

## **MAXIS BERHAD (“MAXIS”)**

### **PRIVATE PLACEMENT OF MAXIS SHARES (“PRIVATE PLACEMENT”)**

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*(Unless otherwise stated, all definitions and terms used in this announcement shall have the same meaning as defined in the announcement dated 19 June 2017 in relation to the Private Placement)*

We refer to the announcement dated 19 June 2017 in relation to the Private Placement.

On behalf of the Board, CIMB is pleased to announce that the book-building process in relation to the Private Placement has been completed attracting demand from both local and foreign institutional investors.

The issue price for the Placement Shares has been fixed at RM5.52 per Placement Share (“**Issue Price**”), representing a discount of 9.24% to the VWAP of Maxis’ Shares for the five (5) market days up to and including 16 June 2017, being the last trading day prior to this announcement, of RM6.0819 and a discount of approximately 6.12% to the closing price of Maxis shares on 16 June 2017 of RM5.88. Based on 300,000,000 Placement Shares, the gross proceeds to be raised from the Private Placement is approximately RM1,656 million.

The effects of the Private Placement on Maxis’ issued share capital, consolidated net assets (“**NA**”) per Maxis Share, gearing, earnings per Maxis Share (“**EPS**”) and substantial shareholders’ shareholdings are set out in the Appendix.

Additionally, the Company has received the approval of Bursa Securities for the additional listing of and quotation for the new Maxis Shares to be issued pursuant to the Private Placement on the Main Market of Bursa Securities subject to among others, the following conditions:

- (i) Maxis and CIMB must fully comply with the relevant provisions under the Main Market Listing Requirements of Bursa Securities (“**Main Market LR**”) pertaining to the implementation of the Private Placement;
- (ii) Maxis and CIMB to inform Bursa Securities upon the completion of the Private Placement;
- (iii) Maxis and CIMB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Private Placement is completed; and
- (iv) CIMB must submit to Bursa Securities the placees’ details in accordance with Paragraph 6.15 of the Main Market LR as soon as practicable after each tranche of placement and before the listing of the Placement Shares.

This announcement is dated 20 June 2017.

**This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering is being made in the United States.**

## APPENDIX

The effects of the Private Placement on Maxis' issued share capital, consolidated NA per Maxis Share, gearing, EPS and substantial shareholders' shareholdings based on gross proceeds raised of RM1,656 million are as follows:

### (i) Share capital

The proforma effect of the Private Placement on the issued share capital of Maxis is as follows:

	<u>No of shares ('000)</u>	<u>RM ('000)</u>
Issued share capital as at 16 June 2017	7,510,511	* 752,138
To be issued pursuant to the Private Placement	300,000	1,656,000
Enlarged issued share capital	<u>7,810,511</u>	<u>2,408,138</u>

**Note:**

\* Excludes share premium for shares issued before 31 January 2017.

### (ii) Consolidated NA per Maxis Share and gearing

The proforma effects of the Private Placement on the NA per Maxis Share and gearing based on the audited consolidated statement of financial position of Maxis as at 31 December 2016, on the assumption that the Private Placement had been effected on that date, are as follows:

	<u>As at 31 December 2016</u>	<u>After the Private Placement</u>
	<u>(RM'000)</u>	<u>(RM'000)</u>
Share capital	751,031	2,407,031
Share premium	61,974 <sup>(1)</sup>	61,974 <sup>(1)</sup>
Reserves	3,907,894	3,907,894
Shareholders' fund/ NA	<u>4,720,899</u>	<u>6,376,899</u>
No. of Maxis shares in issue ('000)	7,510,314	7,810,314
NA per Maxis share (RM)	0.63	0.82
Net debt <sup>(2)</sup> (RM'000)	8,570,302	6,914,302 <sup>(3)</sup>
Gearing (times) <sup>(4)</sup>	1.8	1.1

**Notes:**

(1) Effective from 31 January 2017, the new Companies Act 2016 abolished the concept of authorised share capital and par value of share capital. Consequently, any amount standing to the credit of a company's share premium account shall become part of the Company's share capital pursuant to Section 618(2) of the Act. Under the transitional provision in Section 618(3) of the Act, a company may exercise its rights to use the credit amount being transferred from the share premium account to share capital within twenty-four months upon the commencement of the Act for the purposes as set out in that section

(2) Calculated as total interest bearing financial liabilities less deposits, cash and bank balances

(3) After deducting gross proceeds of RM1,656 million for the repayment of borrowings

(4) Calculated as net debt divided by NA.

