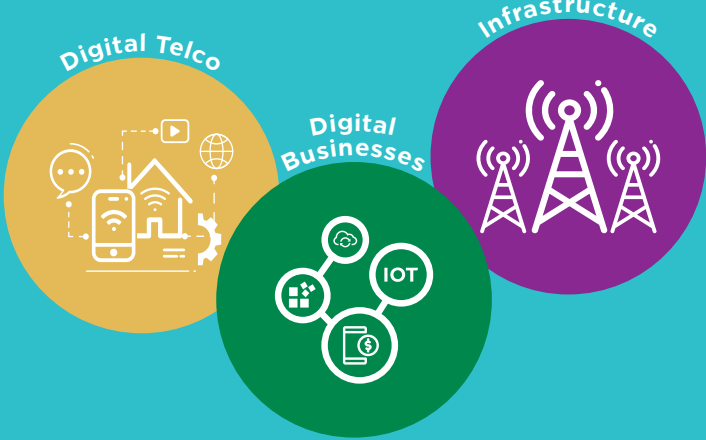




In Conversation With The President & Group CEO



ADVANCING ASIA AS A DIGITAL CHAMPION

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TAN SRI JAMALUDIN IBRAHIM
President & Group Chief Executive Officer

CAUTIOUS OUTLOOK WEIGHS ON STELLAR 2019 PERFORMANCE

As COVID-19 cases begin to plateau and fall, governments around the world are examining exit strategies from movement restrictions in order to get people back to work. Companies will have to rethink their survival in the new normal as they confront major shifts in almost all aspects of operations. Overcoming challenges to post a stellar 2019 performance, Axiata Group Berhad (Axiata or the Group) will now have to prepare to scale the recovery and safeguard its business and operations as it attempts to bounce back from the recession with resilience and maintain its capacity for growth.

The past decade has seen global telcos struggling with sluggish organic growth and heightened hyper-competition between traditional and disruptive Over-The-Top (OTT) players. Amidst the various macroeconomic and geopolitical tensions adding to the heightened mix of market and industry volatility, the global COVID-19 pandemic tipped many nations into distressed social and economic conditions never witnessed in modern history. Public and private sectors are grappling with rising complexities, each trying to do their part to adjust to this shocking reality.

Even as the operating environment grows more complex, the pressure for telcos to invest for growth remains, especially in the post-COVID-19 world and its implications for how institutions, industries and businesses should reinvent themselves. Telco players will turn to regulators to shed clarity on how the regulatory and competitive environment may shift to the “next normal” as companies seek to emerge from the recession and find their path to recovery.

Whilst it is too soon to reveal detailed plans to return the business back to scale quickly, we can appreciate the rigour and disciplined actions the Group had undertaken in 2018 and 2019 chiefly on ensuring a stronger balance sheet from debt reduction and improved Free Cash Flow (FCF), an optimised portfolio through the divestment of its non-core businesses, and staying focused on its profitability and cash generation initiatives. Taking on these early and hard moves in the last two years to deliberately strengthen the Group's financials and fundamentals have in turn, placed Axiata in a stronger position to weather the unprecedented global catastrophe.

We speak to Axiata's President and Group Chief Executive Officer, Tan Sri Jamaludin Ibrahim to find out how the Group has worked towards shoring up its edge and continues to chart its future to deliver sustainable value creation for stakeholders.

In Conversation With The President & Group CEO



1. Has Axiata's focus on cash and profits in 2019 borne results?

Absolutely! The “Shifting Gear” focus has been on point, enabling us to post record results for FY19.

We closed the year on a high with the highest reported Profit After Tax (PAT) since 2016 at RM1.8 billion, and highest ever Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) at RM10.6 billion. Our reported revenue (excluding devices) grew 5.1%, EBITDA 27.4% and Profit After Tax and Minority Interests (PATAMI) more than 100%. Even eliminating one-offs, the Group's underlying¹ EBITDA also registered solid double-digit improvement of 10.9%, due to better operational performance by almost all Operating Companies (OpCos) and successful containment of costs, whilst underlying PATAMI grew 1.2%. However further adjusting for our portfolio optimisation initiatives and unexpected tax impact in Bangladesh, PATAMI growth was 30.7%.

At the same time, Return on Invested Capital (ROIC) improved significantly by 5.1 percentage points (ppt) in FY18 to 6.4% in FY19.

