

3Q 2023 Financial Results

Briefing on Friday 10 November 2023

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Q3 2023 highlights



1 Launched new 5G plans for all Consumer and Enterprise segments

2 Introduced all-new Prepaid plans with upgraded Internet passes

3 Onboarded TM onto Maxis 2G and 4G network



Financial Highlights



- In line with 2023 guidance
- Achieved low single digit growth in Service Revenue
 - Maintain EBITDA at 2022 levels (FY22: RM3.9b)
 - Capex slightly less than RM1.0b (FY22: RM1.1b)



Continued focus on core mobile, fibre and enterprise



Embarking on cost optimisation exercise



Consistent dividend payout in 3Q23

Service Revenue

RM 2,145 m

+1.5% QoQ | +1.8% YoY

EBIT

RM 492 m

-13.4% QoQ | -14.3% YoY

Profit After Tax

RM 287 m

-12.8% QoQ | -6.8% YoY

Capex

RM 215 m

Operating Free Cash Flow

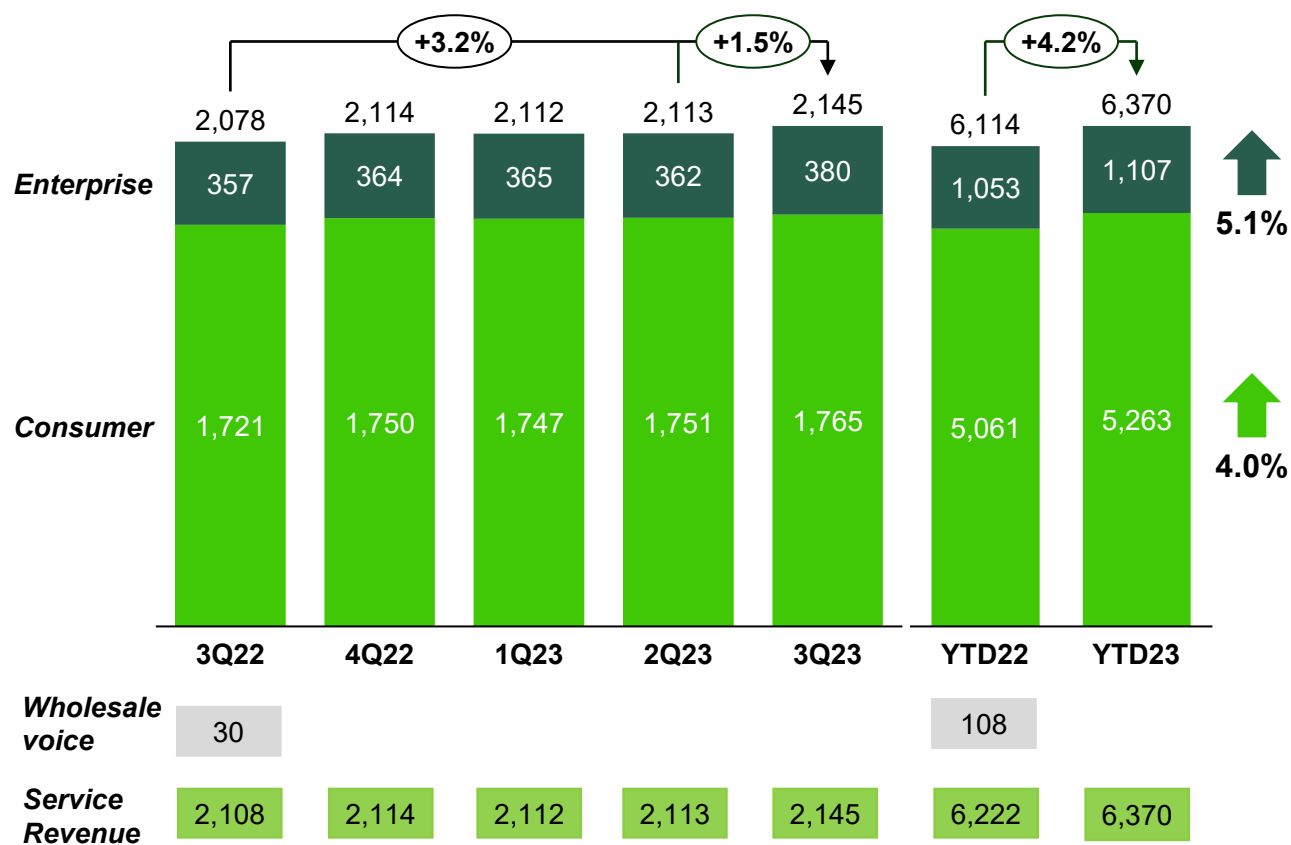
RM 1,057 m

Dividends

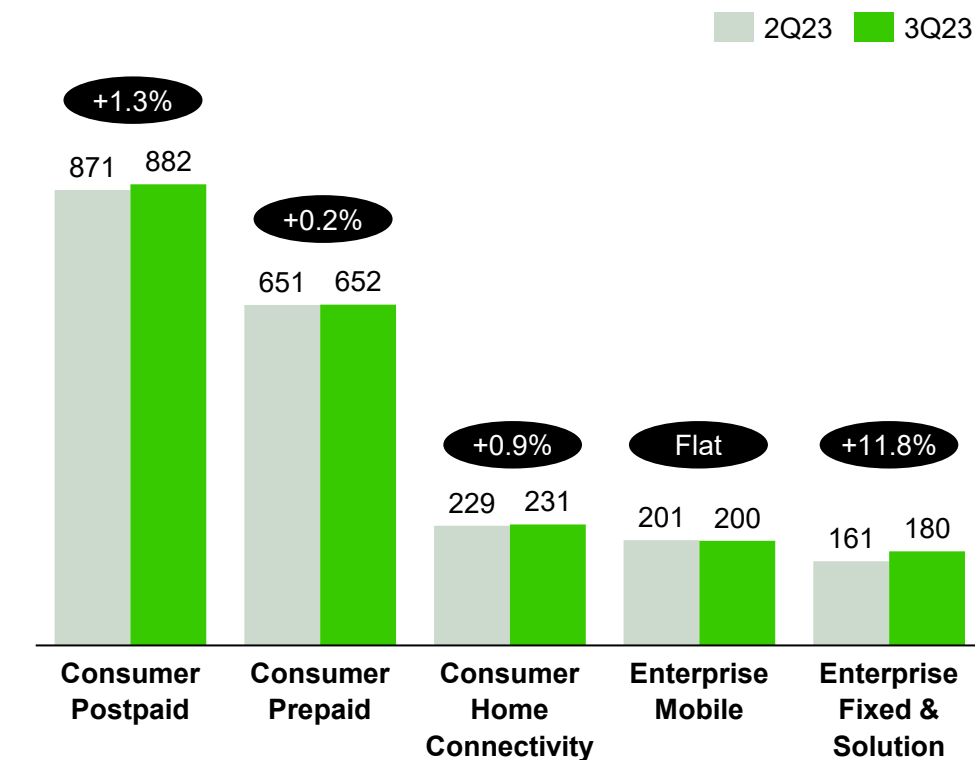
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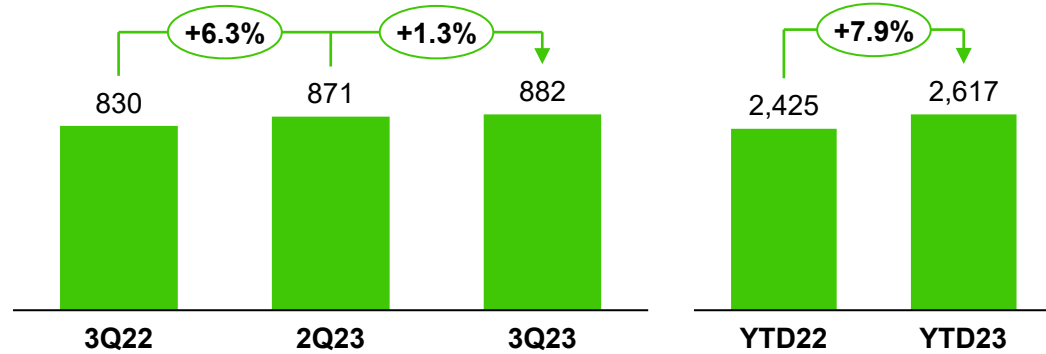
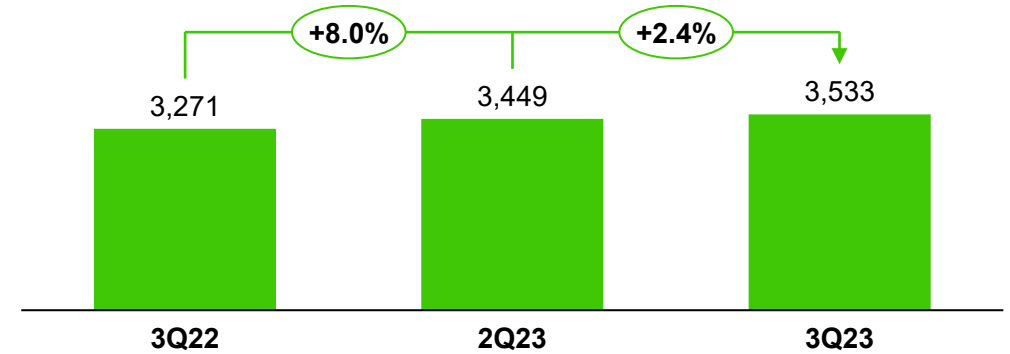
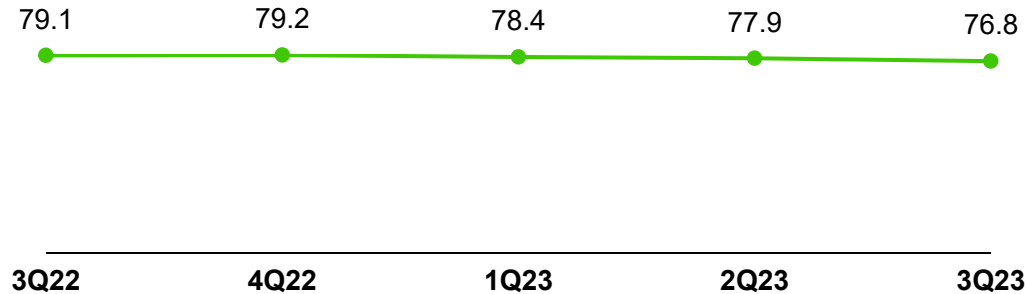
Service Revenue (RM'm)



Growth across all segments in 3Q23



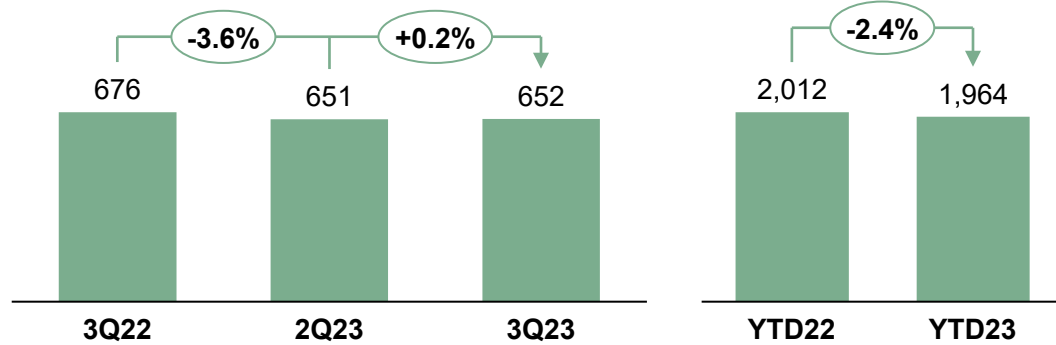
Note 1: Enterprise Revenue excludes wholesale voice

