest in Touch Mindscape Sdn Bhd and its subsidiaries ("Touch Mindscape Group") and Note 25 – Intangible assets	
(a) Acquisition of equity interest in Touch Mindscape Group edotco Malaysia Sdn Bhd, an indirect subsidiary of the Company held via edotco Group Sdn Bhd, had on 20 December 2021 completed its acquisition of the entire equity interest in Touch Mindscape Sdn Bhd, together with its subsidiaries ("Touch Mindscape Group"), at a net purchase consideration of RM1,586.4 million after adjustments provided under the terms and conditions of the Share Sale Agreement ("SSA") dated 30 November 2021. The Group assessed the fair value of identified assets acquired and liabilities assumed on the date of acquisition via a purchase price allocation exercise. A provisional goodwill of RM1,146.3 million was recognised in the financial statements on the date of acquisition. We focused on the above as the assumptions made in determining the fair value of the purchase consideration and the identifiable assets acquired and liabilities assumed are inherently uncertain, require significant judgements and are sensitive to changes.	(a) Acquisition of equity interest in Touch Mindscape Group We performed the following procedures: • We read the SSA and board minutes to agree the purchase consideration and corroborate identifiable assets acquired and liabilities assumed; • Management's identification of intangible assets acquired was checked by way of understanding the rationale for the acquisition and benchmarking the transaction to similar telecommunication tower company acquisition transactions; • We were assisted by our valuation expert in assessing the appropriateness of the methodology adopted by management in determining the fair value of the purchase consideration and identifiable assets acquired and liabilities assumed in accordance with MFRS 13 - Fair Value Measurement; • We tested the valuation of identifiable assets acquired and liabilities assumed prepared by management as follows: - In checking the fair value of contingent considerations, we assessed the probability of future events happening and the timing of the cash flows based on contractual terms and conditions and historical experience; - In checking the fair value of intangible assets, we assessed the discount rate with reference to comparable companies and industries in Malaysia. Earnings Before Interest, Tax, Depreciation and Amortisation margin and estimated useful life were assessed based on agreed contractual terms with customers and expected renewals; - In checking the fair value of property, plant and equipment, we assessed cost estimates used against independent quotes obtained from vendors; and - We checked goodwill allocation of the acquisition based on expected synergies arising from increasing the regional tower and fibre footprint to Touch Mindscape Group's overall business. • We checked the appropriateness of disclosures in the financial statements of the Group. Based on the procedures performed above, we did not find any material exceptions.

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Acquisition of equity interest in Touch Mindscape Sdn Bhd and its subsidiaries ("Touch Mindscape Group") and Touch Mindscape Group's goodwill impairment assessment in the Group's financial statements (continued)	
(b) Touch Mindscape Group's goodwill impairment assessment in the Group's financial statements As at 31 December 2021, the Group's goodwill arising from the acquisition of Touch Mindscape Group was RM1,146.3 million. The Group is required to test goodwill for impairment annually based on the requirements of MFRS 136 - Impairment of Assets. Management's assessment of Touch Mindscape Group's recoverable amount which was based on the 'fair value less costs to sell' model involved significant judgements and assumptions about Touch Mindscape Group's future cash flows, discount rate, terminal growth rate and revenue growth rate. These judgements and assumptions are inherently uncertain. Based on the assessment, the Directors concluded that no impairment was required. We focused on the above as the assumptions made by the Group in determining the recoverable amounts are inherently uncertain, require significant judgements and are sensitive to changes.	(b) Touch Mindscape Group's goodwill impairment assessment in the Group's financial statements We performed the following audit procedures: • We were assisted by our valuation expert in assessing the appropriateness of the methodology adopted by management for impairment assessment in accordance with MFRS 136 - Impairment of Assets; • We assessed key assumptions, including the discount rate, terminal growth rate and tower and other major revenue growth drivers by comparing these assumptions against publicly available macroeconomic and industry data; • We discussed with management the assumptions underlying the cash flow projections including the terminal year cash flows, as well as the projected synergistic cash flows expected; • We assessed the reliability of management's forecast in the discounted cash flows by comparing the forecast against historical trends, including adjustments made by management due to market expectations and uncertainties; • We compared the overall reasonableness of Touch Mindscape Group's valuation against peer comparable companies within the region; • We checked the sensitivity analysis performed by management by stress testing the discount rate and terminal growth rate; and • We checked the appropriateness of disclosures in the financial statements of the Group. Based on the procedures performed above, we did not find any material exceptions.
Recognition and measurement of tax deposit paid in relation to AIUK's and Ncell's arbitration claim against Nepal Refer to Note 3(k) – Significant accounting policies – Trade and other receivables, Note 4(a)(iii) – Critical accounting estimates and judgements – Legal, regulatory and taxation claims and disputes across the Group, Note 4(b)(v) - Critical accounting estimates and judgements – Fair value of deposits paid in relation to ongoing legal, regulatory and taxation claims and disputes of the Group, Note 35 – Trade and other receivables and Note 40(e) – Contingencies, commitments and other legal matters – Other legal matters On 11 April 2016, AIUK, a wholly owned subsidiary of the Company, completed the acquisition, from TeliaSonera Norway Nepal Holdings AS, of the entire equity interest in Reynolds Holdings Limited ("Reynolds"). Reynolds in turn owns 80.00% equity interest in Ncell ("Transaction"). On 24 April 2019, AIUK and Ncell, a wholly owned subsidiary and an indirect 80.00% owned subsidiary of the Company respectively, filed a Request for Arbitration ("Request") with the International Centre for the Settlement of Investment Disputes ("ICSID") pursuant to an agreement dated 2 March 1993 between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Nepal for the Promotion and Protection of Investments ("Bilateral Investment Treaty"). Nepal was notified of the Request on 25 April 2019. AIUK's and Ncell's claims as set out in the Request related to Nepal's conduct in contravention of its international law obligations under the Bilateral Investment Treaty. In particular, the claims related to Nepal's conduct in imposing capital gains tax ("CGT") in connection with AIUK's acquisition of Reynolds' shares.	We performed the following audit procedures: • We assessed management's accounting for the arbitration claim; • We reviewed exchanges between the Group and its external legal counsel and assessed replies to our enquiries. We considered developments up to the issue date of our report; • We discussed with external legal counsel assumptions used in determining fair value of the tax deposit recognised; • We assessed assumptions used by management to evaluate the recognition and measurement of the tax deposit which included probabilities of various scenario outcomes and the timing of cash flows; and • We assessed the appropriateness of disclosures in the financial statements of the Group and of the Company. Based on the procedures performed above, we did not find any material exceptions.

