



NEWS RELEASE
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TM DELIVERS LANDMARK 2022 PERFORMANCE (FY2022)
Revenue up 5.1% at RM12.12 billion; EBIT up 22.2% at RM2.09 billion;
PATAMI up 27.7% at RM1.14 billion

FY2022 Key Highlights (vs FY2021)

- **Operating Revenue** grew 5.1% from RM11.53 billion to RM12.12 billion, with growth across all customer segments and product lines
- **EBIT** grew 22.2% from RM1.71 billion to RM2.09 billion, driven by strong revenue growth and improved cost efficiency
- **PATAMI** grew 27.7% from RM0.90 billion to RM1.14 billion, contributed by lower financing cost
- **CAPEX** investment at 20.0% of revenue or RM2.43 billion, highest in 5 years primarily on growth in fibre service and network expansion
- **Final interim dividend** at 7.5 sen per share declared amounting to RM286.6 million, with total dividend of 16.5 sen per share amounting to RM627.5 million for 2022
- **ESG rating** upgraded, FTSE Russell rated 3.6 from 3.1 in 2021; CDP rated 'B' from 'C' in 2021. Both above industry average
- FY2022 overall performance showed strong results with good trajectory and operational excellence across all lines of business

The financial year 2022 (FY2022) performance, ended 31 December 2022, represents Telekom Malaysia Berhad's (TM) progress of its 3-year transformation programme (2021-2023). Moving into the final year of this transformation phase, TM remains committed to its focus in delivering value to its stakeholders.

Operating revenue grew by 5.1% to RM12.12 billion, from RM11.53 billion in 2021, fuelled by demand in connectivity, solutions and infrastructure. TM continued to strengthen its core businesses across Unifi, TM One and TM Global amidst intensified competition in the market.

Through revenue growth and improved cost efficiency, TM's Earnings Before Interest and Tax (EBIT) grew by 22.2% to RM2.09 billion, from RM1.71 billion last year.

Profit After Tax and Minority Interest (PATAMI) rose to RM1.14 billion from RM0.90 billion, up 27.7% through higher operating profit and lower financing cost.

Capital Expenditure (CAPEX) stood at 20.0% of overall revenue, amounting to RM2.43 billion invested to deliver growth in fibre services, network modernisation and upgrades.

Unifi's continuous growth momentum

Unifi continues its leadership in converged solutions of fixed broadband, mobile services, digital content and solutions for both consumers and MSMEs, recording a revenue growth of 7.5% from RM5.22 billion to RM5.61 billion contributed by increased number of home and MSME customers.

Unifi fixed broadband customers grew by 9.3% and exceeded the 3 million mark in 2022. To celebrate this milestone, customers were rewarded with free viewing of all 72 Unifi TV channels for one month, as well as pay-per-view movie discounts in appreciation for their trust and loyalty.

Unifi launched its 5G services in November 2022, offering Uni5G plans to Unifi Mobile postpaid and prepaid customers. 5G will reinforce TM's converged leadership to provide the widest and fastest all-in-one solution for fixed broadband, mobile service and digital content.

Unifi Business' digital solutions continue to boost and support MSME's digitalisation needs from cloud storage, eCommerce hub, cybersecurity and digital marketing, serving critical needs from connectivity to digital solutions, accelerating their business growth.

TM One drives enterprise-grade innovative solutions

TM One reported a 0.5% growth in revenue from RM3.32 billion to RM3.34 billion in 2022, after several years of revenue decline amidst changing market dynamics and competitive landscape. This is attributed to higher recurring revenue and bespoke solutions deployment, as a trusted technology partner for large enterprises and the Government.

Utilisation of data centre space and power have also increased in 2022. The twin-core data centre of KVDC and IPDC have obtained Green Electricity Tariff (GET) from TNB as well as Green Building Index (GBI) and Leadership in Energy Environmental Design (LEED) certifications.

To strengthen its partner ecosystem, TM One launched '5G Sphere' in October 2022 and today counts on over 70 leading technology and smart solution partners to accelerate the co-creation of 5G use-cases. On the other hand, Credence is advancing enterprise's 'cloud-first strategy' as well as developing technologically-skilled professionals to accelerate cloud adoption in Malaysia.

TM Global positions Malaysia forward as a digital hub in the region

TM Global (rebranded from TM Wholesale) delivered a strong performance which made a significant contribution to the overall 2022 performance. TM Global's revenue grew 7.8% from RM2.58 billion to RM2.78 billion, on the back of higher domestic data and international digital demand.

Domestically, TM Global is the preferred partner for High-Speed Broadband Access (HSBA) with the highest new installation in 4Q 2022. Advancing the country's 5G rollout, almost 4,000 fiberisation sites were completed for the year.

Internationally, TM Global closed deals from US-based hyperscalers and Asia-Pacific carriers for its wholesale data centre solutions and international data services, elevating Malaysia as a trusted digital hub for the ASEAN region.

Commentary and Outlook from Dato' Imri Mokhtar, TM Group Chief Executive Officer

"2022 was a milestone year for TM, tracking well in our transformation with growth across our business segments – Unifi, TM One and TM Global, and cost efficiency improvement. The stronger financial position places TM in a position to deliver better value and benefits for our stakeholders – customers, shareholders, partner ecosystem and community.

“TM is committed to continuously invest in shaping a Digital Malaysia through technology that empowers communities, businesses and Government – not just in our core business, but also in new, adjacent growth areas such as cloud, data centre, cybersecurity and platform-services.

“Sustainability will also be a domain we strive to make continuous progress. We have seen improvements in TM’s ESG ratings, for example the FTSE Russell ESG score rising from 3.1 to 3.6 in 2022 and also the CDP rating upgrade to ‘B’ from ‘C’ last year, both above the industry average. On governance, TM upholds transparency, disclosure and zero-tolerance to all forms of corruption, receiving the Gold Category in the recent Integrity, Governance and Anti-Corruption Award (AIGA) 2022.

“As part of TM’s next transformation to become a human-centred TechCo, we announced a reorganisation in December 2022 to streamline our core businesses and subsidiaries under a new entity named TM Technology Services Sdn Bhd (TM Tech). TM Tech is set to become the main operating entity of the Group with effect from 1 March 2023. This new corporate structure will be the catalyst for the next phase of TM’s transformation to reinforce its fixed-mobile convergence leadership, further improve operational efficiencies and deliver a more seamless customer experience.

“On the back of our current business momentum, there are new opportunities in the adjacent growth areas but also industry headwinds in terms of regulatory policy and higher technology costs. We are continuously assessing the impact of industry developments and will work closely with key stakeholders towards providing technology that is accessible to all in this digital era.”

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