**(iii) Consolidated earnings and EPS**

Based on the average interest rate of borrowings of approximately 4.70% per annum, the assumed RM1,656 million repayment of borrowings is expected to result in an after tax interest savings of approximately RM59 million per annum to the Maxis Group.

Save for the expected interest savings above and the dilution in EPS due to the increase in the number of Maxis Shares pursuant to the issuance of the Placement Shares, the Private Placement is not expected to have any material effect on the earnings and EPS of the Maxis Group for the financial year ending 31 December 2017.

**(iv) Substantial shareholders' shareholdings**

The proforma effect of the Private Placement on the shareholdings of the substantial shareholders of Maxis as at 16 June 2017 is as follows:

	As at 16 June 2017				After the Private Placement			
	Direct		Indirect		Direct		Indirect	
	No. of Maxis shares		No. of Maxis shares		No. of Maxis shares		No. of Maxis shares	
	000	% <sup>(1)</sup>	000	% <sup>(1)</sup>	000	% <sup>(1)</sup>	000	% <sup>(1)</sup>
BGSM Equity Holdings Sdn Bhd Bhd ("BGSM Equity")	4,875,000	64.91	–	–	4,875,000	62.42	–	–
BGSM Management Sdn Bhd ("BGSM Management") <sup>(1)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Maxis Communications Berhad ("MCB") <sup>(2)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Binariang GSM Sdn Bhd ("BGSM") <sup>(3)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Usaha Tegas Equity Sdn Bhd ("UTE") <sup>(4)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Usaha Tegas Sdn Bhd ("Usaha Tegas") <sup>(5)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Pacific States Investment Limited ("PSIL") <sup>(6)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Excorp Holdings N.V. ("Excorp") <sup>(7)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
PanOcean Management Limited ("PanOcean") <sup>(7)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Ananda Krishnan Tatparanandam ("TAK") <sup>(8)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Harapan Nusantara Sdn Bhd ("Harapan Nusantara") <sup>(9)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Tun Haji Mohammed Hanif bin Omar <sup>(10)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Dato' Haji Badri bin	–	–	4,875,000	64.91	–	–	4,875,000	62.42

	As at 16 June 2017				After the Private Placement			
	Direct		Indirect		Direct		Indirect	
	No. of Maxis shares		No. of Maxis shares		No. of Maxis shares		No. of Maxis shares	
Haji Masri <sup>(10)</sup>								
Mohamad Shahrin bin Merican <sup>(10)</sup>	11,000	*	4,875,000	64.91	11,000	*	4,875,000	62.42
STC Malaysia Holding Ltd (“STCM”) <sup>(11)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
STC Asia Telecom Holding Ltd (“STCAT”) <sup>(12)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Saudi Telecom Company (“Saudi Telecom”) <sup>(13)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Public Investment Fund (“PIF”) <sup>(14)</sup>	–	–	4,875,000	64.91	–	–	4,875,000	62.42
Employees Provident Fund Board (“EPF”)	732,442	9.75	7,120 <sup>(15)</sup>	0.09	782,442	10.02	7,120 <sup>(15)</sup>	0.09
AmanahRaya Trustees Berhad (“ARB”) - Skim Amanah Saham Bumiputera	629,448	8.38	–	–	629,448	8.06	–	–

**Notes:**

\* Negligible

(1) BGSM Management’s deemed interest in the Maxis Shares arises by virtue of BGSM Management holding 100% equity interest in BGSM Equity.

(2) MCB’s deemed interest in the Maxis Shares arises by virtue of MCB holding 100% equity interest in BGSM Management.

