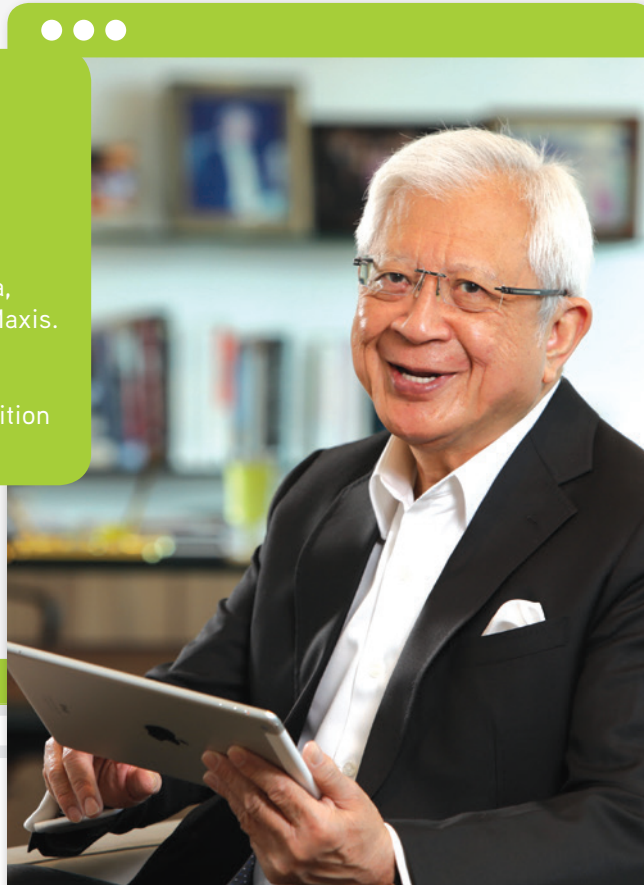


Chairman's Statement

Dear Shareholders,

We are experiencing a wave of change in Malaysia, the Malaysian telecommunications sector and in Maxis. These changes bring new opportunities and risks. The Board has carefully positioned the Company to respond to these changes and optimise our position for investors and stakeholders.



**Raja Tan Sri Dato' Seri Arshad
bin Raja Tun Uda**
Chairman

We are encouraged by the RM1 billion allocated by the Government to realise the National Fiberisation and Connectivity Plan (NFCP). With NFCP expected to set out the roadmap of Malaysia's next phase of connectivity, the implementation of the Mandatory Standard on Access Pricing (MSAP) was a positive development in 2018, considering the ever-increasing demand for digitally-driven information and entertainment in the country. We are also excited about the potential of 5G services, which hold the promise of supporting smart solutions. The setting up of a 5G Industry Task Force to leverage industry expertise for a smooth 5G rollout is therefore a welcome move.

Over the last few years, Maxis has been sharpening its focus on mobile broadband while expanding its fixed fibre network and growing the Enterprise business. These initiatives are driven by our ambition to become the leading converged communications and digital services company, and are reflected in our solutions designed for all Malaysians, both consumers and businesses. In our commitment to help fill the home broadband gap, we led the adoption of affordable fibre broadband by being the first to release the most affordable national broadband packages following the reduction of regulated access pricing.

Spectrum continues to be a vital component in how we ensure the quality of our network in an evolving technological environment. This next-generation network will be supported in part by the 700MHz spectrum, for which Maxis has participated in the tender that is based on a set of evaluation criteria. We look forward to fair spectrum allocations to continue serving the Malaysian population with the best mobile Internet experience.

Meanwhile, with online intrusions becoming increasingly common and a global concern in this era of the digital economy, data privacy and security remains a top priority for Maxis. The Board maintains a vigilant oversight of Management's processes and policies to protect our customers' information and reduce the risk of cyber incidents.

Chairman's Statement



Over the last few years, Maxis has been sharpening its focus on mobile broadband while expanding its fixed fibre network and growing the Enterprise business.

Community

Sustainability is about creating positive and long lasting impact and value in how we do business, going beyond legal compliance and working with the communities in which we operate.

As always, we have a genuine desire to give back to the community. We are fortunate in that the business we are in has the potential to transform the lives of the underserved, and this has been our focus over the years, underlined by our passion for education.