**Consumer Postpaid Revenue
(RM'm)****Consumer Postpaid RGS30 Subscription
(‘000)****Consumer Postpaid ARPU
(RM/month)**

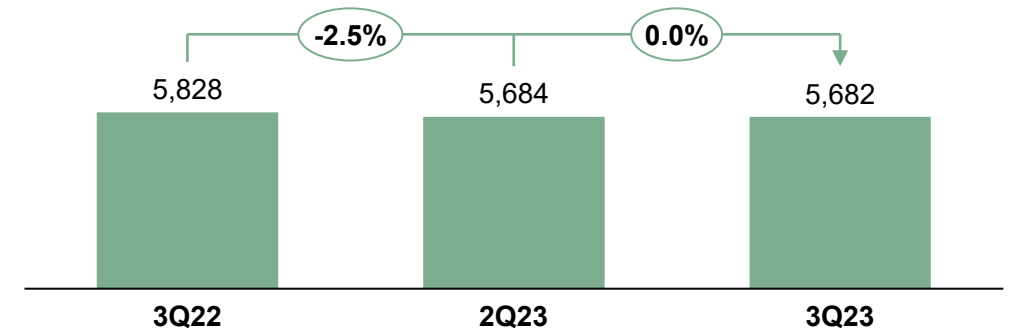
- Growth in Postpaid through expansion to wider Postpaid segments, catering to both premium and value seeking customers
- Continued strategy of pre-to-post migration, as postpaid has lower churn and higher ARPU, which is more sustainable for the business



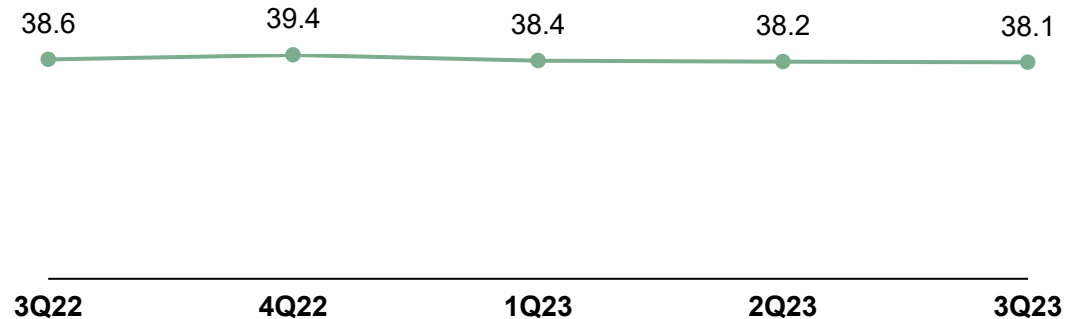
Consumer Prepaid Revenue
(RM'm)



Consumer Prepaid RGS30 Subscription
(‘000)



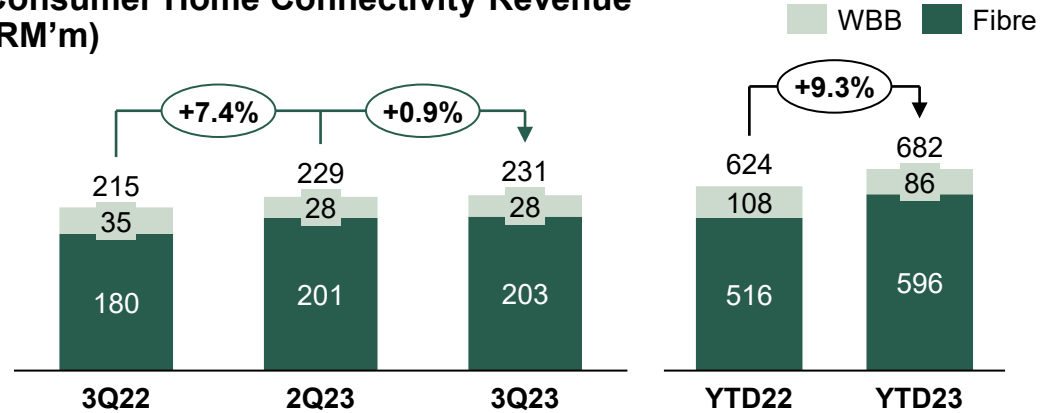
Consumer Prepaid ARPU
(RM/month)



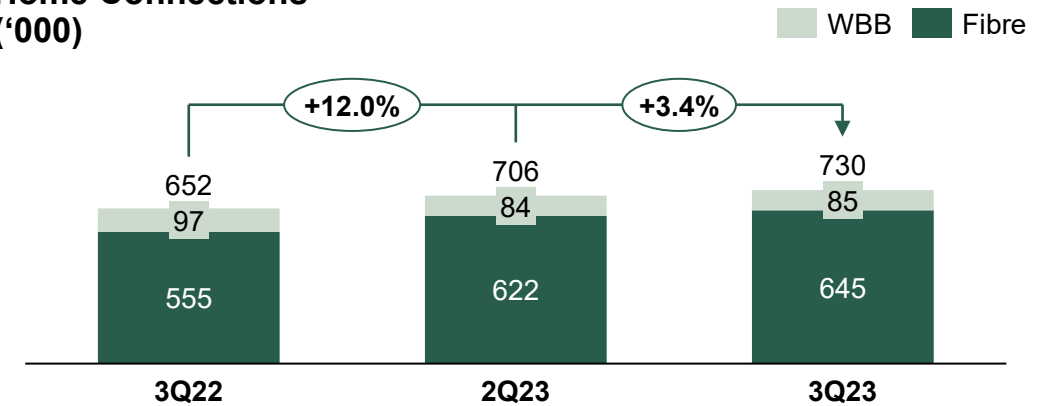
- Underlying Prepaid subscriptions stable
 - Personalised promotions via HotlinkMU app (Segment of One, or “SO1”) key in retention of subscribers and maintaining ARPU
 - New Prepaid product launched in July 2023, targeting youth segment with attractive cashback offers