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(Incorporated in Malaysia)
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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Recognition and measurement of tax deposit paid in relation to AIUK's and Ncell's arbitration claim against Nepal (continued) AIUK and Ncell dispute the entirety of the CGT allegedly payable by Ncell in connection with the Transaction and are arguing, among other things, that the imposition of CGT by Nepal in relation to the Transaction is unlawful. AIUK and Ncell are seeking remedies including restitution of sums already paid, a permanent injunction against further attempts to collect CGT from Ncell in connection with the Transaction and damages for all losses suffered in consequence of Nepal's unlawful conduct. Ncell has paid a total of NPR47,009 million (RM1,648.7 million) in alleged outstanding CGT. The Board of Directors are of the view that the Group has strong prospects of success in the arbitration proceedings against Nepal. In the event that the outcome of the case is unfavourable, the Group's and the Company's statements of comprehensive income are expected to be adjusted by approximately NPR10,346.3 million (RM362.9 million). The Group estimated the fair value of tax deposits in relation to the arbitration claim using the expected present value technique. The Group applied judgement in arriving at key assumptions to the probability-weighted average of possible future cash flows. The fair value assessment is inherently judgemental and susceptible to changes depending on the circumstances surrounding the arbitration claim. The Group, in consultation with legal counsel, made certain assumptions on timing, amounts and probability of expected future cash flows and discount rate. We considered the recognition and measurement of the tax deposits to be a key audit matter due to the uncertainties surrounding the outcome of the arbitration claim and the degree of estimation and judgement applied in determining the fair value of the tax deposit itself. Any change in the expected outcome of the arbitration claim and in the estimation and judgement applied in determining the fair value of the tax deposit could materially impact the financial statements of the Group and of the Company.	
Contingent liabilities Refer to Note 3(q) – Significant accounting policies – Contingent liabilities and contingent assets, Note 4(a)(iii) – Critical accounting estimates and judgements – Legal, regulatory and taxation claims and disputes across the Group and Note 40(d) and Note 40(e) – Contingencies, commitments and other legal matters There are a number of ongoing legal, regulatory and taxation claims and disputes across the Group. The accounting treatment for contingent liabilities is based on the Group's view of the expected outcome of these contingencies. These outcomes are assessed in consultation with legal counsel for litigation cases and internal and external experts of the Group for matters in the ordinary course of business. Provisions are recorded if it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably. We considered the measurement of litigation provisions or contingent liability disclosures to be a key audit matter due to the uncertainties surrounding the outcome of ongoing legal, regulatory and taxation claims and disputes and the degree of estimation and judgements needed in assessing the outcomes. Any change in the expected outcome of ongoing legal, regulatory and taxation claims and disputes and in the estimation and judgement applied in assessing the outcomes could materially impact the financial statements of the Group.	We performed the following audit procedures: • We obtained an understanding of management's process to identify new contingent liabilities and changes in existing contingent liabilities for compliance with the Group's policy and the requirements of MFRS 137 - Provisions, Contingent Liabilities and Contingent Assets; • We analysed significant changes in material contingent liabilities from prior periods and obtained a detailed understanding of these changes and assumptions applied; • We reviewed the exchanges between the Group and its legal counsel and assessed replies from legal counsel to our enquiries. We considered developments up to the issue date of our report; and • We assessed the appropriateness of disclosures to the financial statements of the Group. Based on the procedures performed above, we did not find any material exceptions.

