

**TM POSTS SOLID 3Q PERFORMANCE WITH GROWTH ACROSS ALL SEGMENTS;
CONTINUOUS GROWTH IN REVENUE AND EBIT**

3Q2022 Key Highlights (vs 3Q2021)

- **Operating Revenue** grew 12.7% to RM3.16 billion, from continuous growth across all customer segments
- **EBIT** grew 38.2% to RM604.8 million, from strong revenue growth and improved business cost efficiency
- **PATAMI** decreased 2.2% at RM265.2 million, following higher tax charges including *Cukai Makmur*, and foreign exchange translation loss on borrowings
- **CAPEX** investment at 19.1% of revenue or RM603.7 million, focused primarily on fibre service growth and network expansion, includes enabling 5G network rollout
- On the back of a solid first nine months, TM is revising upwards its **market guidance** on revenue and profit growth

Delivering another solid quarter in 2022, Telekom Malaysia Berhad (“TM” or “the Group”) continues to chart a steady growth trajectory with its third quarter ended 30 September 2022 as compared to the same period last year (YoY).

The Group’s operating revenue increased by 12.7% to RM3.16 billion, from RM2.80 billion in 3Q2021, the highest revenue recorded in the last ten quarters. TM’s focus on strengthening its core business and operational efficiency proved solid and resilient, capturing continued growth against the backdrop of intensifying competition.

Better business cost efficiency from prudent operational spending plus optimisation programmes contributed to a better Group’s Earnings Before Interest and Taxes (EBIT) reported at RM604.8 million, a 38.2% growth from RM437.5 million in 3Q last year.

Profit After Tax and Non-controlling Interest (PATAMI) stood at RM265.2 million, decreased 2.2% from RM271.3 million recorded last year, as a result of higher taxation pay out and foreign exchange translation loss on borrowings.

Continuous investment for growth and improving the experience of customers has been a rallying point for TM. The Group invested CAPEX at 19.1% of revenue this quarter, amounting to RM603.7 million to meet customers’ demands through fibre expansion, network modernisation and technology upgrades.

Unifi sustains growth momentum

Unifi demonstrated a continuous growth trajectory and continues its leadership in fixed-mobile converged (FMC) solutions of fixed broadband, mobile services, digital content and solutions for both consumers and MSMEs, recording a revenue increase of 7.0% from RM1.31 billion to RM1.40 billion.

Driven by aggressive sales, promotions and loyalty programmes for customers, Unifi grew its fixed broadband subscriber base close to 3 million. With 5G now made available, Unifi will leverage this equal playing field to strengthen its position as the preferred provider for FMC, providing the widest and fastest all-in-one solution to meet today's digital lifestyle.

Unifi has also expanded its digital content portfolio with more on-demand streaming apps, with Unifi TV on track to become the largest streaming platform in Malaysia by end of 2022, with more than 15 streaming apps onboard. Its most recent launches include MangoTV, one of China's leading online video platforms and SIAR, a local channel featuring classic Malay movies.

With approximately 400,000 MSME customers, Unifi Business' digital solutions and programmes aim to accelerate their digital transformation and business growth. On top of connectivity, Unifi Business also unveiled new business solutions to support MSMEs digitisation through cloud adoption, eCommerce Hub, cybersecurity and digital marketing, and were created to be affordable for this segment.

TM One turnaround continues

TM One, the Group's enterprise and government sector arm, recorded a 11.9% growth in revenue from RM796.9 million to RM891.9 million in 3Q2022, clocking in a solid performance in the quarter.

Growth was from both enterprise and government sector segments driven by connectivity services and customer projects. TM One inked more collaborations with several organisations to enable their customers' digitalisation and transformative plans.

TM One's 5G Sphere comprising a technology ecosystem of more than 35 partners was recently launched to deliver 5G-enabled solutions for industry leaders to accelerate growth and create a more sustainable business operation. Its Private 5G solutions leveraging on dedicated and reliable Private 5G network will also propel enterprise adoption of IoT and IR 4.0 technologies, machine learning and analytics that will spur the nation's economic growth.

TM Wholesale (TMW) supports the telco/technology growth in Malaysia & region

TM Wholesale (TMW) recorded a stellar performance in 3Q2022, with revenue increasing by 26.0% from RM610.9 million to RM769.9 million, making it the biggest revenue growth contributor for the Group in the current quarter. This is mainly attributable to higher domestic data and international digital demands from hyperscalers and global carriers within the region.

More than 5,400 cumulative 4G and 5G fibre backhaul sites were deployed to expand network coverage and accelerate digital implementation nationwide. TMW continues to support the industry's demand for High-speed Broadband Access (HSBA), delivering a total of more than 670,000 ports for 5 local broadband providers.

At the international front, TMW secured a North Asia digital provider and a US-based hyperscaler as its latest wholesale Data Centre customers in Iskandar Puteri Data Centre. TMW also became the preferred service provider for a US-based hyperscaler in providing a long-term International Data services, thus strengthening its position as Malaysia's preferred network infrastructure provider and at the same time positioning our country as a digital hub within ASEAN.

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

“TM’s growth momentum is expected to continue for the rest of 2022 from our core business segments - Unifi, TM One and TM Wholesale. We shall continue to invest in our technology capabilities, new growth areas of FMC and digital solutions, and in building capacity and digital talents within TM; while staying focused on growing with our customers, as well as continuing our operations cost discipline.”

“Competition in FMC and the digital space is intensifying. We are strengthening our mobile business with the right strategy and capabilities to take TM into an era of true convergence. Unifi introduced exciting bundled packages for consumers and MSMEs, while TM One brings together leading technology and smart solution partners to accelerate innovative use cases. TMW continues to deliver on its aspiration to position Malaysia as the digital hub for ASEAN via submarine cables and data centre offerings.”

“2022 is indeed the year to build our commercial resiliency to face the anticipated headwinds in 2023 – easing of economic growth, high supply chain cost and more measured customer spending.”

“As we evolve from a converged Telco into a human-centred TechCo, we continue to focus on executing our transformation programmes which has produced tangible results for our customers and stakeholders.”

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