Our ongoing festive charity programmes give us an opportunity to work and engage with various communities in need, while our humanitarian relief efforts to help victims, including our own dealers and employees who are affected, are driven by the spirit and culture of Maxis that we uphold proudly. All our community projects are well supported by our Maxis volunteers, or M Squad. We are pleased with their unflinching support and commitment to give back to the community.

Underlining our commitment to engaging and helping local communities, the Board in 2018 agreed to allocate up to 1% of our profit before tax annually for corporate responsibility and sustainability initiatives.

Outlook

Increasing global market uncertainties are indicating the need for caution, while local economic conditions are giving us the confidence to pursue further growth opportunities for the business. GDP is forecasted at about 4% with the IT sector expected to see double digit growth. We are also encouraged by the new Government's commitment to digitalisation for the nation, and the initiatives that are being undertaken or planned to achieve its goals.

Meanwhile, we will continue to accelerate greater fibre broadband penetration. With the Government's investment, as well as our own, we hope to be able to extend our services to homes that are still not connected to broadband. As an access seeker in the country, we will continue to work with the Government and every access provider to access available fibre networks, so that we can roll out our affordable fibre plans to even more homes and businesses in Malaysia.

Together with the positive consumer sentiment post-general elections, we are confident of further acceleration of demand for even more digital content and services for homes and business. No doubt, competition to capture this demand will intensify, yet we believe with the advances we have made and a new strategic framework focused on growth areas, we will further entrench our leadership in the industry.

We look forward to continuing to explore opportunities to strengthen our competitiveness and participate in the development of the Malaysian digital economy for the benefit of all our investors and stakeholders.



For the video interview, scan this QR code or go to www.maxis.my/Chairman18

Chairman's Statement



As an access seeker in the country, we will continue to work with the Government and every access provider to access available fibre networks, so that we can roll out our affordable fibre plans to even more homes and businesses in Malaysia.

Governance

Integrity and transparency are key to building the trust of our stakeholders. The Board places high importance on governance and compliance to applicable laws and regulations.

This year, we have embarked on a journey to adopt Integrated Reporting in line with the IIRC Framework as we believe it will enable us to communicate our strategies, activities, performance and prospects in a comprehensive, clear and meaningful manner. The Integrated Reporting approach, moreover, enables us to demonstrate how everything we do is driven

by a vision of creating value for our stakeholders. Although the journey towards a completely integrated report will necessarily take time, we are committed to making a positive start and enhancing our efforts by the year to present a balanced assessment of our organisation.

For more details on governance and how we have aligned our policies with MCGG 2017, please refer to the Corporate Governance section on pages 76 to 82 in this annual report and Corporate Governance Report 2018, which is available on our website.

Acknowledgements

Overall, this has been a positive year during which much has been accomplished to place Maxis on a stronger footing to face the challenges of the future. We have developed a new strategic plan with the vision to become Malaysia's leading converged communications and digital services company, and put together an Executive team with the expertise to execute all the initiatives necessary to achieve our goals.

On behalf of the Board, I would like to extend a special note of appreciation to Robert Nason for taking over the helm of Maxis as our interim CEO following Morten Lundal's departure. Robert's extensive experience in the transformation of companies, including telcos, has been evident in the changes seen in Maxis in a relatively short period of time. We have also appointed Gokhan Ogut as our Chief Operating Officer, who will take over from Robert in May 2019. Robert and Gokhan have been working closely together to ensure a smooth transition in leadership, and we are excited by the promise of Gokhan building on the foundation set in 2018 and driving our new strategy. Robert meanwhile will remain on the Board as a Non-Independent Non-Executive Director, and has also been appointed as Chairman of the Business and IT Transformation Committee and a member of the Audit

Committee. I look forward to his continued guidance and valuable contribution.

Our appreciation also goes to the entire team at Maxis for their hard work and commitment to our shared vision and goals.

Additionally, I would like to thank the Government and the Malaysian Communications and Multimedia Commission (MCMC) for continuing to support the industry with a sound regulatory framework that encourages healthy competition which will, ultimately, benefit all Malaysians. I also thank our customers and all of our suppliers and partners for their support.

On a personal note, I feel honoured to be surrounded by learned and experienced colleagues on the Board and would like to thank them for their invaluable counsel and dedication in steering Maxis as we navigate an increasingly challenging environment. We are entering a new, uncharted landscape, but with the collaboration and cooperation of everyone, I remain confident of our continued success.

**RAJA TAN SRI DATO' SERI ARSHAD
BIN RAJA TUN UDA**