Audited Financial Statements

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>Accuracy of revenue recorded given the complexity of systems

Refer to Note 3(t) – Significant accounting policies – Revenue, Note 4(a)(iv) – Critical accounting estimates and judgements – Identification of performance obligation and Note 6 – Revenue

The Group's revenue of RM25.9 billion during the financial year ended 31 December 2021 comprised primarily mobile services including interconnect services and sale of devices of RM21.6 billion and RM0.8 billion respectively.

Certain contracts with customers are bundled packages that may include sale of devices and mobile services that comprise voice, data and other services. Individual products and services are accounted for as separate performance obligations if they are distinct promised goods and services.

Judgement is involved in identifying if products and services in a bundled package are distinct as a separate promised product or service.

We focused on this area because there is an inherent risk around the accuracy of revenue recorded given the complexity of systems and the impact of changes in pricing models to revenue recognition. Revenue processed by billing systems are complex and involves large volume of data, different products sold, services and price changes.</td><td>We performed the following audit procedures:

• Evaluated the relevant IT systems and the design of controls, and tested the operating effectiveness of controls over the:
  - capturing and recording of revenue transactions;
  - authorisation of rate changes and the input of this information to the billing systems; and
  - accuracy of calculation of amounts billed to customers;

• Read and understood the key terms and conditions of significant new revenue agreements entered into during the financial year and modification to existing contracts to check the accuracy of revenue recognition;

• Checked the accounting treatment for significant new products and promotions launched with multiple element arrangements and tested that they are appropriately incorporated in the billing system for new products and products changes;

• Reviewed management's assessment on the identification of separate performance obligations over material customer contracts with bundling arrangements and assessed against the terms of the customer contracts;

• Checked stand-alone selling prices and allocation of the consideration specified in contracts for separate performance obligations to published selling prices used by the Group on their sale of products and services or available market prices; and

• Examined material non-standard journal entries and on the adjustments posted to revenue accounts.

Based on the procedures performed above, we did not find any material exceptions.</td></tr>
<tr><td>Useful lives of telecommunication network equipment

Refer to Note 3(c)(ii) – Significant accounting policies – Depreciation and residual value, Note 4(b)(iii) – Critical accounting estimates and judgements – Estimated useful lives of PPE and Note 27 – Property, plant and equipment

As at 31 December 2021, the Group recorded property, plant and equipment ("PPE") of RM27.0 billion which mainly comprised telecommunication network equipment of RM23.3 billion.

The Group reviews the estimated useful lives of PPE, in particular its telecommunication network equipment, based on approved network and information technology ("IT") modernisation plans. The network and IT modernisation plan involve estimating when telecommunication network equipment will be replaced. Useful lives of assets are revised accordingly. Future operational results could be materially affected by changes in useful lives.

We focused on this area as determining useful lives of PPE involve significant estimation and judgement. In addition, any change in estimation and judgement could materially impact the financial statements of the Group.</td><td>We performed the following audit procedures:

• We checked whether management's assessment of PPE useful lives is appropriate by considering our knowledge of the business and practice in the wider telecommunication industry and also understanding the Group's network modernisation plans; and

• We also tested whether the approved useful life changes were appropriately applied prospectively in the fixed asset register.

Based on the procedures performed above, we did not find any material exceptions.</td></tr>
</table>

Audited Financial Statements

Independent Auditors' Report To the Members of Axiata Group Berhad

(Incorporated in Malaysia)
Registration No. 199201010685 (242188-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and Statement of Risk Management and Internal Control, which we obtained prior to the date of this auditors' report, and Axiata's Integrated Annual Report 2021 Suite, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 44 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

IRVIN GEORGE LUIS MENEZES
02932/06/2022 J
Chartered Accountant

Kuala Lumpur
23 March 2022

OTHER INFORMATION

Other Information

Shareholding Statistics As at 31 March 2022

ANALYSIS OF SHAREHOLDINGS

Issued Shares:
- 9,176,804,182 Ordinary shares
- Voting Right : 1 vote per shareholder on a show of hands
  1 vote per ordinary share on a poll

Total No. of Shareholders:
- 22,615

DISTRIBUTION OF SHAREHOLDINGS
(without aggregating the securities from different securities accounts belonging to the same Depositor)

Size of Shareholdings	Shareholders				Shares			
	Malaysian		Foreign		Malaysian		Foreign	
	No.	%	No.	%	No.	%	No.	%
Less than 100	2,307	10.72	27	2.48	45,131	0.00[1]	611	0.00[1]
100 – 1,000	5,952	27.65	97	8.92	4,045,951	0.05	55,117	0.01
1,001 – 10,000	10,876	50.52	215	19.79	38,388,078	0.47	923,014	0.09
10,001 – 100,000	2,024	9.40	270	24.84	50,900,540	0.62	12,354,559	1.23
100, 001 – 458,840,208 (less than 5% of issued shares)	366	1.70	478	43.97	2,230,591,674	27.29	988,709,121	98.67
458,840,209 and above (5% and above of issued shares)	3	0.01	0	0.00	5,850,790,386	71.57	0	0.00
Total	**21,528**	**100.00**	**1,087**	**100.00**	**8,174,761,760**	**100.00**	**1,002,042,422**	**100.00**

