

MAXIS BERHAD

Maxis builds growth momentum with healthy first quarter performance

- **Profit After Tax of RM353 million, up 10.3% year-on-year (YoY)**
- **Service Revenue at RM2,191 million, up 3.7% YoY**
- **EBITDA of RM1,044 million, up 7.4% YoY**
- **Declares interim dividend of 4 sen per share**

MEDIA RELEASE

For immediate release

Kuala Lumpur, 17 May 2024

Maxis delivered a strong first quarter as core businesses drove growth, underpinned by its integrated telco strategy. For the first quarter ended 31 March 2024, the Company's focus on its core Consumer and Enterprise businesses delivered a 3.7% increase in Service Revenue year-on-year (YoY) to RM2,191 million. Maxis' Consumer business saw growth across both its mobile and home segments, whilst the Enterprise business sustained its momentum from rising demand for connectivity solutions in tandem with growing digital adoption.

On the back of strong revenue growth, earnings before interest, tax, depreciation, and amortisation (EBITDA) strengthened by 7.4% YoY to RM1,044 million as margins improved. This contributed to a 10.3% rise in Profit After Tax (PAT) to RM353 million. The Company declared an interim dividend of 4 sen per share for the quarter.

Maxis' Consumer business registered a 3.3% increase due to higher postpaid and home connectivity revenue. Postpaid revenue grew by 5.4%, driven by Maxis' wide range of offerings catering to every segment, while prepaid remained resilient despite intense competition as tailored offerings for target segments led to subscriber growth. A healthy uptake in home fibre broadband contributed higher revenue of 9.9% in overall home connectivity as the Company continues to deliver greater value to customers.

Maxis' Enterprise business recorded 6.0% revenue growth from stronger fixed connectivity and enterprise solutions performance. The Company is well positioned to continue leveraging rising demand for connectivity solutions that enable technologies such as the internet of things (IoT), cloud, generative AI (gen AI) and managed network services.

Maxis will accelerate the adoption of next-generation enterprise offerings in the public and private sectors, including 5G and 5G-Advanced (5.5G) solutions. The Company is also committed to being the one-stop digitalisation partner for small and medium enterprises (SMEs), in line with the nation's aspiration to accelerate digital adoption.

Maxis continues to manage capital expenditure (Capex) efficiently with laser focus on value creation, investing RM106 million during the quarter into network capacity expansion, fibre rollouts and IT digitalisation. This disciplined approach is Maxis' commitment to support the nation's 5G rollout, where it is fully aligned with the Government's decision on the 5G delivery model and is ready to build another 5G network.

Comment by Goh Seow Eng, Maxis CEO:

“Our healthy first quarter performance validates our integrated telco growth strategy. Enhancing customer experience and delivering better value are our utmost priority. With our focused investments in our network and digitalisation, we are confident that we will continue to meet the connectivity needs of our customers.”

Q1 2024 financial highlights: Q1 2024 vs Q1 2023

- **Service Revenue** increased by 3.7% YoY to RM2,191 million, driven by growth in Consumer and Enterprise businesses.
 - **Postpaid mobile** sustained momentum with healthy subscriber growth of 7.5%, bringing the total number of postpaid subscriptions to 3.65 million. This contributed to the RM911 million in Consumer Postpaid revenue for the quarter, up by 5.4%.
 - **Prepaid mobile** subscriptions expanded by 1.5%, contributed by a tailored approach to different market segments and value creation through personalised offerings. The segment remained resilient, with overall subscribers at a stable 5.77 million and RM649 million in revenue.
 - **Home Connectivity** delivered healthy revenue growth, rising by 9.9% year-on-year to RM244 million due to a targeted go-to-market strategy. Home connections registered 11.2% subscriber growth to 765,000 in comparison to the same quarter last year.
 - **Enterprise** service revenue grew by 6.0% to RM387 million from growing demand for connectivity and digital solutions and services, as well as the 4G and 2G wholesale agreement formalised in June 2023.
- **EBITDA** strengthened by 7.4% to RM1,044 million as higher revenue from core Consumer and Enterprise businesses contributed to improved margins.
- **PAT** grew by 10.3% to RM353 million in line with stronger EBITDA.
- **Capex** of RM106 million on network capacity expansion, fibre network rollouts and IT digitisation.
- **Operating free cash flow** stood at RM857 million, contributed by strong working capital management and lower tax and vendor payments, with a healthy cash balance of RM1,168 million as at Q1 2024.

Key Initiatives:

- Showcased first 5G-Advanced (5.5G) technology trial in Southeast Asia, which is up to 10 times faster, connects 10 times more devices, and 5 times more responsive than 5G.
- Enriched Hotlink Prepaid and Postpaid plans, offering 5G across the board, even more data, and uncapped speeds.
- Introduced all-new 5G Home WiFi plans offering fibre-like speeds through a worry-free plug-and-play experience.
- Participated in the Government’s Pakej P-Hailing RAHMAH scheme announced in January 2024 to support delivery riders through affordable data plans that provide seamless connectivity critical for their daily deliveries.
- Received the prestigious international iF Design Award 2024 for User Experience (UX) for the Hotlink mobile app, with Maxis as the inaugural and sole Malaysia and Southeast Asia winner in the mobile application UX category.

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We Are Maxis

Maxis is Malaysia's leading integrated telco, providing high quality digital services and connectivity solutions. As a homegrown Malaysian brand, we have been serving Malaysians for over 28 years and are passionate about bringing together the best of technologies to enable people, businesses and the nation to Always Be Ahead in a changing world. With digitalisation changing the way we live, communicate and access services, we continue to be at the forefront of innovation through our products and services for consumers and enterprises, leveraging our No. 1 converged network that extends to over 94% of the country's population and one of the widest retail networks nationwide.

We take great pride in investing in the nation and creating a positive impact for all our stakeholders through our community outreach programmes. These are driven by digital learning for students, helping small businesses grow, digitally empowering women entrepreneurs as well as providing scholarships and capability building programmes for deserving young Malaysian talent. Maxis is a public listed company on Bursa Malaysia, with shares owned by over 5,400 institutional shareholders that include more than 23% Government Related Institutional Investors as of March 2024.

For our sustainability track record and other important information please visit www.maxis.com.my

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