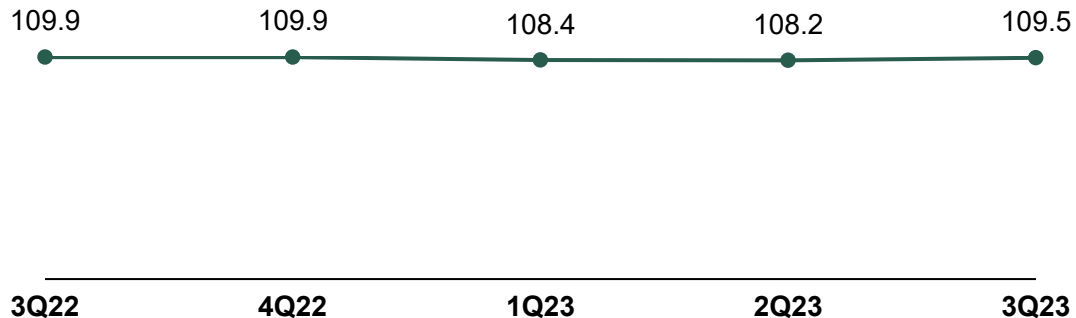
Consumer Home Connectivity Revenue¹
(RM'm)



Home Connections
(‘000)



Home Blended (Fibre and WBB) ARPU
(RM/month)

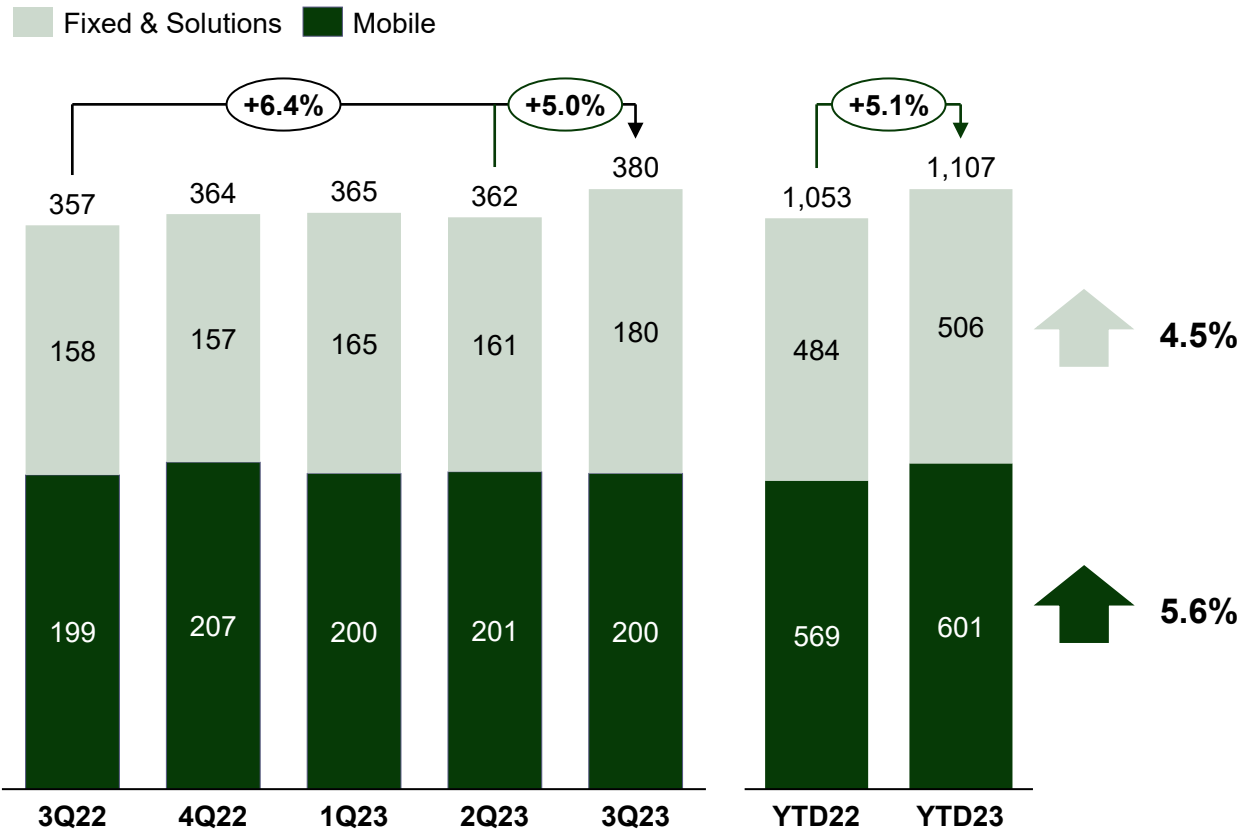


- Consistent growth of c.22,000 net adds in fibre subscriptions each quarter
- Fibre pricing is competitive with market offering

Note 1: Home connectivity includes home fibre & wireless broadband (WBB)



Maxis Enterprise Service Revenue¹ (RM'm)



- Stable Enterprise mobile revenue
- Fixed & Solutions revenue growth mainly from:
 - Wholesale 4G MOCN, 4G and 2G Domestic Roaming, and
 - Commercial deals in connectivity solutions:
 - Dedicated internet access
 - Managed voice solution

Key wins in 3Q23



- **Dedicated internet access** & security solution for a large nationwide bank
- Reliable and secured connectivity for data centres and disaster recovery