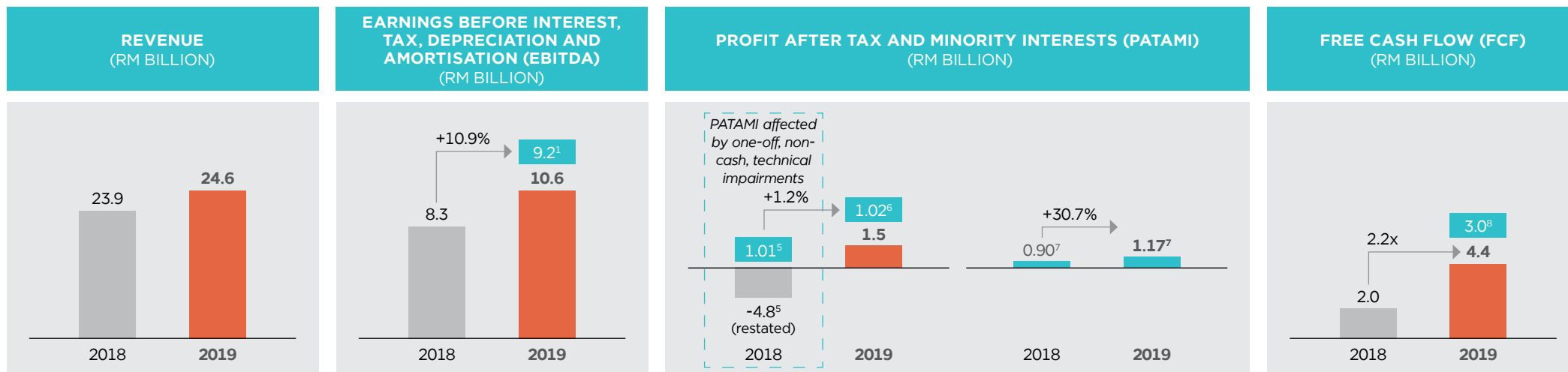
In FY19, Axiata's balance sheet further strengthened as a result of the reduction in gross debt to EBITDA to a healthy 1.8x², compared to 2.3x in FY18. This was achieved through net debt repayment of RM2.3 billion given our strong cash flow. Regardless, our cash balance stood at RM4.2 billion with FCF increasing 2.2x to RM4.4 billion Year on Year (YoY), lifted by double-digit EBITDA growth and flat Capex.

Breaking down numbers³ for performance comparison, it is evident the “Shifting Gear” approach has worked for all OpCos which are now profitable. As a matter of fact, XL and Robi's⁴ profitability surged over 100% and both OpCos stepped up to deliver improved performance across key metrics. Meanwhile, Celcom, XL, Dialog, Smart and edotco achieved double-digit PATAMI and FCF growth.

Interestingly, our focus on profit did not in any way erode our OpCos' ability to maintain market share, with most OpCos gaining substantially during the year.

All this was achieved despite heightened challenges both externally and internally. We did not take our foot off the pedal throughout the complex proposed mega M&A process explored in 2019, reflecting strong operational discipline across the Group.

Importantly, our focus on “Operational Excellence” (OE) in FY19 delivered on a sustainable cost structure Group-wide, enabling us to secure RM1.3 billion savings from cost excellence initiatives.



Notes: ¹ Based on constant currency and excluding Malaysian Financial Reporting Standards (MFRS) 16 impact
² Gross debt to EBITDA excludes MFRS 16 impact
³ Growth numbers for OpCos are based on results in local currency in respective operating markets and exclude MFRS 16 impact
⁴ Adjusting to exclude one-offs in 2018
⁵ The Group's PATAMI dropped to loss position of RM4.8 billion (restated) in FY2018, due to the impacts of one-off, non-cash, technical items including Idea-related losses, assets write-off, impairment and accelerated depreciation as a result of network modernisation primarily at XL and Celcom, and forex and derivatives losses. Adjusting for one-offs, PATAMI was RM1.01 billion

⁶ Adjusting for one-offs and excluding MFRS 16 impact; at constant currency
⁷ FY2018 adjusting for one-offs under Note 5 and excluding M1 share of results (for the purpose of like-for-like comparison with FY2019). FY2019 adjusting for one-offs, excluding MFRS 16 impact, Merger & Acquisition costs and Robi tax impact (due to changes in tax rates since FY2018); at constant currency
⁸ Excluding MFRS 16 impact



In Conversation With The President & Group CEO

2. What is your long-term strategy to ensure you stay the course on growth and profitability?

As a Group, we are single-minded in maintaining the balance between financial results and “institution building” to ensure long-term profitability. At the same time, it is important to strike an equal balance between organic and inorganic focus.

markets and leveraging off our “collective brains” since embarking on the Axiata Triple Core Strategy in 2016, we launched the Axiata 5.0 roadmap that aims to ensure sustainable business growth through prioritising the following 10 Key Focus Areas:

Our strategy has continued to evolve and adjust in line with rapid industry developments that have continued to challenge business models over the years. Bringing together critical learning across the

 <p>“Shifting Gear”</p> <p>Our performance will continue to be guided by the “Shifting Gear” focus (2019-2020) on ensuring profitability and cash generation.</p>	 <p>OpCos Transformation</p> <p>Moving from mobile to convergence with the goal to be the top performer in key metrics in all our respective markets, special attention will be given to our top two largest OpCos – Celcom and XL.</p>	 <p>Operational Excellence</p> <p>Becoming the “lowest cost producer relative to customer promise” will be embedded as the Group DNA or culture.</p>	 <p>New Group Engagement Model</p> <p>To optimise Group-wide efficiency, we need a major game-changing and more structured Group-OpCo engagement model, to achieve maximum Group synergy. This calls for institutionalising cohesive collaboration amongst OpCos, now more than ever before. To kick-start, our prime focus are the areas of network, information technology (IT) and procurement.</p>	 <p>Digitisation and Analytics</p> <p>In many of today’s businesses, the use of Digitisation and Analytics (D&A) is primarily expected to meet the basic standards in order to compete. We are, however, now embarking on a programme to leapfrog our competitors by leveraging on D&A to be far more sophisticated in identifying growth opportunities based on data modelling. D&A is also one of the major components to deliver Operational Excellence.</p>
 <p>New Growth Areas</p> <p>While we can still grow our mobile business, we believe that to ensure a sustainable high pace of growth, aggressive expansion is required in the areas of Enterprise and the Infrastructure/Tower businesses across the Group. We should also expand on Home and Digital businesses but in very selected markets and geographies.</p>	 <p>Stakeholder Management</p> <p>Development of Group-wide positions on key issues impacting the business, especially in the regulatory sphere, as well as engaging with regulatory agencies and governments in our markets of operation, and other key stakeholders. Taking care of our stakeholders also means ensuring high sustainability through our initiatives that contribute to the Sustainable Development Goals.</p>	 <p>Organisation 5.0</p> <p>Given numerous and massive improvements in our plans to future-proof the organisation in line with IR 4.0, we intend to make significant organisational changes. This includes changes in organisational structure, management culture and skillsets.</p>	 <p>Industry Consolidation</p> <p>While organic growth and performance are of utmost priority, consolidation is required to rationalise some markets as well as for us to grow profitably to future-proof our business against a very competitive and uncertain environment.</p>	 <p>Investment and Portfolio Optimisation</p> <p>Our portfolio will have to be further optimised to improve returns (ROIC) and reallocate our capital and resources accordingly.</p>

In Conversation With The President & Group CEO

3. Will the focus on OE be at odds with satisfying what customers want, especially given the pressure to reduce cost?

If customer needs and wants are defined as a combination of products and services at the right price, or commonly simplified as “value for money”, then it is not contradictory. We understand that customer satisfaction is a function of both customer experience and customer expectations, so by enhancing our targeting and segmentation through data and analytics, we can serve all segments to achieve optimum customer satisfaction. On one extreme, some are willing to pay a premium for premium quality network and services, while others on the other end of the spectrum prefer to pay a much lower price yet expect a reasonable level of network and services.






Our task, through proper segmentation and analytics, is to find an optimum level of service and price point for each segment and better yet, for each customer, a “Segment of One”.

But in any case, our OE thinking is driven by the need to be the “lowest cost producer relative to customer promise”. It implies our focus on ensuring we have the lowest cost per GB, per minute, per transaction and so forth. We can achieve this by not necessarily reducing our costs per se. We can also do it through process improvements, by scaling up, through digitisation and better use of analytics and Artificial Intelligence (AI), as well as the drive and support of efficient and productive employees.

All without losing our ability to compete and sacrificing our promise to customers!

4. You mentioned OE as Axiata’s new DNA or culture. What do you mean by OE?

OE will be infused and embedded into Axiata’s corporate DNA, and this is best explained in terms of its five “Building Blocks”.