Note:
[1] Less than 0.01%

CATEGORY OF SHAREHOLDINGS

Category of Shareholders	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Individuals	18,027	79.71	88,679,752	0.97
Bank/Finance Companies	84	0.37	2,277,832,445	24.82
Investments Trusts/Foundations/Charities	10	0.05	175,680	0.00[1]
Other Types of Companies	215	0.95	33,121,229	0.36
Government Agencies/Institutions	12	0.05	3,366,343,294	36.68
Nominees	4,265	18.86	3,410,644,724	37.17
Others	2	0.01	7,058	0.00[1]
Trustee	0	0.00	0	0.00
Total	**22,615**	**100.00**	**9,176,804,182**	**100.00**

Note:
[1] Less than 0.01%

Other Information

Shareholding Statistics As at 31 March 2022

SUBSTANTIAL SHAREHOLDERS (HOLDING 5% & ABOVE)
(as per Register of Substantial Shareholders)

No.	Name	Direct Interest		Indirect/Deemed Interest		Total Interest	
		No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares
1.	Khazanah Nasional Berhad	3,343,841,357	36.44	27,271,260*	0.30	3,371,112,617	36.74
2.	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board	1,562,369,628	17.03	-	-	1,562,369,628	17.03
3.	AmanahRaya Trustees Berhad - Amanah Saham Bumiputera	1,095,403,787	11.94	-	-	1,095,403,787	11.94

Note:
* Includes 13,572,630 Ordinary shares of Axiata Group Berhad ("Axiata Shares") held via Citigroup Nomines (Tempatan) Sdn Bhd and 13,698,630 Axiata Shares held via CGS-CIMB Nominees (Tempatan) Sdn Bhd Exempt An for CGS-CIMB Securities Sdn Bhd (SBL-KNB)

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

The Directors' direct and/or indirect interest in the Company based on the Register of Directors' Shareholdings are as follows:

Interest in the Company	Number of Ordinary shares					
	Direct Interest		Indirect Interest		Total Interest	
	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares
Tan Sri Dr Halim Shafie	-	-	10,000	0.00[1]	10,000[1]	0.00[2]

Interest in the Company	Options/RSA over number of Ordinary shares					
	Direct Interest		Indirect Interest		Total Interest	
	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares
Dato' Izzaddin Idris - PBLTIP	592,700	0.00[2]	-	-	592,700[3]	0.00[2]

Notes:
1 Shares held through spouse
2 Less than 0.01%
3 The number of Axiata PBLTIP shares that may vest is 592,700 provided that the performance targets for vesting are met. Otherwise, the number of shares that may vest could be a portion of the full amount or nil. However, if the super stretched individual performance targets and the Group's superior company performance targets at the point of vesting are met, up to 1,185,400 ordinary shares of the Company may be vested

Save as disclosed above, none of the Directors of the Company has any interest direct or indirect in the Company and its related corporations.

Other Information

Shareholding Statistics As at 31 March 2022

LIST OF TOP THIRTY LARGEST SHAREHOLDERS
(without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	No. of Shares Held	% of Issued Shares
1.	Khazanah Nasional Berhad	3,343,841,357	36.44
2.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	1,411,545,242	15.38
3.	AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	1,095,403,787	11.94
4.	Kumpulan Wang Persaraan (Diperbadankan)	282,046,177	3.07
5.	Permodalan Nasional Berhad	144,822,481	1.58
6.	AmanahRaya Trustees Berhad *Amanah Saham Malaysia*	137,828,574	1.50
7.	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt An for AIA Bhd*	128,716,028	1.40
8.	AmanahRaya Trustees Berhad *Amanah Saham Malaysia 2-Wawasan*	113,372,143	1.24
9.	AmanahRaya Trustees Berhad *Amanah Saham Malaysia 3*	106,820,562	1.16
10.	Lembaga Tabung Haji	84,308,300	0.92
11.	Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for Prulink Equity Fund*	82,163,748	0.90
12.	Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (Par 1)*	75,491,625	0.82
13.	Citigroup Nominees (Tempatan) Sdn Bhd *Urusharta Jamaah Sdn Bhd (1)*	67,154,800	0.73
14.	HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	62,562,649	0.68
15.	Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad For Public Ittikal Fund (N14011970240)*	60,000,000	0.65
16.	Cartaban Nominees (Asing) Sdn Bhd *Exempt An for State Street Bank & Trust Company (West CLT OD67)*	59,960,900	0.65
17.	HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	58,199,635	0.64
18.	AmanahRaya Trustees Berhad *Amanah Saham Bumiputra 3-Didik*	47,584,354	0.52
19.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (NOMURA)*	45,508,900	0.50
20.	AmanahRaya Trustees Berhad *Public Islamic Dividend Fund*	40,756,234	0.45
21.	Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)*	38,375,094	0.42
22.	AmanahRaya Trustees Berhad *Public Ittikal Sequel Fund*	34,432,790	0.38
23.	Cartaban Nominees (Asing) Sdn Bhd *GIC Private Limited for Government of Singapore (C)*	31,095,331	0.34
24.	Citigroup Nominees (Asing) Sdn Bhd *Exempt An for Citibank New York (Norges Bank 14)*	28,898,200	0.31
25.	Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (Par 3)*	26,958,432	0.29
26.	Citigroup Nominees (Asing) Sdn Bhd *CBNY for Norges Bank (FI 17)*	24,465,415	0.27
27.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (CIMB PRIN)*	24,119,780	0.26
28.	Amanahraya Trustees Berhad *Public Islamic Equity Fund*	23,385,278	0.25
29.	HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II*	23,334,600	0.25
30.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (AFFIN-HWG)*	22,288,771	0.24
	TOTAL	**7,725,441,187**	**84.18**