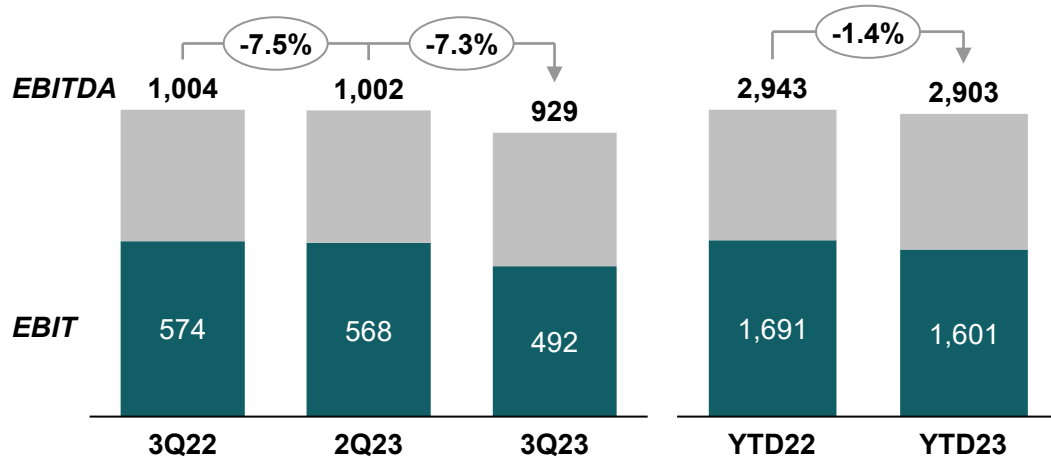


- **Connectivity with managed voice solution** for a local university
- Facilitates hybrid workforce and e-learning

Note 1: Enterprise Revenue excludes wholesale voice



EBIT / EBITDA (RM'm)

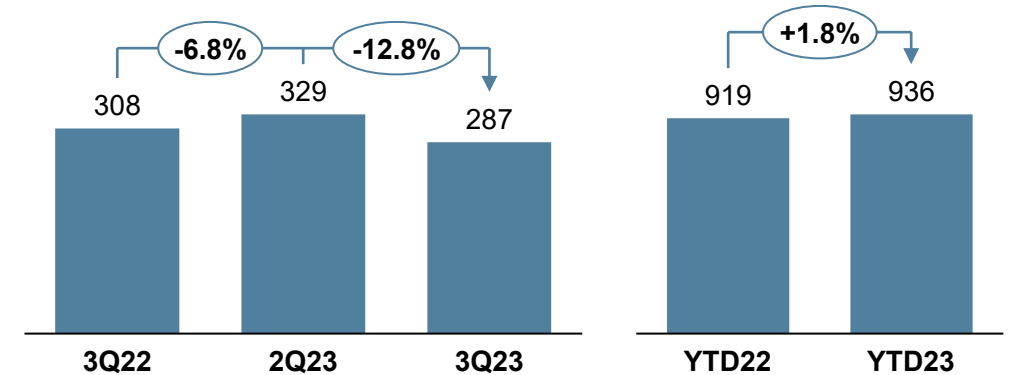
**3Q23 vs 2Q23 (QoQ) and 3Q23 vs 3Q22 (YoY)**

- Effects of cost rationalization exercise and lower government grant from lesser USP project fulfilment

YTD23 vs YTD22 (YTD on YTD)

- Higher contribution from revenue led to higher earnings, offset by effects mentioned above

Profit After Tax (RM'm)

**3Q23 vs 2Q23 (QoQ)**

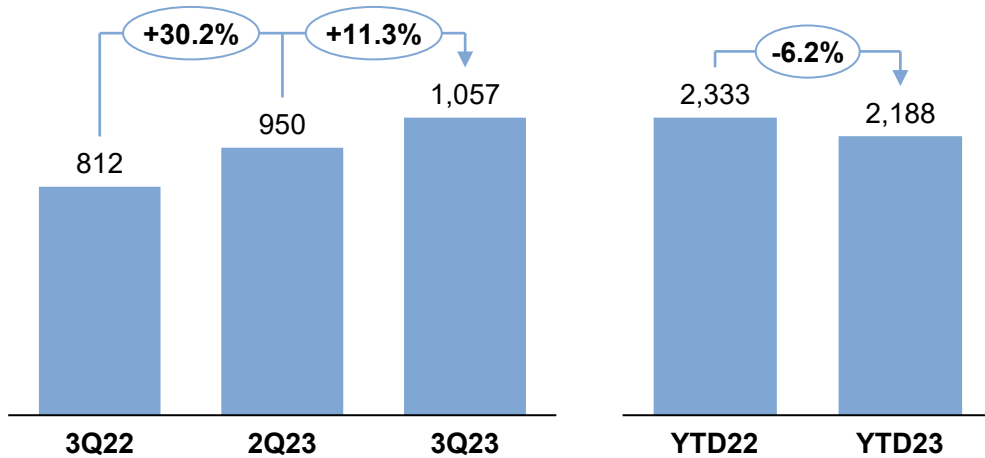
- In line with lower EBITDA

3Q23 vs 3Q22 (YoY) and YTD23 vs YTD22 (YTD on YTD)

- Higher PAT due to discontinuation of Prosperity Tax in 2023



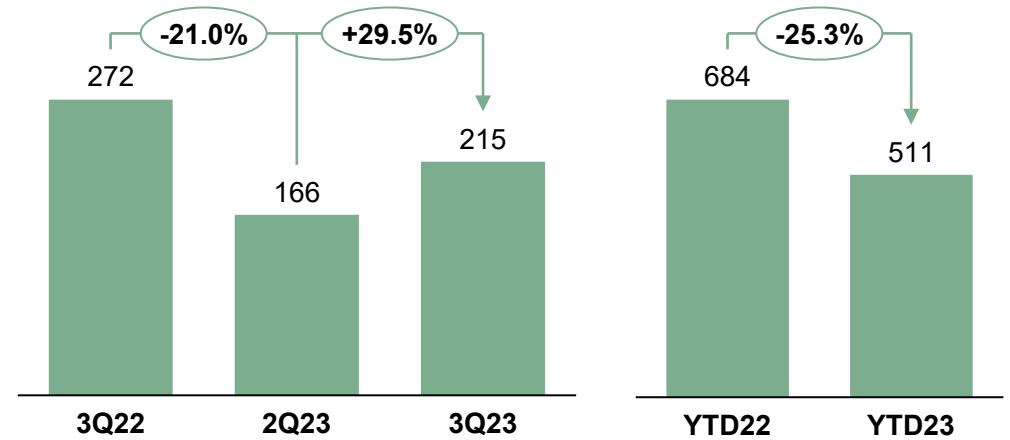
Operating Free Cash Flow (RM'm)



Stable cash balance of RM695m as at 3Q23

3Q23 Dividends: 4 Sen (total payout of RM313m)

Capex (RM'm)



- Prudent Capex investment as network capacity requirement stabilised in FY23 vs FY22
- Diligently managing Capex in view of 5G developments



Guidance for FY23



YTD23

Service
Revenue

Low single digit increase

RM6,370m
+2.4% YoY

EBITDA

Flat
(FY2022: RM3.9b)

RM2,903m
-1.4% YoY

Capex

Slightly less than RM1.0b
(FY2022: RM1.1b)

RM511m
-25.3% YoY

Q&A

Instructions:

Please raise your virtual hand.