<p>Profitable Growth</p> <p>We still want to grow revenue but not at all costs. Our challenge is to strike a balance between investing for growth and ensuring it is profitable. As such, we must allocate capital where we can derive the best and most profitable returns.</p> 	<p>Optimum Customer Satisfaction</p> <p>In order to deploy investments more effectively, we must know exactly what our customers prefer and be able to deliver consistently, all the while achieving the optimum point of giving the right services at the right price. This is by no means an easy feat, but whoever can do this best will be the most successful player in today’s world.</p> 	<p>Sustainable Cost Structure</p> <p>With a focus on keeping costs as flat as possible, Capex and Opex spend will be directed to areas that matter.</p> 	<p>Digitisation and Analytics</p> <p>D&A can help achieve growth, profitability, optimum customer satisfaction and reduce cost effectively by being surgical and targeted in all our initiatives. Our investments to build Axiata’s digital businesses since 2015, were more than just about venturing into a new area. It was also meant to fuel our learning on how digital technologies can be exploited to drive efficiency gains Group-wide.</p> 	<p>Organisation Excellence</p> <p>With Axiata’s ongoing transformation into a Modern, Agile and Digital (M.A.D.) organisation, we can achieve high productivity with less resources.</p> 
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In Conversation With The President & Group CEO

5. As a digital company, how are you pushing the envelope on innovation and new technologies?

Technology is critical for digital players and including it as part of our strategy places it at the core of everything we do here at the Group. We are constantly looking to embed a technology-driven, innovation-centric culture across the organisation, and this is an ongoing journey between Axiata and our strategic technology partners.

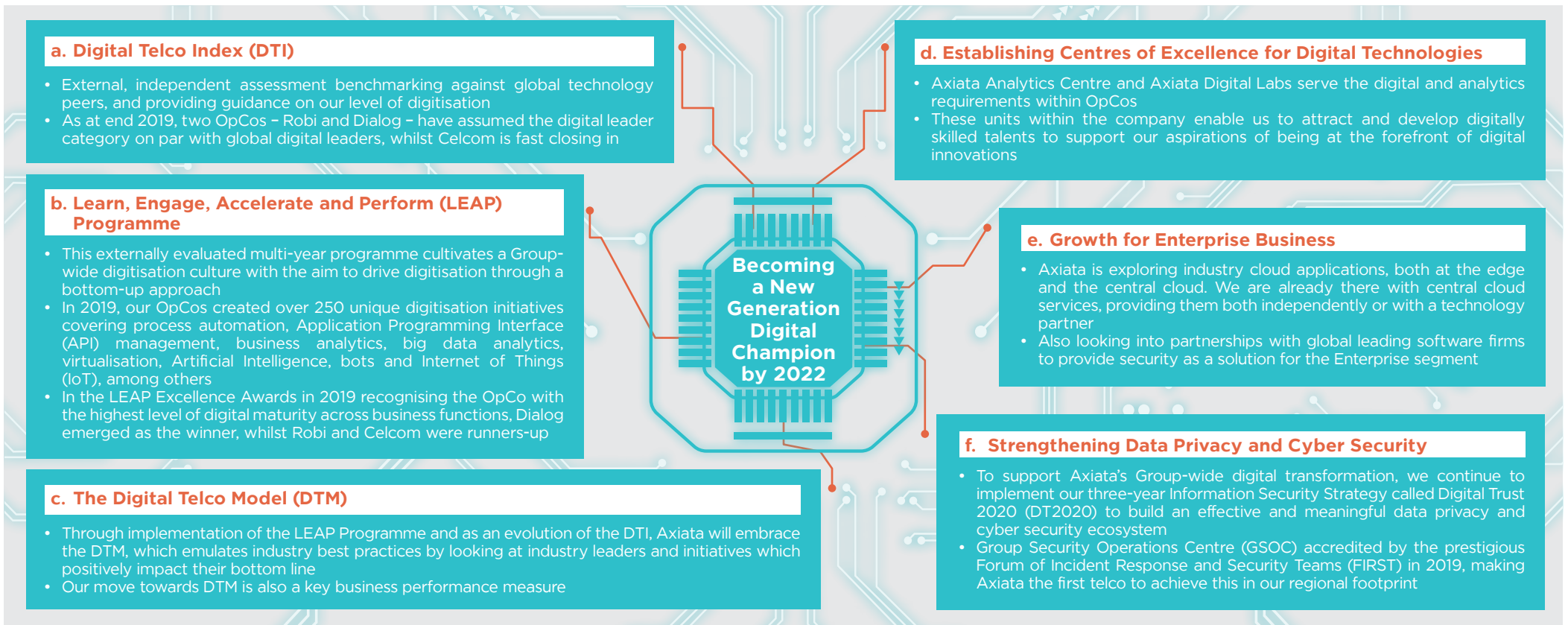
Earlier, we set up Axiata Digital in 2014 to help us innovate into the world of digital, Internet and innovation. One of the latest strategic decisions we've made is to appoint an Executive Vice President for Technology at the Group level to drive greater technological synergies between our OpCos and different segments of the business.