(3) BGSM’s deemed interest in the Maxis Shares arises by virtue of BGSM holding 100% equity interest in MCB.

(4) UTE’s deemed interest in the Maxis Shares arises through its wholly-owned subsidiaries, namely, Wilayah Resources Sdn Bhd, Tegas Puri Sdn Bhd, Besitang Barat Sdn Bhd and Besitang Selatan Sdn Bhd (collectively, “UT Subsidiaries”) which hold in aggregate 37% equity interest in BGSM. See Note (3) above for BGSM’s deemed interest in the Maxis Shares.

(5) Usaha Tegas’ deemed interest in the Maxis Shares arises by virtue of Usaha Tegas holding 100% equity interest in UTE. See Note (4) above for UTE’s deemed interest in the Maxis Shares.

(6) PSIL’s deemed interest in the Maxis Shares arises by virtue of PSIL holding 99.999% equity interest in Usaha Tegas. See Note (5) above for Usaha Tegas’ deemed interest in the Maxis Shares.

(7) PanOcean holds 100% equity interest in Excorp which in turn holds 100% equity interest in PSIL. See Note (6) above for PSIL’s deemed interest in the Maxis Shares. PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of TAK and foundations including those for charitable purposes. Although PanOcean is deemed to have an interest in such Maxis Shares, it does not have any economic or beneficial interest in such Maxis Shares, as such interest is held subject to the terms of such discretionary trust.

- (8) *TAK's deemed interest in the Maxis Shares arises by virtue of PanOcean's deemed interest in the Maxis Shares. See Note (7) above for PanOcean's deemed interest in the Maxis Shares. Although TAK is deemed to have an interest in such Maxis Shares, he does not have any economic or beneficial interest in such Maxis Shares, as such interest is held subject to the terms of a discretionary trust referred to in Note (7) above.*
- (9) *Harapan Nusantara's deemed interest in the Maxis Shares arises through its wholly-owned subsidiaries, namely, Mujur Anggun Sdn Bhd, Cabaran Mujur Sdn Bhd, Anak Samudra Sdn Bhd, Dumai Maju Sdn Bhd, Nusantara Makmur Sdn Bhd, Usaha Kenanga Sdn Bhd and Tegas Sari Sdn Bhd (collectively, "Harapan Nusantara Subsidiaries"), which hold in aggregate 30% equity interest in BGSM. See Note (3) above for BGSM's deemed interest in the Maxis Shares.*
- The Harapan Nusantara Subsidiaries hold their deemed interest in such Maxis Shares under discretionary trusts for Bumiputera objects. As such, Harapan Nusantara does not have any economic interest in such Maxis Shares as such interest is held subject to the terms of such discretionary trusts.*
- (10) *His deemed interest in the Maxis Shares arises by virtue of his 25% direct equity interest in Harapan Nusantara. However, he does not have any economic interest in such Maxis Shares as such interest is held subject to the terms of the discretionary trusts referred to in Note (9) above.*
- (11) *STCM's deemed interest in the Maxis Shares arises by virtue of STCM holding 25% equity interest in BGSM. See Note (3) above for BGSM's deemed interest in the Maxis Shares.*
- (12) *STCAT's deemed interest in the Maxis Shares arises by virtue of STCAT holding 100% equity interest in STCM. See Note (11) above for STCM's deemed interest in the Maxis Shares.*
- (13) *Saudi Telecom's deemed interest in the Maxis Shares arises by virtue of Saudi Telecom holding 100% equity interest in STCAT. See Note (12) above for STCAT's deemed interest in the Maxis Shares.*
- (14) *PIF's deemed interest in the Maxis Shares arises by virtue of PIF holding 70% equity interest in Saudi Telecom. See Note (13) above for Saudi Telecom's deemed interest in the Maxis Shares.*
- (15) *EPF is deemed to have an interest in 7,120,300 Maxis Shares held through nominees.*

**(v) Convertible securities**

The Private Placement does not have any effect on the existing convertible securities of Maxis.