**OUR VALUE CHAIN ACTIVITIES** 

**OUR BUSINESS** 

# **Business** Model



### Network, Spectrum, IT and Infrastructure

Our services are enabled by our strong investment in network, spectrum, IT and infrastructure. Our services depend heavily on access to spectrum which we strive to secure through transparent and competitive prices, coupled with proactive engagement with regulators.



#### **Differentiated Customer Service**

One of the key strategic priorities for us is to deliver an "Unmatched Personalised Experience" every time we interact with our customers and partners. We aim to continuously deepen our knowledge and understanding of customers' needs, and to provide new methods of engagement.



#### Distribution and Sales Channels

Our diverse and extensive distribution and sales channels are established with the ultimate goal of connecting with our customers. Meanwhile, with a mix of physical, online and voice channels, we provide partners with opportunities to run entrepreneurial businesses under the umbrella of our Maxis brand.



#### **Sourcing and Procurement**

We have world-class procurement strategies and practices that enable us to maintain an efficient, sustainable and ethical business. We leverage global alliances to secure the most-cost-effective and quality assured means of delivering our services, with a long-term partnership approach with our suppliers.



#### **Innovative Products and Solutions**

In order to continue growing, we aim to win market share by constantly innovating. Through new products, solutions and value propositions, we can truly deliver a personalised offer to all our enterprise and consumer customers.





**DUR VALUE PROPOSITIONS** 







**OUR COSTS** 



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## **Business** Model

#### **Customer Value Proposition**

• Unmatched Personalised Experience products, solutions and services

#### **Employee Value Proposition**

- Forward leaning company driven by strong values with a unique advantage to address tomorrow's digital needs
- Learning and growing together in an engaged environment

### Shareholder Value Proposition

• Robust and sustained shareholder returns including dividends and capital growth

#### Societal Value Proposition

• Uniting to unlock potential and possibilities for everyone in Malaysia, including businesses

#### Our Cost

- Network Investment
- Human Capital Investment
- Operating Cost
- We place strong emphasis on cost optimisation - limiting cost growth to ensure strong EBITDA and cash flow. This has been enabled by multiple continuous working capital and cost improvement initiatives.

#### **Cost Differentiators**

- Rigorous governance processes for approving, reviewing, tracking and evaluating spend and investment decisions
- Sustainable and consistent investment in network, systems and employees through latest technologies and innovative programmes
- · Leveraging cost optimisation programmes to ensure best practices are implemented to maintain efficiency throughout the business

#### Our Revenue Streams

- Postpaid mobile communication
- Prepaid mobile communication
- Home fibre connectivity
- Enterprise mobile and fixed communication solutions
- Enterprise end-to-end solutions
- Device sales



**DUR REVENUE STREAMS** 

# **Revenue Differentiators**

- Unmatched Personalised Experience
- Customer Insights and Analytics
- Innovative Products & Services



- Competitive risk
- Economic risk
- Operational readiness risk
- People management risk
- Regulatory risk
- Information technology risk
- Data security risk
- Supply chain/vendor risk
- Technology risk
- New business risk
- Network failure risk

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	Management and Internal Control on pages 88 to 93.	

# **How Maxis Creates and Sustains Value**

	Capitals	Input
inancial	Our financial capital enables value creation with the other five capitals through availability and management of our funds	<ul> <li>Market capitalisation of RM41.8 billion</li> <li>Long and short-term borrowings</li> <li>Cash and cash equivalents</li> </ul>
lanufactured	Our physical assets, such as our network infrastructure, data centres and service channels, are important sources of our competitive advantage	<ul> <li>93% 4G LTE population coverage</li> <li>RM1.0 billion investment in our network</li> <li>65 Maxis stores</li> <li>193 Maxis Exclusive Partner (MEP) stores</li> </ul>
ntellectual	Product and service innovation and technology have always been Maxis' core focus to enhance our brand value	<ul> <li>Premium brand positioning</li> <li>Leadership</li> <li>Skilled, technical and expert teams</li> <li>Research and development, segmented approach</li> <li>Big data and analytics</li> </ul>
luman	Our people are our most critical asset. We invest in our people's passion, hence creating our MaxisWay culture	<ul> <li>Engaged employees</li> <li>Digitally assisted learning portals</li> <li>Remuneration and benefits policies</li> <li>Centers of Excellence</li> </ul>
Social & Relationship	Strong and lasting relationships with key stakeholders are created through mutual trust, partnerships and value-added products and services	<ul> <li>Mutually supportive relationships with key stakeholders (i.e. customers, employees, shareholders &amp; investors, Government &amp; regulators, suppliers &amp; partners, community)</li> <li>9.9 million subscribers</li> <li>0.23 million homes</li> </ul>
latural	We make conscious efforts to minimise the impact of our value chain on the environment	<ul><li>Radio spectrum (900, 1,800, 2,100, 2,600MHz bands)</li><li>Energy</li></ul>

## How Maxis Creates and Sustains Value

#### Activities

- Exploring diverse growth areas
- Strong financial governance
- Optimising working capital
- · Cost optimisation programme
- Consistent investment towards building the best network
- Digitalising operations to fully leverage our investments
- New ways to interact with our customers
- Digital branding
- Designing and creating products and solutions
- Maxis Innovation Programme
- Digital and innovative focus
- Personal development and competitive remuneration schemes
- I Grow development agenda
- Maxis People promise strategies
- HireVue recruitment digitalisation
- Digitalisation of customer service channels
- Engaged investors, transparent communication
- Community outreach programmes
- M Squad volunteering
- eWaste recycling programmes and waste management initiatives
- Prioritising energy efficiency in our network and data centers

# Output

- Revenue: RM9,192 million
- EBITDA: RM3,799 million

Innovative products and solutions that meet the wants and needs of customers, demonstrating Maxis as an industry leader in the enterprise and consumer segments

Over 1,500 touch points in fit for purpose retail format to reach out and interact with customers

Diverse and engaged workforce with the technical skills and innovative drive to create better solutions for customers.

Reaching 6,400 students in rural communities in Malaysia through our eKelas programme via 55 Pusat Internet across 10 states

211.9k tonnes of CO, emissions

Value Created for Our Stakeholders

- Dividend per share: 20 sen
- TNPS of 56
- Mobile network leadership
- Differentiated products and services
- Improved MaxisWay culture
- World-class employee engagement score of 87%
- Empowered rural communities with digital learning
- Average energy consumption per base station reduced by 9.1%

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