Becoming the digital organisation that we're evolving into with our three lines of businesses means that opportunities are abundant for cross-pollination of ideas, knowledge and initiatives which can be

monetised or used to improve Group efficiency. For example, our Digital Telcos can leverage on the strengths of our Enterprise unit to deliver cutting-edge IR 4.0 based solutions to customers. Our digital businesses can build on the reach of our telcos for further traction across our digital inclusion efforts.

Operationally, the Group has put in place exciting initiatives to keep our tech game sharp. We're applying artificial intelligence, robotics and other IR 4.0 principles across our digital products and services, and all our external interfaces, internal processes, as well as infrastructure and platforms as part of an ongoing Group-wide digitisation exercise.

To inspire our people and help them accelerate the company's transformation into a digital company, we have also embarked on an organisational culture and mindset transformation to be aligned with our M.A.D. (modern, agile and digital) values.



In Conversation With The President & Group CEO

6. Speaking of new technologies, Malaysia is one of the leading countries in the region pushing for 5G deployment as early as 2020. Are Axiata and Celcom ready?

At this juncture, assessments are being made on how the momentum for 5G implementation could be impacted as economic priorities shift and sharpen in the face of COVID-19 challenges. Findings from these assessments will inform our decisions moving forward on 5G implementation across our markets.

Prior to this, Malaysia, Sri Lanka and Cambodia were preparing to start in 2020, as other markets appear to lack maturity and have not provided any indications on spectrum availability.

To date, Celcom has been involved in the Malaysian Government’s National 5G Task Force from the get-go since 2018, working closely to support the Government’s aspiration and provide industry feedback towards a win-win implementation scenario for all.

Celcom has already been running live 5G trials. In fact, Malaysia’s first 5G Live Cluster was tested for six months since July 2019 at Celcom’s headquarters for the surrounding areas. Earlier this year, during the 5G trial run in Langkawi, Celcom deployed its IoT solutions for an enhanced security monitoring system in collaboration with Langkawi’s Royal Malaysian Police, in a bid to transform Langkawi into a more secure tourist destination.

So far, the Government’s intention is to commercially rollout 5G technology in the third quarter of 2020, to leapfrog the country’s digital economy, improve the quality of life for citizens and bring about efficiencies for businesses including small and medium-sized enterprises, as well as the public sector. In total, 100 5G use cases have been identified under nine verticals.

KEY INDUSTRY VERTICALS TO BENEFIT FROM 5G TECHNOLOGY

- Agriculture
- Education
- Entertainment/Media
- Digital Healthcare
- Manufacturing and Processing
- Oil and Gas
- Smart City
- Smart Transportation
- Tourism

We are very much aligned to these aspirations through our Advancing Asia purpose, and encouraged by the Government’s readiness to explore different options for the commercial rollout. The industry’s concerns have been primarily centred on the commercial viability of 5G due to intensive Capex requirements against a dragged-out payback period as they struggle with margins. The consortium-led approach that will see two or more players collaborating to implement 5G as proposed by the Government could be a solution, and it will be interesting to learn more details on how the Government plans to run this, should it be the way forward.

As a general indication of our position, we are excited about 5G opportunities, especially in the Home and Enterprise segments. Axiata is open to exploring suggestions that are aligned to our interest for a sustainable cost structure, whilst meeting with 5G aspirations across all our markets. At the same time, we will be prudent with timing our 5G investments to match demand for new services when it emerges, thereby ensuring a balance in line with our focus on profitable growth. We also believe our business case will be best achieved by collaborating with one or more players.

7. Companies are now held to higher standards on sustainability. What position has Axiata taken?

Yes, the sustainability agenda has increased in prominence. Our investors are increasingly focused not only on business governance and profitability, but how resilient our business is in adapting to climate change, and how we prioritise digital inclusion in our business strategy.


Our digital telcos work with local partners to deliver digitally inclusive services and content that are relevant to young children, women and rural communities, towards closing the digital divide. Aspirasi, our digital business, is rolling out micro-finance and micro-insurance services to support underserved

communities achieve their business goals. We hope to secure a digital banking license in 2020 in Malaysia, to expand our reach to serve marginalised communities.

Across the Group, we focus on increasing the energy efficiency of our network and installing renewable energy wherever feasible. edotco Group has managed to reduce carbon emissions in the life cycle of their towers by 54%. However, despite these efforts to reduce carbon intensity, we expect our overall emissions to increase due to our expanding footprint, as well as operating in a region where coal still fuels the grid.

Sustainability at Axiata is about driving a profitable business, without compromising future generations. Our sustainability framework, which is made up four pillars, as follows:



 Over the years, we have invested over **RM200 million** in digital innovation funds across the region to grow local digital entrepreneurship. This complements our **RM100 million** commitment to the **Axiata Young Talent Programme** that looks to build future CEOs. Fifteen of our Malaysian alumni are already CEOs of digital start-ups.

