

MAXIS BERHAD

Maxis delivers solid FY2023 performance

- **Service Revenue at RM8,572 million, up 2.8% year-on-year**
- **EBITDA of RM3,960 million, up 0.8% year-on-year**
- **Normalised Profit After Tax of RM1,353 million, up 3.0% year-on-year**
- **Interim dividend of 4 sen per share**

MEDIA RELEASE

For immediate release

Kuala Lumpur, 22 February 2024

Maxis delivered a solid full year performance in the financial year ended 31 December 2023, sustaining its momentum with a 5-year high in service revenue and earnings before interest, tax, depreciation, and amortisation (EBITDA). The Company saw robust growth across its consumer and enterprise businesses, underpinned by its strategy to focus on its core competencies as the leading integrated telecommunications provider.

Driven by growth in consumer mobile and fibre, along with enterprise connectivity and digital solutions, the Company's service revenue grew 2.8% year-on-year (YoY) to RM8,572 million. This resulted in EBITDA of RM3,960 million and normalised Profit After Tax (normalised PAT) of RM1,353 million.

Maxis' Consumer business grew 3.7%, surpassing the RM7 billion service revenue mark for the year. Postpaid revenue increased 7.5% YoY in tandem with subscriber growth. Since introducing its 5G plans in August 2023, the Company has expanded 5G offerings across all its mobile plans to deliver greater value. Home broadband subscribers grew to 750,000 households, supported by strong fibre broadband uptake.

Meanwhile, Maxis' Enterprise business' overall revenue grew 6.4% from growth in all product categories, including mobile, fixed connectivity and enterprise solutions, contributed by contract wins. As an integrated telco, Maxis continues to meet the connectivity and digital needs of enterprises of all sizes.

The Company declared an interim dividend of 4 sen per share, bringing the full year dividend to 16 sen per share.

Maxis managed capex prudently whilst maintaining operational and service excellence, with RM813 million in capex invested during the year.

Comment by Goh Seow Eng, Maxis CEO:

"We delivered solid results in keeping with our promise of sustainable growth. We will continue to build upon our solid foundation as the leading integrated telecommunications provider, ensuring we stay laser-focused on providing the best customer experience."

FY2023 financial highlights: FY2023 vs FY2022

- **Service Revenue** increased by 2.8% to RM8,572 million, driven by revenue growth in both its Consumer and Enterprise businesses.
 - **Postpaid mobile** maintained momentum with healthy subscriber growth of 7.6%, bringing the total number of postpaid subscriptions to 3.60 million. The Company has widened its range of Postpaid plans to cater to a wider market, including its enhanced 5G Postpaid offerings. This contributed to the 7.5% growth in revenue to RM3,520 million.
 - **Prepaid mobile** subscriptions grew by 1.6% to 5.88 million, contributing to revenue of RM2,619 million. The segment remained resilient amidst strong competition as the Company continues to strengthen its Hotlink offerings to ensure optimal value proposition for customers, especially in focus segments such as youths and under-represented regions.
 - **Home Connectivity** registered healthy revenue growth of 9.7% YoY to RM925 million. This was contributed by 12.1% growth in home connections, with total subscribers crossing the 750,000 mark due to strong fibre uptake.
 - **Enterprise** revenue (excluding wholesale voice) grew by 6.4% in FY2023 to RM1,508 million. In the fourth quarter, the segment added multi-year contracts across various Enterprise segments, providing mobile and fixed connectivity solutions, internet of things (IoT) solutions, cloud and managed services. The Company is also doubling down on integrated connectivity solutions in areas such as smart mobility and electric vehicles (EVs).
- **EBITDA** maintained resilience at RM3,960 million as the Company's cost optimisation measures complement its revenue growth.
- **Normalised PAT** of RM1,353 million. Including one-off and non-cash adjustments, the Company's reported PAT stood at RM992 million.
- **Capex** of RM813 million with a tight focus on ensuring optimal investment to support capacity growth, fibre build and digitalisation. Maxis continues to invest selectively in key areas, including its regional internet hubs in Sabah and Sarawak during the year.
- **Operating free cash flow** eased to RM2,853 million, affected by tax payments in the year and an advance payment pursuant to the conditional Share Subscription Agreement (SSA) in relation to Digital Nasional Berhad (DNB). Cash balance remained stable at RM569 million.

Key initiatives in 2023:

- Entered into a strategic partnership with Telekom Malaysia to provide 4G Multi Operator Core Network (MOCN) as well as 4G and 2G Domestic Roaming Services to benefit subscribers in rural and urban areas nationwide.
- Supported the government's call for affordable connectivity and devices with Pakej 5G RAHMAH and Insentif Postpaid Penjawat Awam, in line with the Ekonomi MADANI framework.
- First telco to build Regional Internet Hubs in Kuching and Kota Kinabalu, providing customers in East Malaysia with superior user experience through higher speeds and lower latency, with direct international content connectivity.
- Launched new 5G mobile plans with attractive value for all segments, with a focus on affordability and adoption.
- Launched new fibre plans to provide better overall experience and value, including first-time ever 1 and 2Gbps.
- Extended the Company's agreement to access TM's High-Speed Broadband (HSBB) premium services until 2029.

- Executed conditional Share Subscription Agreement (SSA) for the proposed equity stake in DNB.

- End -

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 December 2023.

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

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