We will manage the Q&A queue and unmute you when it is your turn.

Please announce your name and then ask the question(s).

Thank you.

After this session, for any clarifications please contact IR:

ir@maxis.com.my

Appendix





IMPORTANT DEFINITIONS / NOTATIONS

- **EBITDA:** Earnings before interest, taxes, depreciation and amortisation, defined as profit after including government grant income but before finance income, finance costs, tax, depreciation (including ROU depreciation), amortisation and allowance for write down of identified network costs
- **EBITDA margin on Service Revenue:** EBITDA as percentage of service revenue
- **EBIT:** Earnings before interest and taxes
- **Operating Free Cash Flow:** Cash Flow from Operating Activities
- **Revenue:** Service Revenue plus device, network income and others
- **Revenue generating subscriber/subscription (RGS30):** Defined as active line subscriptions and exclude those that do not have any revenue generating activities for more than 30 days
- **Service Revenue:** Group total revenue excluding sale of devices



PRODUCT LIST DEFINITIONS / NOTATIONS

- **Maxis Postpaid:** The Internet Plan which offer limitless voice, SMS and bundle with Mobile Internet for Maxis postpaid customers
- **Maxis Unlimited Postpaid:** A Maxis Home Fibre Plan layered with Maxis Postpaid that offers endless internet for both home and mobile
- **Maxperts:** A group of highly skilled tech support team that offers solution expertise such as the end-to-end resolution of issues, basic setup and configurations, password resets, product navigational assistance and remote troubleshooting for our range of selected Maxis solutions
- **Zerolution:** A programme that allows customers to purchase a device with RM0 upfront payment and pay over 12 to 36 monthly payments at 0% interest
- **Machine to Machine (M2M):** A direct communication between devices using a wireless network
- **FWA:** Fixed Wireless Access
- **WBB:** Wireless Broadband
- **USP:** Universal Service Provision programme



REPORTED CONSOLIDATED INCOME STATEMENT

(RM mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY		YTD22	YTD23	YTD	
								RM mn	%	RM mn	%			RM mn	%
Revenue	2,406	2,424	2,405	2,554	2,526	2,470	2,442	(28)	-1.1%	37	1.5%	7,235	7,438	203	2.8%
Expenses	(1,479)	(1,412)	(1,401)	(1,568)	(1,554)	(1,468)	(1,513)	(45)	3.1%	(112)	8.0%	(4,292)	(4,535)	(243)	5.7%
- Traffic, commissions & other direct costs	(972)	(919)	(893)	(1,047)	(1,023)	(938)	(895)	43	-4.6%	(2)	0.2%	(2,784)	(2,856)	(72)	2.6%
- Spectrum licence fees	(66)	(67)	(63)	(63)	(61)	(62)	(62)	0	0.0%	1	-1.6%	(196)	(185)	11	-5.6%
- Network costs	(132)	(134)	(129)	(123)	(138)	(144)	(139)	5	-3.5%	(10)	7.8%	(395)	(421)	(26)	6.6%
- Staff and resource costs	(210)	(194)	(193)	(216)	(200)	(202)	(277)	(75)	37.1%	(84)	43.5%	(597)	(679)	(82)	13.7%
- Operation and maintenance costs	(87)	(96)	(102)	(109)	(106)	(94)	(102)	(8)	8.5%	0	0.0%	(285)	(302)	(17)	6.0%
- Marketing costs	(39)	(50)	(48)	(52)	(38)	(43)	(44)	(1)	2.3%	4	-8.3%	(137)	(125)	12	-8.8%
- Allowance for doubtful debts, net	(34)	(26)	(25)	(22)	(34)	(37)	(32)	5	-13.5%	(7)	28.0%	(85)	(103)	(18)	21.2%
- Government grants & other income, net	61	74	52	64	46	52	38	(14)	-26.9%	(14)	-26.9%	187	136	(51)	-27.3%
EBITDA	927	1,012	1,004	986	972	1,002	929	(73)	-7.3%	(75)	-7.5%	2,943	2,903	(40)	-1.4%
EBITDA Margin on Service Revenue	45.7%	48.6%	47.6%	46.6%	46.0%	47.4%	43.3%		-4.1ppt		-4.3ppt	47.3%	45.6%		-1.7ppt
Depreciation	(350)	(343)	(343)	(372)	(349)	(346)	(350)	(4)	1.2%	(7)	2.0%	(1,036)	(1,045)	(9)	0.9%
Amortisation	(67)	(69)	(84)	(93)	(82)	(85)	(82)	3	-3.5%	2	-2.4%	(220)	(249)	(29)	13.2%
Others	10	(3)	(3)	(3)	0	(3)	(5)	(2)	66.7%	(2)	66.7%	4	(8)	(12)	->100%
EBIT	520	597	574	518	541	568	492	(76)	-13.4%	(82)	-14.3%	1,691	1,601	(90)	-5.3%
EBIT Margin on Service Revenue	25.6%	28.6%	27.2%	24.5%	25.6%	26.9%	22.9%		-4ppt		-4.3ppt	27.2%	25.1%		-2.1ppt
Finance Costs	(99)	(104)	(114)	(120)	(117)	(123)	(113)	10	-8.1%	1	-0.9%	(317)	(353)	(36)	11.4%
Finance Income	8	5	8	9	5	8	5	(3)	-37.5%	(3)	-37.5%	21	18	(3)	-14.3%
PBT	429	498	468	407	429	453	384	(69)	-15.2%	(84)	-17.9%	1,395	1,266	(129)	-9.2%
Tax	(140)	(176)	(160)	(175)	(109)	(124)	(97)	27	-21.8%	63	-39.4%	(476)	(330)	146	-30.7%
PAT	289	322	308	232	320	329	287	(42)	-12.8%	(21)	-6.8%	919	936	17	1.8%
Capex	171	241	272	430	130	166	215	49	29.5%	(57)	-21.0%	684	511	(173)	-25.3%
Dividend per share (sen)	5	5	5	5	4	4	4					15	12		