In Conversation With The President & Group CEO

8. What adjustments can we expect from Axiata in dealing with economic shocks as a result of the COVID-19 pandemic?

The impacts of COVID-19 are far more devastating than the 2008 global financial crisis which primarily led to a worldwide economic fallout. Today, we are staring in the faces of multiple global crises further compounded by public health concerns, escalating job losses and emerging social issues that will add further pressure on an already challenged global economy. This situation is unprecedented and fraught with uncertainties.

I believe that the telco industry has responded extraordinarily well to the many tests thrown at it, from meeting bandwidth challenges, to addressing the multifaceted needs of societies grappling to survive the near collapse of sectors and businesses.

As a regional telco player, Axiata's fundamental commitment is to ensure that our networks are able to cater to shifts in usage patterns, economic activities and data traffic surges. We regard this as basic

to fulfilling societies and businesses current needs and will do all that is required to ensure optimum network reliability. Beyond that, as part of our commitment to the communities we serve, we continue to find meaningful ways to deliver real value by leveraging on our technological capabilities as a digital telco to solve some of the more pressing issues.

To adjust Axiata to the new normal, we are brainstorming on what the future will look like. If we prepare right - in terms of our network, products, distribution and customer service - we believe we might be in an even better position in two years' time compared to pre-COVID-19.

Broadly speaking, the impacts on the telco industry fall within five distinct categories, while the impacts on Axiata will occur within the short, medium and long-term. Our analysis will guide us in strategising our business activities moving forward.

HOW TELCOS ARE AFFECTED BY COVID-19



Network

- Changes in user patterns due to movement restrictions imposed in countries worldwide, such as the Movement Control Order (MCO) in Malaysia
- Movement restrictions have led to companies implementing Work-From-Home (WFH) measures
- Changes in user patterns include:
 - More use of data than voice
 - Topographic shift in network congestion, that now centres in residential areas, rather than business centres and office buildings
 - A shift in daily usage patterns, from previous peak usage that began from late afternoon till late evening, to current peak usage that begins in the early afternoon till late evening
 - Dramatic increase in use of digital tools and software such as Office 365, Microsoft Teams, Zoom and Whatsapp, as well as Over-The-Top (OTT) entertainment such as Netflix



Digitalisation

- COVID-19 is the biggest driver to date to fuel digitisation, as people rapidly familiarise themselves with the tools necessary to effectively WFH
- Businesses are leveraging on digitisation to effect their continuity management plans and run their businesses online
- SMEs that are not fully digitised will be adversely impacted, as they struggle to connect with their customers and suppliers, and meet the basic business-as-usual requirements



Ecosystem

- The supply chain ecosystem comprising dealers, vendors and customers is in a state of flux
- Many dealers, especially in some of Axiata's more developing markets, have seen their physical premises shut down, resulting in prepaid mobile customers being unable to access top-up services
- With relatively high digital adoption rates, Malaysian customers can access online platforms quite easily. However, many customers in Axiata's South Asian markets are not online, thus limiting their access to digital solutions



Business

- We are fortunate that the telco industry is relatively not as badly affected as other sectors such as the aviation, tourism and hospitality, food and beverage sectors. From being regarded as a "sunset industry" we are now witnessing a rebirth of telcos' utilitarian role. As a critical infrastructure, telcos are rising to the challenge to double down on its commitment to customers, to deliver continuous and reliable quality across shifts in topography
- Telcos, therefore, are seeing a resurgence in their role to provide essential services to ensure continuity in business and consumer activities
- Within the telco sector, we foresee short, medium and long-term impacts



Collaboration

- We are witnessing greater collaboration between industry players, and the private and public sectors, as they come together to support each other to provide the various services essential for society as a whole to weather and recover from the crisis



For more details on:

- How Axiata is leveraging on its digital and technological capabilities to create value for communities, please refer to page 36 in the "See How We Intend To Create Long-Term Value" section
- Impacts on Axiata, please refer to the infographic "Axiata's Business Impacts From COVID-19: Short, Medium and Long-Term" on page 19 in the "In Conversation With The President & Group CEO" section