Other Information

List of Top Ten Properties

For the financial year ended 31 December 2021

No.	Address/ Location	Freehold - land and/or buildings	Current usage of land and/or buildings	Approximate age of buildings (years)	Date of acquisition/ capitalisation	Land area (sq. meter)	Built-up area (sq. meter)	Net book value as at 31 Dec 2021 (RM)
1.	Office Building - 475, Union Place Colombo 02, Sri Lanka	Freehold building	Telecommunication, operation and network offices and transmission station	7	31.08.2015	-	13,712.5	31,742,025.2
2.	Seksyen 13, Jalan Kemajuan, Petaling Jaya, Selangor, Malaysia	Freehold building	Network office	28	23.03.1998	-	10,339.0	22,087,628.6
3.	Ekantakuna Technical Office, Ekantakuna-4, Lalitpur, Nepal	Freehold land and building	Technical office	20	17.06.2010	68,618.0	8,562.2	19,737,695.8
4.	Welivita Road, Malabe, Sri Lanka	Freehold land	Transmission stations	-	31.12.2013	163,894.5	15,000.0	11,587,231.4
5.	No. 24 Foster Lane, Union Place Colombo 02, Sri Lanka	Freehold land and building	Office building	7	30.06.2015	10,481.6	61,266.0	8,681,425.6
6.	Nakhhu Head Office, Nakhu-4, Lalitpur, Nepal	Freehold building	Corporate office	29	17.05.2015	55,253.5	23,088.7	8,244,341.3
7.	Pokhara Data Centre, Sishwa Ward No.1, Pokhara, Nepal	Freehold building	Data centre	10	17.10.2012	33,489.3	5,909.9	7,954,191.0
8.	CDC Building, 21 Samarakoon Mawatha, Piliyandala, Sri Lanka	Freehold land and building	Telecommunication, operation and network offices and transmission station	1	31.01.2021	400.0	2,554.0	5,146,093.0
9.	Hetauda Data Centre, Hetauda Municipality Ward No. 1, Makwanpur, Nepal	Freehold building	Data centre	10	17.10.2012	20,462.9	3,306.0	5,049,211.0
10.	Nakhhu Data Centre, Nakhu-4, Lalitpur, Nepal	Freehold building	Data centre	2	10.01.2019	-	13,588.2	4,689,325.0

Other Information

Net Book Value of Land & Buildings For the financial year ended 31 December 2021

Location	Freehold No. of Lots	Freehold Area ('000 sq ft)	Net book value of land RM'000	Net book value of buildings RM'000
1. **Malaysia**				
(a) Federal Territory (Kuala Lumpur)	-	-	-	3,558.8
(b) Selangor	2	59.6	489.7	24,238.8
(c) Perak	2	44.2	621.3	-
(d) Pulau Pinang	7	15.3	998.1	1,080.1
(e) Kedah	-	-	-	322.5
(f) Johor	6	41.6	1,740.0	1,189.7
(g) Negeri Sembilan	2	50.1	1,160.0	207.3
(h) Terengganu	-	-	-	8.5
(i) Kelantan	1	11.9	-	515.6
(j) Pahang	1	37.1	2,020.4	1,340.8
(k) Sabah	-	-	-	698.8
(l) Sarawak	2	320.1	240.0	562.2
2. **Indonesia**	-	-	-	2,275.1
3. **Sri Lanka**	39	1,027.4	14,959.5	78,556.6
4. **Bangladesh**	264	1,400.3	14,272.6	6,013.6
5. **Cambodia**	-	-	-	5,722.1
6. **Nepal**	9	492.8	33,525.4	23,592.8
Total	**335**	**3,500.4**	**70,027.0**	**149,883.3**