* FY22 includes a one-off Prosperity Tax charged to Tax expense and Profit After Tax



CASH FLOW STATEMENT

(RM mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY		YTD22	YTD23	YTD	
								RM mn	%	RM mn	%			RM mn	%
Cash flow from operating activities	422	1,099	812	970	181	950	1,057	107	11.3%	245	30.2%	2,333	2,188	(145)	-6.2%
Cash flow used in investing activities	(344)	(218)	(350)	(384)	(186)	(202)	(109)	93	-46.0%	241	-68.9%	(912)	(497)	415	-45.5%
- Purchase of PPE and intangible assets	(299)	(355)	(529)	(537)	(210)	(262)	(273)	(11)	4.2%	256	-48.4%	(1,183)	(745)	438	-37.0%
- Government grant related to the purchase of assets	62	137	180	156	32	64	164	100	156.3%	(16)	-8.9%	379	260	(119)	-31.4%
- Consideration paid for business combinations	(107)	(1)	0	(3)	(8)	(5)	0	5	-100.0%	0	0.0%	(108)	(13)	95	-88.0%
- Proceeds from disposal of PPE	0	1	(1)	0	0	1	0	(1)	-100.0%	1	-100.0%	0	1	1	0.0%
Cash flow before financing activities	78	881	462	586	(5)	748	948	200	26.7%	486	+>100%	1,421	1,691	270	19.0%
Cash flow used in financing activities	(738)	(559)	(173)	(1,100)	(283)	(573)	(768)	(195)	34.0%	(595)	+>100%	(1,470)	(1,624)	(154)	10.5%
- Dividends paid	(391)	(391)	(392)	(392)	(392)	(313)	(313)	0	0.0%	79	-20.2%	(1,174)	(1,018)	156	-13.3%
- Debt drawdown	1,100	0	400	0	500	900	0	(900)	-100.0%	(400)	-100.0%	1,500	1,400	(100)	-6.7%
- Debt repayment	(1,250)	0	0	(500)	(200)	(975)	(265)	710	-72.8%	(265)	-100.0%	(1,250)	(1,440)	(190)	15.2%
- Payment of finance costs	(99)	(101)	(104)	(124)	(114)	(109)	(106)	3	-2.8%	(2)	1.9%	(304)	(329)	(25)	8.2%
- Shares acquired pursuant to incentive arrangement, net	0	0	(7)	0	0	0	(1)	(1)	100.0%	6	-85.7%	(7)	(1)	6	0.0%
- Others	(98)	(67)	(70)	(84)	(78)	(75)	(83)	(8)	10.7%	(13)	18.6%	(235)	(236)	(1)	0.4%
Net change in cash & cash equivalents	(660)	322	289	(514)	(288)	175	180	5	2.9%	(109)	-37.7%	(49)	67	116	->100%
Opening cash & cash equivalents	1,164	504	826	1,115	601	313	488	175	55.9%	(338)	-40.9%	1,164	601	(563)	-48.4%
Closing cash & cash equivalents*	504	826	1,115	601	313	488	668	180	36.9%	(447)	-40.1%	1,115	668	(447)	-40.1%

* The difference between cash & cash equivalents and deposits, cash and bank balances represent deposits with banks that have maturity periods of more than 3 months

FINANCIAL RATIOS



(RM mn)	4Q22	2Q23	3Q23	QoQ	
				RM mn	%
Debt¹	9,865	10,056	9,768	(288)	-2.9%
Deposits, cash & bank balances²	628	515	695	180	35.0%
Net debt	9,237	9,541	9,073	(468)	-4.9%
Total equity attributable to equity owners of the Company	6,089	6,034	6,010	(24)	-0.4%

	4Q22	2Q23	3Q23
Net debt to EBITDA³ (x)	2.35	2.41	2.33
Net debt to Equity (x)	1.52	1.58	1.51

Note 1: Includes derivative financial instruments designated for hedging relationship on borrowings

Note 2: The difference between cash & cash equivalents and deposits, cash and bank balances represent deposits with banks that have maturity periods of more than 3 months

Note 3: EBITDA calculated using rolling 12 months reported EBITDA



REVENUE COMPOSITION

(RM mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY		YTD22	YTD23	YTD	
								RM mn	%	RM mn	%			RM mn	%
Total Revenue	2,406	2,424	2,405	2,554	2,526	2,470	2,442	(28)	-1.1%	37	1.5%	7,235	7,438	203	2.8%
Service Revenue	2,030	2,084	2,108	2,114	2,112	2,113	2,145	32	1.5%	37	1.8%	6,222	6,370	148	2.4%
Consumer converged revenue	1,642	1,698	1,721	1,750	1,747	1,751	1,765	14	0.8%	44	2.6%	5,061	5,263	202	4.0%
- Postpaid	785	810	830	850	864	871	882	11	1.3%	52	6.3%	2,425	2,617	192	7.9%
- Prepaid	657	679	676	681	661	651	652	1	0.2%	(24)	-3.6%	2,012	1,964	(48)	-2.4%
- Fibre	163	173	180	187	192	201	203	2	1.0%	23	12.8%	516	596	80	15.5%
- WBB	37	36	35	32	30	28	28	0	0.0%	(7)	-20.0%	108	86	(22)	-20.4%
Enterprise converged revenue	346	350	357	364	365	362	380	18	5.0%	23	6.4%	1,053	1,107	54	5.1%
- Mobile	185	185	199	207	200	201	200	(1)	-0.5%	1	0.5%	569	601	32	5.6%
- Fixed & Solutions	161	165	158	157	165	161	180	19	11.8%	22	13.9%	484	506	22	4.5%
Wholesale voice	42	36	30	0	0	0	0	0	0.0%	(30)	-100.0%	108	0	(108)	-100.0%
Non Service Revenue	376	340	297	440	414	357	297	(60)	-16.8%	0	0.0%	1,013	1,068	55	5.4%
- Device	376	340	297	440	414	357	297	(60)	-16.8%	0	0.0%	1,013	1,068	55	5.4%