In Conversation With The President & Group CEO

AXIATA'S BUSINESS IMPACTS FROM COVID-19: SHORT, MEDIUM AND LONG-TERM

Short-Term

- Network traffic surges ranging between 12% and 40% throughout all OpCos, with Celcom network traffic up by 30%
- Malaysian telcos are impacted by the “freebie” 1GB per day mobile data use which has seen an extension beyond the initial 14-day MCO period. As customers use the “freebie” 1GB before utilising their data plan, we can expect this to dampen revenue for the entire industry. Net impact for Axiata varies according to our market; between 0% and 40%
- Prepaid mobile revenue affected by closure of customer contact centres in our other markets
- Although telcos are considered an essential service, we need to ensure our employees’ and vendors’ health and safety. Axiata switched to WFH, teleworking and virtual meetings, providing our people with the digital tools and platforms to deliver on their tasks

Medium-Term

- Post-MCO, we expect network traffic to continue to increase. However, as more people return to work, traffic will eventually even out though not likely to be the same as before
- With an economic recession, we expect many of our customers, especially those from the prepaid segment, to face job losses or salary cuts. This, in turn, will increase churn significantly
- Net impact on Axiata and all telcos may potentially be more negative as compared to during the MCO period, and we expect to see a decline in our customer base
- As we are wholeheartedly committed to doing our part, as responsible corporate citizens and national champions, we need to balance that while protecting our revenue and profit

Long-Term

- Traffic will continue on an uptrend, as people grow accustomed to digitisation in both their personal and work use, resulting in a new normal
- WFH becomes ever more ubiquitous as more companies encourage its adoption
- Expectations that unemployment will reduce as customers regain their jobs and businesses start to flourish again on the back of a recovering economy

In a post-COVID-19 world, there will be both winners and losers. The new normal will be driven by changes in consumer behaviour, as people strike the balance between health concerns, with work obligations and lifestyle needs.

We foresee e-commerce as one of the big winners in the future, driven by more evolved digital lifestyles. Business norms will change, as corporations choose to conduct online video conferences instead of travelling to other countries for short meetings, which in turn will adversely impact the aviation and tourism sectors.

Over the next year or two within the short and medium-term, telcos will be relatively better off compared to other sectors, but will still be negatively impacted. However, beyond that period of time, I believe telcos will be one of the strongest drivers of economic growth. Telcos will not only be the connectivity platform as a required basic utility for a functioning society, similar to the water and electricity utilities sectors, but also provide many digital solutions and services to businesses.

In a post-COVID-19 world, SMEs will have no recourse but to digitise their solutions in order to effectively manage daily operations and supply chains. The underlying basic need for both consumers and enterprise will predominantly be broadband and mobile services. Some businesses will choose to engage alternative telco suppliers to ensure continuous service.

For Axiata, opportunities lie in selling fixed wireless access and broadband to the enterprise segment. Axiata’s Enterprise business will be well placed to equip SMEs with the digital tools and platforms they need in the new normal, such as software to conduct online meetings and Cloud applications to access files online, as well as the knowledge and skills to adapt to working and conducting businesses digitally.

The possibility for innovations in industry solutions such as logistics, healthcare, agriculture and tourism are immense and exceedingly exciting! We will be looking at different ways of selling our products and services, leveraging on IR 4.0 technologies such as virtualisation to meet new demands in retail, healthcare and education.

On the financial aspect, while we expect some short-term impact to our profit and loss, in the longer term we believe we will emerge far stronger. Axiata kickstarted 2020 from a position of great strength, with a solid profit trajectory, robust balance sheet and cost management well on track. Given that we are starting on a strong footing and fundamentals, we are confident that we are able to navigate the storm ahead.



For more details on how our OpCos are dealing with the impacts of COVID-19, please refer to pages 50 to 68 in the “Assess How Our Operating Companies Have Contributed To Creating Value” section



For more details on Axiata’s COVID-19 responses, please refer to page 32 in the “Nurturing People” section

In Conversation With The President & Group CEO

9. You will pass the baton to Dato' Izzaddin Idris by end 2020. What does this leadership transition signal to investors?

We are looking forward to leadership transition that gives a good balance between continuity and fresh leadership. Being on the Axiata Board over the last three years, as well as Chairman of one OpCo and Board member at three OpCos, Izzaddin is not only well versed with the Group but also involved with many of its subsidiaries and companies. In the time he has been with us, Izzaddin as Board member, has worked on crafting and approving Axiata's long-term strategy that provides some continuity.

As a non-executive director who was unconstrained by the minutiae of day-to-day operations, he was able to step back and look at the business from a fresh angle. For the most part, he will not be "beholden" to the same execution tactics or even strategy, should there be a reason to make necessary changes, especially given the ever-changing business, social and technology demands. He will be able to provide the fresh leadership that Axiata needs in the future. Hence, by appointing Izzaddin, together with his vast experience and skills, we are getting the "best of both worlds" to inspire confidence in all our stakeholders.