Other Information
Glossary

3G
Third generation mobile phone technologies covered by the ITU IMT-2000 family

3R
Revamp, Rise, Reinvent

4G
Fourth generation mobile phone technology

5G
5G is the fifth generation technology standard for broadband cellular networks

AAP
Axiata Advisory Panel

ABAC
Anti-Bribery and Anti-Corruption

ACE
Axiata Certified Experts

ADA
Axiata Digital & Analytics Sdn Bhd (formerly known as Axiata Digital Advertising Sdn Bhd)

ADIF
Axiata Digital Innovation Fund Sdn Bhd

ADL
Axiata Digital Labs (Private Limited)

AGA
Axiata Group Analytics

AGIA
Axiata Group Internal Audit

AGM
Annual General Meeting

AI
Artificial Intelligence

AICPA
Association of International Certified Professional Accountants

AIL
Axiata Investments (Labuan) Limited

Airtel
Airtel Bangladesh Limited

AIS
Axiata Investments (Singapore) Limited

AMI
Advanced Metering Infrastructure Solution

AMS
Axiata Management Services Sdn Bhd

APAC
Asia Pacific

API
Application Programming Interface

ARPU
Average Monthly Revenue Per User

ASEAN
Association of Southeast Asian Nations

Axiata
Axiata Group Berhad

Axiata Digital or ADS
Axiata Digital Services Sdn Bhd

Axiata Group
Axiata and its subsidiaries

Axiata SPV1
Axiata SPV1 (Labuan) Limited

Axiata SPV2
Axiata SPV2 Berhad

Axis
PT Axis Telekom Indonesia

AYTP
Axiata Young Talent Programme

B2B
Business to Business

B2B2C
Business to Business to Consumer

B2B2X
B2B2X is a new business model in which a telecom service provider is primed to deliver services to any number of end users

B2C
Business to Consumer

B2S
Build to Suit

BAC
Board Audit Committee

BAKTI
Telecommunications and Information Accessibility Agency (Indonesia)

BCM
Business Continuity Management

BDA
Big Data Analytics

BDA
Big Data Architecture

BEE
Board Effectiveness Evaluation

BNC
Board Nomination Committee

BNM
Bank Negara Malaysia

BNPB
National Disaster Management Agency (Indonesia)

BNRC
Board Nomination and Remuneration Committee

BOD
Board of Directors

Boost or Boost Holdings
Boost Holdings Sdn Bhd

BRC
Board Remuneration Committee

BRCC
Board Risk and Compliance Committee

BRMC
Board Risk Management Committee

BRT
Business Response Team

Bursa Securities
Bursa Malaysia Securities Berhad

BSS
Business Support System

BTS
Base Transceiver Stations

CAN
CEO Action Network

CAP
Climate Action Plan

CaP
Cyber Security and Privacy Committee

CAPEX
Capital Expenditure

CB
Collective Brain

CCMC
COVID-19 Crisis Management Committee (Nepal)

CDC
Charge-Discharge Cycling

CDMA
Code Division Multiple Access

Celcom
Celcom Axiata Berhad

Celcom Group
Celcom and its subsidiaries

Celcom Networks
Celcom Networks Sdn Bhd

Celcom Resources
Celcom Resources Berhad

CEM
Customer Experience Management

CES
Customer Engagement Solutions

CG
Corporate Governance

CGT
Capital Gains Tax

CIA
Certified Internal Auditor

CIMA
Chartered Institute of Management Accountants

CIN
Community Information Network (Nepal)

CIPE
Centre for International Private Enterprise (Cambodia)

CIPM
Certified Information Privacy Manager

CLM
Customer Lifecycle Management

CMMI
Capability Maturity Model Integration

CMS
Customer Market Share

CODE
Code of Conduct and Ethics

CPA
Certified Practising Accountant

CS&P
Cyber Security and Privacy

CSR
Corporate Social Responsibility

CSSC
Cyber Security Steering Committee

CWI
Connected Women Initiative

CX
Customer Experience

CXO
Chief Experience Officer

CYDIP
Celcom Young Digital Innovators Programme

DBN
Dialog Broadband Networks (Private) Limited

DEI
Diversity, Equity and Inclusion

Dialog
Dialog Axiata PLC

DMS
Data Market Share

DMS
Distribution Management System

DNB
Digital Nasional Berhad

DPO
Data Privacy Officer

Other Information
Glossary

DPR
Dividend Payout Ratio

DPS
Dividend Per Share

DRS
Dividend Reinvestment Scheme

DTE
Digital Telco Enabler

DTH
Direct to Home

DTM
Digital Telco Model

DT&R2023
Digital Trust and Resilience 2023

DTT
Dialog Television Trading (Private) Limited

DTV
Dialog Television (Private) Limited

e-money
electronic money

e-wallet
digital wallet

EBIT
Earnings Before Interest and Taxes

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortisation

ED
Executive Director

EDGE
Enhanced Data rates for GSM Evolution

edotco Bangladesh
edotco Bangladesh Co Ltd

edotco Cambodia
Edotco (Cambodia) Co., Ltd

edotco Group
edotco Group Sdn Bhd

EES
Economic, Environmental and Social

eMBB
Enhanced Mobile Broadband

EPC
Evolved Packet Core

ERM
Enterprise Risk Management

ESG
Environmental, Social and Governance

ESOS
Employee Share Option Scheme

eTAP
edotco Talent Acceleration Programme

EV
Enterprise Value

EVE
Employee Voluntary Programme (edotco)