Revenue composition based on previous classification:

(RM mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY		YTD22	YTD23	YTD	
								RM mn	%	RM mn	%			RM mn	%
Service Revenue	2,030	2,084	2,108	2,114	2,112	2,113	2,145	32	1.5%	37	1.8%	6,222	6,370	148	2.4%
Mobile	1,698	1,748	1,768	1,793	1,784	1,779	1,806	27	1.5%	38	2.1%	5,214	5,369	155	3.0%
- Postpaid	1,041	1,069	1,092	1,112	1,123	1,128	1,154	26	2.3%	62	5.7%	3,202	3,405	203	6.3%
- Prepaid	657	679	676	681	661	651	652	1	0.2%	(24)	-3.6%	2,012	1,964	(48)	-2.4%
Enterprise Services	141	135	131	103	106	106	106	0	0.0%	(25)	-19.1%	407	318	(89)	-21.9%
Home Fibre	166	177	184	191	196	205	208	3	1.5%	24	13.0%	527	609	82	15.6%
Network Income	25	24	25	27	26	23	25	2	8.7%	0	0.0%	74	74	0	0.0%

RGS30 AND ARPU



Maxis Consumer	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY	
								Δ	%	Δ	%
Total Consumer Subscriptions ('000)	9,522	9,694	9,751	9,797	9,771	9,839	9,945	106	1.1%	194	2.0%
- Consumer Postpaid	3,189	3,245	3,271	3,343	3,397	3,449	3,533	84	2.4%	262	8.0%
- Consumer Prepaid	5,718	5,811	5,828	5,785	5,686	5,684	5,682	(2)	0.0%	(146)	-2.5%
- Consumer Fibre	512	536	555	577	601	622	645	23	3.7%	90	16.2%
- Consumer WBB	103	102	97	92	87	84	85	1	1.2%	(12)	-12.4%
Consumer ARPU (RM/month)											
- Consumer Postpaid	78.0	79.0	79.1	79.2	78.4	77.9	76.8	(1.1)	-1.4%	(2.3)	-2.9%
- Consumer Prepaid	37.7	39.1	38.6	39.4	38.4	38.2	38.1	(0.1)	-0.3%	(0.5)	-1.3%
- Consumer Home Connectivity	110.7	110.9	109.9	109.9	108.4	108.2	109.5	1.3	1.2%	(0.4)	-0.4%

RGS30 and ARPU based on previous classification:

Maxis Consumer and Enterprise	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY	
								Δ	%	Δ	%
Total Mobile Subscriptions (incl. M2M) ('000)	10,138	10,296	10,376	10,356	10,323	10,377	10,486	109	1.1%	110	1.1%
- Postpaid (incl. M2M)	4,213	4,279	4,348	4,436	4,513	4,573	4,684	111	2.4%	336	7.7%
- Prepaid	5,718	5,811	5,828	5,785	5,686	5,684	5,682	(2)	0.0%	(146)	-2.5%
- WBB*	207	206	200	135	124	120	120	0	0.0%	(80)	-40.0%
ARPU (RM/month)											
Blended ARPU (excl. M2M)	54.3	55.6	55.5	56.4	55.6	55.6	55.2	(0.4)	-0.7%	(0.3)	-0.5%
- Postpaid (excl. M2M)	78.1	79.1	79.7	80.0	78.7	78.5	77.5	(1.0)	-1.3%	(2.2)	-2.8%
- Prepaid	37.7	39.1	38.6	39.4	38.4	38.2	38.1	(0.1)	-0.3%	(0.5)	-1.3%



MARKET DEFINITION SUBSCRIPTION AND ARPU

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY	
								Δ	%	Δ	%
Mobile Subscriptions ('000)											
Total Mobile Subscriptions (incl. M2M)	11,640	11,767	11,877	11,879	11,920	11,879	12,135	256	2.2%	258	2.2%
- Postpaid (incl. M2M)	4,324	4,398	4,478	4,591	4,663	4,721	4,825	104	2.2%	347	7.7%
- Prepaid	7,092	7,149	7,188	7,147	7,126	7,032	7,185	153	2.2%	(3)	0.0%
- WBB*	224	220	211	141	131	126	125	(1)	-0.8%	(86)	-40.8%
Home Connections ('000)	520	545	564	587	612	634	658	24	3.8%	94	16.7%
Biz Fibre Connections ('000)	40	41	41	40	39	39	40	1	2.6%	(1)	-2.4%
ARPU (RM/month)											
Blended ARPU (excl. M2M)	46.2	47.7	47.3	47.8	46.9	47.0	46.7	(0.3)	-0.6%	(0.6)	-1.3%
- Postpaid (excl. M2M)	72.5	72.7	72.8	72.7	71.3	71.0	70.2	(0.8)	-1.1%	(2.6)	-3.6%
- Prepaid	30.2	31.8	31.3	31.8	30.7	30.8	30.7	(0.1)	-0.3%	(0.6)	-1.9%
Home Fibre	107.8	108.3	108.0	108.5	107.1	107.4	108.9	1.5	1.4%	0.9	0.8%



	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ		YoY	
								Δ	%	Δ	%
Data Usage (GB/month)											
Blended	24.9	24.9	26.3	26.6	25.2	26.1	26.9	0.8	3.1%	0.6	2.3%
- Postpaid	28.2	27.9	29.1	29.3	27.5	28.4	29.5	1.1	3.9%	0.4	1.4%
- Prepaid	22.9	23.2	24.6	24.9	23.7	24.7	25.2	0.5	2.0%	0.6	2.4%

Thank You



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