10. You will be ending an illustrious 12-year tenure as CEO of one of Malaysia's more admired companies. What are your parting words?

The last twelve years have been exciting, challenging and incredibly demanding, to say the very least. Time has flown past in the blink of an eye! To an extent, my more than a decade at Axiata can best be described as a mini-rollercoaster ride of almost 50 financial quarters of rigour and scrutiny, with its ups and downs and unexpected twists and turns, as we battled heightened competition, unpredictable regulatory environments and global events beyond our control.

Back in 2007, when Tan Sri (then Dato') Azman Mokhtar pitched the leadership role in Axiata (or TMI and Celcom as it was known then), I was intrigued by the once-in-a-lifetime opportunity to transform a homegrown GLC up from an already good company into a great multinational group that is globally recognised and respected. As a Malaysian who is grateful for the countless opportunities the country had provided me to develop my own professional growth, I was confident we had the talent, capacity and vision to put Malaysia on the world map as one of the top telecom players in the region, and well known globally.

Putting it in perspective, the Axiata of today is present in 11 countries in ASEAN and South Asia with revenue almost 2.5 times larger since inception. Our local companies are fierce competitors, fighting hard to stake their number one and strong number two positions in their markets. As a Regional Champion,

we take pride in how Smart has leapfrogged to grow by five times in the Cambodian market within a short time span. The same can be said for Robi in Bangladesh, XL in Indonesia and Dialog in Sri Lanka, all of which have tripled in size since we first started. All our OpCos are now recognised as one of their countries' best performers, if not the best in their respective markets.

If I were to pick a guiding principle that has been Axiata's stealth weapon that drove our performance, it would be our obsessive adoption of diversity as one of our key differentiating strategies. Diversity in Axiata is very gratifying on all fronts, as we see talents from various nationalities, cultures and races working closely together towards achieving a common goal. We have 42 nationalities working across the Group, with 31 Malaysians serving in other countries.⁹ It reminds us that the world is much larger and more complex than we imagine it to be, filled with people who have unique perspectives and viewpoints from what we may be ordinarily used to. It is in that difference diversity offers, that Axiata has found our edge and confidence to challenge ourselves, stay ahead of the curve and create sustainable value throughout all our markets of operation. We could not have performed as well without the strength of our diversity. It is also an excellent experience for all our staff to work in this diverse environment, reflecting the globalised world, and providing the impetus to get out of the "*katak di bawah tempurung*"¹⁰ and "*jaguh kampung*"¹¹ mindsets.

“What I will miss most is the people I have been working with. That is the saddest part of leaving Axiata. But on the other hand, one of my happiest memories is to look back and see how many talents have grown and flourished over the years.”

What I will miss most is the people I have been working with. That is the saddest part of leaving Axiata. But on the other hand, one of my happiest memories is to look back and see how many talents have grown and flourished over the years. I know hundreds of examples – people who have grown in their career from clerks to managers, rookies to senior managers, managers to heads of operations or CxOs, and for some, all the way to CEOs of our OpCos. In fact, all the CEOs in all our eight major OpCos and many smaller Strategic Business Units (SBU) were groomed within the Company.

Hence, the term "illustrious" career is quite misleading, as it is only "illustrious" because of the people who made up the Axiata family. I happened to be the "stem", but they are the colourful "flowers" that blossomed and collectively made the plant so beautiful! My parting words are simply to thank each and every one of them, for contributing to the growth and success of the company. They are a great, collegial, high performing team. I will miss them!

I am grateful to Tan Sri Azman for giving me the opportunity to lead Axiata, and Tan Sri Ghazzali for continuing to have faith in me during all the good and challenging times, as well as the long list of people who have guided and helped me throughout this entire journey. It has been the role of a lifetime, and I especially thank all the Axiata teams across our footprint for working alongside and rallying to the cause.

It is my humble hope we have built an iconic Malaysian multinational with the right balance of systems, people and culture, that will achieve our vision to be a Digital Champion by 2022, while upholding our values of Uncompromising Integrity and Exceptional Performance within a humane and people-oriented organisation. I hope we will continue to have highly motivated talent contributing to all our markets and unstintingly serving our communities, especially here in Malaysia. After all, this company, in the end, is mostly about its people.

TAN SRI JAMALUDIN IBRAHIM
President & Group Chief Executive Officer

Notes: ⁹ Numbers are as of 31 December 2019

¹⁰ A Malay proverb literally translating to "frog underneath a coconut shell". It refers to an ignorant or unknowledgeable person, with a very limited world view, outlook and experience

¹¹ A Malay idiom literally translating to "village champion". It refers to an individual who can only succeed at the village/home ground level, and lacks the ability to take it further