EVP
Executive Vice President

FC
Financial Capital

FCF
Free Cash Flow

FDI
Foreign Direct Investment

FIRST
Forum of Incident Response and Security Teams

FMBKLCI
FTSE Bursa Malaysia Kuala Lumpur Composite Index

FSL
Firstsource Solutions Limited

FWA
Fixed Wireless Access

FY18/FY2018
Financial year ended 31 December 2018

FY19/FY2019
Financial year ended 31 December 2019

FY20/FY2020
Financial year ended 31 December 2020

GADP
Group Accelerated Development Programme

GAFS
Governance and Audited Financial Statements Report

GAP
Group AXcelerator Programme

GB
Gigabyte

GCCDO
Group Chief Corporate Development Officer

GCCO
Group Chief Corporate Officer

GCFO
Group Chief Financial Officer

GCIA
Group Chief Internal Auditor

GCIO
Group Chief Information Officer

GCPO
Group Chief People Officer

GCRCO
Group Chief Risk and Compliance Officer

GDP
Gross Domestic Product

GDS
Gifts, Donations and Sponsorships

GE
Great Eastern

GLC
Government Linked Companies

GLCT
Government Linked Company Transformation

GMV
Gross Merchandise Value

GPRS
General Packet Radio Service

GRI
Global Reporting Initiative

GRMD
Group Risk Management Department

GSM
Global System for Mobile Communications

GSMA
The GSM Association

GSOC
Group Security Operations Centre

GTV
Gross Transaction Value

HC
Human Capital

HR
Human Resource

IA
Internal Audit

IAR
Integrated Annual Report

IC
Intellectual Capital

ICT
Information and Communications Technology

IFRS
International Financial Reporting Standards

IIRC
International Integrated Reporting Council

ILD
International Long Distance

INED
Independent Non-Executive Director

IoT
Internet of Things

IP
Internet Protocol

IPO
Initial Public Offering

IPVPN
Internet Protocol Virtual Private Network

IR 4.0
Industrial Revolution 4.0

ISP
Internet Services Protocol

ITU
International Telecommunication Union

IVR
Interactive Voice Response

JENDELA
Jalinan Digital Negara

Khazanah
Khazanah Nasional Berhad

KLCI
Kuala Lumpur Composite Index

KPI
Key Performance Indicator

KYC
Know Your Customer

LDM
LEAP Digital Maturity

LEAP
Learn, Engage, Accelerate and Perform

LOA
Limits of Authority

LTE
Long Term Evolution

LRP
Long Range Plan

LTIFR
Lost Time Injury Frequency Rate

LTIP
Long-term Incentive Plan

M1
M1 Limited

M2M
Machine to Machine

M365
Microsoft 365

M&A
Mergers & Acquisitions

M.A.D.
Modern, Agile and Digital

MACC
Malaysia Anti-Corruption Commission

Other Information
Glossary

Main LR
Main Market Listing Requirements of Bursa Securities

MarTech
Marketing Technology

MAU
Monthly Active Users

MBB
Mobile Broadband

MBSS
Minimum Baseline Security Standards

MC
Manufactured Capital

MCCG 2017
Malaysian Code on Corporate Governance 2017

MCCG 2021
Malaysian Code on Corporate Governance 2021

MCMC
Malaysian Communications and Multimedia Commission

MDEC
Malaysia Digital Economy Corporation

MDS
Mobile Data Services

MFRS
Malaysian Financial Reporting Standards

MFRS 9
MFRS 9 Financial Instruments

MFRS 15
MFRS 15 Revenue from Contracts with Customers

MIFE
Mobile Internet Fulfillment Exchange

ML
Machine Learning

MNP
Mobile Number Portability

MoCIT
Ministry of Communications and Information Technology (Nepal)

MOF
Ministry of Finance

MoU
Minutes of Use

MOU
Memorandum of Understanding

MPTC
Ministry of Posts and Telecommunications (Cambodia)

MSME
Micro-SME

MSWG
Minority Shareholders Watch Group

MVNE
Mobile Virtual Network Enabler

MVNO
Mobile Virtual Network Operator

MyDigital
Malaysia Digital Economy Blueprint

NaPA
Network and Planning Analytics (edotco)

