



## CHAIRMAN'S STATEMENT

# FOCUS ON THE ESSENTIALS LEVERAGE ON OUR CORE COMPETENCIES IN CONNECTIVITY TO DELIVER ENDURING VALUE TO OUR STAKEHOLDERS

### DEAR STAKEHOLDERS,

In 2023, we faced several macroeconomic challenges, such as inflation affecting operational costs and high interest rates. Malaysia's growth slowed, weighed down by weak global demand and high global interest rates. We had to navigate the fast-changing telecommunications sector landscape, which included regulatory changes to the 5G network model and service pricing, a mobile market that is near saturation, shifts in consumers' needs, as well as the consolidation of key players.

Total Dividend Payout

**RM1.25**  
billion

Continue to  
deliver long-term  
**sustainable  
shareholder  
value and returns**

Subang Hi-Tech  
operations centre  
is the first telco  
network site in  
Malaysia to be  
awarded

**ISO 14001:2015**

In response to these challenges posed by the uncertain and volatile operating landscape, we have gone back to basics and strengthened our core competencies in connectivity. This realignment is essential to achieve our goals and remain at the forefront as Malaysia's leading integrated telco.

The Board has declared a total dividend of 16 sen per share with a total payout of RM1.25 billion for the financial year ended 31 December 2023. Whilst we are encouraged by our management's performance, we have taken a prudent stance to reduce the dividend per share from 20 sen per share in 2022 given the aforementioned challenges. This is to ensure that Maxis continues to be resilient and consistent in delivering value to our stakeholders in the short- and long-term.

We value the long-standing support received from our shareholders and are confident that Maxis will continue to deliver long-term sustainable shareholder value and returns.

### KEY ACHIEVEMENTS

Maxis has always taken pride in providing quality services to our customers. We are also committed to supporting the nation's digital ambitions by making connectivity accessible and affordable for the *rakyat*. Our focus on our core business areas – Mobile, Fibre and Enterprise – is designed to strengthen our foothold in a fiercely competitive telco sector.

This year, we refreshed our consumer mobile service offerings with new postpaid plans to take advantage of our 5G network as well as high-speed fibre plans to enhance connectivity for our customers. In the enterprise space, we continued to serve a growing number of businesses and forged new strategic partnerships to deliver cutting-edge and comprehensive enterprise solutions.

The collective effort across our businesses to establish Maxis as the leading integrated telco in Malaysia has shown tangible results in 2023 as we met the key financial performance targets we had set for ourselves, which in turn met the guidance provided to our stakeholders.

## UPHOLDING GOOD CORPORATE GOVERNANCE

We are steadfast in upholding the principles of good corporate governance, recognising its fundamental importance in achieving sustainable business success and creating value for our shareholders. At Maxis Group, we operate with the highest ethical standards, adhering strictly to anti-corruption laws, policies, and regulations. Our commitment to these standards is articulated through our Maxis Integrity & Compliance framework (MICF) and our Anti-Money Laundering/Countering Financial Terrorism (AML/CFT) initiatives. The Board members are also assessed based on the Maxis Anti-Bribery and Corruption system in adherence with good corporate governance practices. These frameworks and system guide our actions and ensure that we maintain the highest level of integrity across all our operations.

Another key aspect of our governance is the composition and diversity of our Board. The Board's varied expertise, skills, and independence are pivotal in governing the Company effectively. Our Board members bring a wealth of diverse experiences and perspectives, enabling the Maxis Group to navigate the complex business landscape confidently and ethically. This diversity is not just a matter of policy but a strategic imperative that drives our decision-making processes, ensuring that we operate with integrity and responsibility.

## STRENGTHENING SUSTAINABILITY PRACTICES

The Maxis Group continued to demonstrate our pledge to operating a sustainable business whilst delivering value to all our stakeholders. In 2023, we updated key policies such as the Code of Business Practice to include our commitment towards promoting sustainable practices, which apply to both Maxis' employees and third parties that engage with Maxis.

The Maxis Group has also been a leading player in the Malaysian telecommunications industry with respect to supporting the transition to a lower carbon footprint and adopting clean energy solutions. We have transitioned a portion of our fleet to electric vehicles (EVs) in our field operations. Furthermore, our Subang Hi-Tech operations centre is the first telco network site in Malaysia to be awarded the ISO 14001:2015 Environmental Management Systems certification by SIRIM QAS International. We take pride in sharing this accomplishment, highlighting our dedication and commitment towards sustainable operations and environmental management.

Another key environmental initiative this year was our e-waste management campaign in Kuala Lumpur, Johor Bahru and Penang. This programme focuses on mobile device collection and recycling, and we have successfully contributed to the refurbishment or recycling of over 49,000 devices, reducing the number of technology devices that contain toxic components from ending up in landfills.

Lastly, our eKelas<sup>®</sup> programme continues to be an integral part of the Ministry of Education's Digital Educational Learning Initiative, with a reach of over 600 schools across the nation. This initiative has greatly benefited students, teachers, and guardians who have been able to access a wide range of free learning content, which serves as a testament to our dedication to societal advancement and reflects our deep-rooted commitment to making a positive impact in the communities we serve.

## OUTLOOK

Malaysia's economic growth in 2024 is expected to trend higher<sup>1</sup>, within the region of 4-5%<sup>2</sup> driven by domestic spending, improvement in external demand in addition to infrastructure projects and implementation of strategic initiatives by the Government. The International Monetary Fund is projecting a rebound in global trade growth from 0.4% in 2023 to 3.3% in 2024<sup>1</sup>.

We are cognisant of the challenges and potential upside that may arise this year and look forward to unlocking beneficial opportunities that come our way. We will continue to prioritise our focus on our core competencies in Mobile, Fibre and Enterprise. Customer experience is at the heart of our operations, and we are committed to understanding and adapting to our customers' evolving needs. Our initiatives to drive operational efficiency and strict cost discipline will ensure sustainable growth and value creation for our shareholders.

## ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our thanks to the Maxis management team and all employees for their steadfast dedication and resilience. Your consistent efforts and commitment have played a significant role in maintaining our success, especially in challenging times.

We also extend our appreciation to our business partners, vendors and regulators for their support in Maxis' growth journey as the leading integrated telco in Malaysia. Your contributions are significant and important to our ongoing progress and success. We look forward to a successful 2024.

## TAN SRI MOKHZANI BIN MAHATHIR

Chairman

### Notes:

<sup>1</sup> *BNM Economic and Financial Developments in Malaysia in the Fourth Quarter of 2023.*

<sup>2</sup> *Keynote Address by Deputy Governor Adnan Zaylani Mohamad Zahid at Affin Market Outlook, Menara Affin, Tun Razak Exchange (TRX), Kuala Lumpur, 30 January 2024.*