NC
Natural Capital

Ncell
Ncell Axiata Limited

NEC
Non-Executive Chairman

NED
Non-Executive Director

NINED
Non-Independent Non-Executive Director

NIST
National Institute of Standards and Technology

NPAT
Net PAT

NPS
Net Promoter Score

NTA
Nepal Telecommunications Authority

NTC
National Tower Companies

O2O
Online to Offline

OADP
OpCo Accelerated Development Programme

ODA
Open Digital Architecture

OE
Operational Excellence

OECD
Organisation for Economic Co-operation and Development

OFCF
Operating Free Cash Flow

OpCo
Operating Company

Open RAN
Open Radio Access Networks

Opex
Operating Expenditure

OTT
Over-The-Top

OSS
Operations Support System

PaaS
Platform as a Service

PAT
Profit after Tax

PATAMI
Profits after Tax and Minority Interest

PBT
Profit before Tax

PENJANA
Short-term Economic Recovery Plan (Malaysia)

PLDT Malaysia
PLDT Malaysia Sdn Bhd

POC
Proof of Concept

PPE
Personal protective equipment

President & GCEO or PGCEO
Managing Director/President & Group Chief Executive Officer

QoQ
Quarter on Quarter

r-ventures
Robi Ventures

R&R
Rescheduling and restructuring

RCMC
Risk and Compliance Management Committee

RFAI
Ready for Active Installation

Robi
Robi Axiata Limited

ROCE
Return on Capital Employed

ROE
Return on Equity

ROI
Return on Investment

ROIC
Return on Invested Capital

ROU
Right of Use Assets

RPT
Related Party Transactions

RPV
Remote Participation and Voting

RRPT
Recurring Related Third-Party Transactions

RSP
Regular Stock Purchase

SaaS
Security as a Service

SADIF
Smart Axiata Digital Innovation Fund

SBTi
Science Based Targets Initiative

SCA
Single Customer App

SCF
Supply Chain Financing

SD-WAN
Software defined wide area network

SI
Systems Integrator

SLT
Senior Leadership Team

Smart
Smart Axiata Co., Ltd

SME
Small and Medium Size Enterprise

SMS
Short Message Service

SPA
Sales and Purchase Agreement

SPV
Special Purpose Vehicle

SRA
Single Retailer App

SRC
Social and Relationship Capital

STIP
Short Term Incentive Plan

T.R.U.S.T.
Transparent, Rights, Use, Security and Transfer

TCFD
Task Force on Climate-related Financial Disclosures

TM Group
Telekom Malaysia Berhad

ToR
Terms of Reference

TRC
Telecommunication Regulator of Cambodia

TRCSL
Telecommunications Regulatory Commission of Sri Lanka

TSR
Total Shareholder Return

UI.EP
Uncompromising Integrity and Exceptional Performance

UN SDG
United Nations Sustainable Development Goals

USO
Universal Service Obligation

USP
Universal Service Provision

VAs
Vulnerability Assessments

VAS
Value Added Services

VDP
Vendor Development Programme (Celcom)

VOD
Video On Demand

VoIP
Voice Over Internet Protocol

VoLTE
Voice over LTE

VWAMP
Volume Weighted Average Market Price

WAMA
Women of Axiata and Male Allies

WB SOP
Whistleblowing Standard Operating Procedures

WCF
Working Capital Financing

WiFi
Wireless Fidelity

WIM
Women Institute of Management

WFH
Work-From-Home

XL
PT XL Axiata Tbk.

YTD
Year to Date

YoY
Year on Year

CURRENCIES

BDT
Bangladeshi Taka, the lawful currency of Bangladesh

IDR
Indonesian Rupiah, the lawful currency of Indonesia

INR
Indian Rupee, the lawful currency of India

NPR
Nepalese Rupee, the lawful currency of Nepal

PKR
Pakistani Rupee, the lawful currency of Pakistan

RM
Ringgit Malaysia, the lawful currency of Malaysia

SD WAN
Software-Defined Wide Area Network

SDR
Special Drawing Rights, common currency in international roaming agreements

SGD
Singapore Dollars, the lawful currency of Singapore

SLR/LKR
Sri Lankan Rupee, the lawful currency of Sri Lanka

SPC Pole
Spun Pre-stressed Concrete Pole

USD
United States Dollars, the lawful currency of the US

Summary of average and closing rates used for FY2020 and FY2021 are as follows:

FY2020

Local Currency:	Average	Closing
1 BDT: RM	0.049504	0.047478
1 INR: RM	0.056720	0.055045
1 LKR: RM	0.022649	0.021700
1 THB: RM	0.134309	0.134489
1 USD: RM	4.202205	4.036000
1 SGD: RM	3.046477	3.044700
1 IDR: RM	0.000289	0.000287
1 PKR: RM	0.025987	0.025139
1 NPR: RM	0.035449	0.034402

FY2021

Local Currency:	Average	Closing
1 BDT: RM	0.048573	0.048520
1 INR: RM	0.056049	0.056113
1 LKR: RM	0.020812	0.020500
1 THB: RM	0.129734	0.125319
1 USD: RM	4.142913	4.177500
1 SGD: RM	3.083811	3.084200
1 IDR: RM	0.000290	0.000293
1 PKR: RM	0.025477	0.023394
1 NPR: RM	0.035030	0.035071

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